

MANAGEMENT PROGRAMME

Term-End Examination

June, 2013

MS-96 : TOTAL QUALITY MANAGEMENT

Time : 3 hours

Maximum Marks : 100

(Weightage 70%)

-
- Note :** (i) *There are two Sections : A and B*
(ii) *Attempt **any three** questions from Section A which carry 20 marks each.*
(iii) *Section B is compulsory and carries 40 marks.*
-

SECTION - A

1. (a) How do international quality standards facilitate international trade ? Give an example of international quality standard which has achieved universal application.
(b) What is Taguchi's definition of quality ? Discuss his contribution to the field of quality.

2. (a) How can you determine customer satisfaction ? Explain.
(b) "Quality aspect is an integral part of strategy." Discuss the role of quality in business planning process.

3. (a) What is “re-engineering” and what are the important features of Business Process Re-engineering ?
(b) What is Quality Function Deployment (QFD) and what benefits can its application bring to a business organization ?
4. (a) Discuss, with examples, some of the leadership behaviours that are conducive to creating quality environment in the organization.
(b) What is certification ? What are the main steps involved in quality management system certification ?
5. (a) What business and management activities are covered under Environmental Management System (EMS). What support does such a system need for its success and why ?
(b) Explain the differences between Quality Management Manual and Quality Assurance Manual.

SECTION-B

6. Read the following case and answer the questions given at the end.

CARCOM : THE TQM INITIATIVE

'Carcom' is a supplier of automotive safety components employing around 700 staff which is located on two sites in Northern Ireland. The company was originally American owned but after a joint venture with a Japanese partner in the late 1980s, it was eventually bought out by the latter.

The quality initiative began in 1988-89 with a five-year plan based on the Kaizen philosophy, this concept having been picked up from the Japanese partner. This was driven by senior management in response to what they saw as increasing customer demand and operating considerations. The achievement of ISO 9001 registration in 1990 brought together processes carried out by departments which had previously been undertaken in isolation. The company is now focusing on Kaizen with the principles of improvement, customer delight, systems focus and participation. A range of quality management tools and techniques are used. A TQM steering committee is responsible for overall direction but there is also a further steering committee to oversee implementation of the Quality Improvement

Teams (QITs) as well as a full time coordinator. There are teams of shopfloor operators based on natural workgroups, and these tend to focus on product problems and environmental issues (such as working conditions). In contrast, Kaizen teams focus on process improvements (for example, die change) and problem - solving workgroups are established in response to specific customer concerns (for example, warranty claims).

Senior managers stress that a long-term approach is now being taken which is in contrast to some of the programmes in the early 1980s. These former piecemeal initiatives included quality circles which had been characterized by considerable changes in personnel, with a number of champions having moved on leaving behind a flagging initiative. In contrast, the company is now taking time to get the processes right and providing a central focus through quality for change. Cultural change is the aim but it is recognized that only incremental progress can be achieved and that a supportive attitude is required from management. Thus, QIT members are given extensive training and are encouraged to tackle problems which give early success and build teamwork, rather than put pressure on teams to deliver immediately on big issues.

The Impact of the TQM Initiative

While it is still early days, the initiative is already felt to have had a major impact. The management structure has been reduced by one layer, shopfloor layout has been improved, and scrap rates, stock, work-in-progress and inspection times have been reduced, so too have the numbers of inspectors, whose role is now seen as one of analysts. Employee response to these changes has generally been positive, and the company has spent considerable effort in relating 'quality' directly to employees' work, particularly through the use of measures which are displayed adjacent to the workstation and maintained by staff themselves. The unions were assured that there would not be job losses as a result of Kaizen, although they continue to have concerns about this and also raise the issue of payment for changes in job roles-particularly in relation to SPC. The company has adopted an open information policy to foster greater trust at the workplace, and business-related issues are given greater prominence at the joint works committee meetings. Management also believe that the quality initiative has led to a reduction in union influences although this was not an original objective.

The Strategic Nature of the Human Resource Function

The human resource function has emerged from a welfare to a more strategic role in recent years. This has been assisted by an MD who is regarded as a 'people's person' claiming that 'you can't divorce people from quality, and by the appointment of a personnel director to the board together with a new industrial relations manager. This has broadened the role of human resources and enhanced its status. The appointment of a training manager was significant, since under the previous regime little off-the-job training was conducted. Training budgets have actually increased in volume and monetary terms despite the company's recently recorded trading losses. Recruitment and selection are becoming more sophisticated as the company wish to identify team workers.

The links between human resources and quality were made explicitly by the MD : "We cannot separate HR from TQM, and without HR the Quality Improvement Programmes (QIP) will not work effectively." In addition to the issues mentioned above, the function was also seen as being important in building the people aspect into the strategic quality planning process, addressing the problem of absenteeism, and supporting line

management by helping to change employee attitudes/organizational culture. In addition, the function has provided appropriate training programmes for quality, in which there has been considerable investment in time and resources, it has counselled the mentors to the QIT, and ensured that managers communicate with staff by providing advice on the best means of doing this. Quality principles are also being developed in relation to the human resource function, with specific targets being set (for example, for absenteeism) as well as more general aims (for example, on training).

Questions :

- (a) Analyse the links between TQM and HRM in general and specifically with reference to this case.
- (b) What does the case demonstrate about the contribution the personnel/HRM function can make to the development of TQM in an organization ?
- (c) How might the principles of TQM be applied to a personnel function ?
- (d) What implications does TQM have for industrial relations ?