

Quality



Definition of **quality**

noun

- the standard of something as measured against other things of a similar kind; the degree of excellence of something.

E.g: 'an improvement in product quality'

Why do products need to be of good quality?

“Quality is about meeting the needs and expectations of customers”

Customers want quality that is appropriate to the price that they are prepared to pay and the level of competition in the market.

Key aspects of quality for the customer include:

Good design – looks and style

Good functionality – it does the job well

Reliable – acceptable level of breakdowns or failure

Consistency

Durable – lasts as long as it should

Good after sales service

Value for money

‘Value for money’ is especially important, because in most markets there is room for products of different overall levels of quality, and the customer must be satisfied that the price fairly reflects the quality.

Why is Quality Important

Why quality is important to a growing business

Good quality helps determine a firm's success in a number of ways:

- **Customer loyalty** – they return, make **repeat purchases** and recommend the product or service to others.
- Strong brand reputation for quality
- Retailers want to stock the product
- As the product is perceived to be better value for money, it may command a premium price and will become more price inelastic
- Fewer returns and replacements lead to reduced costs
- Attracting and retaining good staff

How do manufacturers ensure their products are of high quality?



Difference between Quality Assurance (QA) and Quality Control (QC)

Quality Assurance is **process oriented** and focuses on defect *prevention*; while quality control is **product oriented** and focuses on defect *identification*.

QA is set of activities whose purpose is to demonstrate that an entity meets all quality requirements. This is done by adopting a standard set of process and usual QA techniques like review, training, facilitation etc. It can be termed as defect prevention.

QC is set of activities whose purpose is to ensure that all quality requirements are being met. This is defect detection, and done by testing.

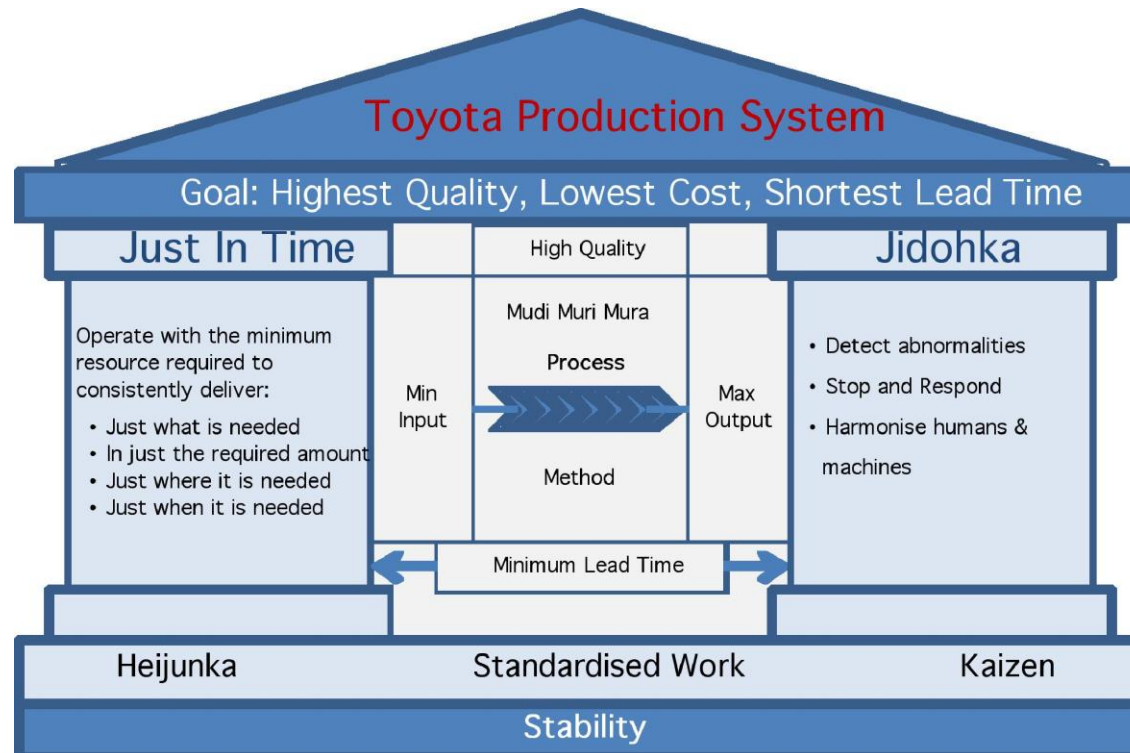
Quality Control is mainly an inspection function.

Quality assurance is an audit function.



Total Quality Management (TQM)

- Everyone within the company has a role to play in the quality of the product- A chain with strong links.
- Customer satisfaction is the most important thing.
- Led from the top down.
- Constantly looks at how company can improve to minimise and eliminate mistakes.



Kaizen

改善

- Kaizen is a Japanese word for an **approach to work** where workers are told they have two jobs to do:
- Firstly to carry out their existing task; and
- Secondly to come up with ways of improving the task
- The concept known as “**continuous improvement**” therefore implies a process where the overall progress and gains in productivity within a firm, come from small improvements by workers being made all the time.
- For example, an employee may simply re-organise the lay out of his work area, which saves 2 minutes looking for and filing paperwork each day. When added up the course of a week, 10 minutes extra productive time is gained, which over a year equates to an extra days work. If other workers also adopt this, then a firm can benefit from a significant increase in output per worker (productivity) over a year.

Quality Standards

