UNIVERSITI SAINS MALAYSIA

First Semester Examination 2014/2015 Academic Session

December 2014 / January 2015

EBB 513/3 – QUALITY MANAGEMENT

Duration: 3 hours

Please ensure that this examination paper contains <u>FIVE</u> printed pages before you begin the examination.

This paper consists of SEVEN questions.

<u>Instruction</u>: Answer <u>FIVE</u> questions. If a candidate answers more than five questions only the first five questions answered in the answer script would be examined.

The answers to all questions must start on a new page.

All questions must be answered in English.

1. Change is a constant movement in many of our lives. All around us, technologies, processes, people, ideas, and methods often change, affecting the way we perform daily tasks and lifestyle. Having a smooth transition when change occurs is important in any situation. Therefore, understanding on the differences between "Change Management" and "Managing Change" is very important. Discuss in details the differences of the two terms.

(100 marks)

2. It is not very much dependent on the size, location, capital, qualification, etc. for the success of any company or institution. It is very much related to the way the managing practices being done i.e. Management Best Practices. Differentiate clearly on the importance and various requirements between Management Best Practices and Management Bad Practices.

(100 marks)

3. After several times of thorough and heated discussions, you and another three good friends are agreed to start an ice blended outlet. The location of the outlet is at Mydin Wholesale Hypermarket Parit Buntar, Perak. One of the most important decisions is to prepare a very comprehensive "strategic planning". Strategic planning is basically the process whereby organizations develop a vision, mission, guiding principles, broad objectives, and specific strategies for achieving the broad objectives. For this reason, discuss in details about your company strategic planning.

All organizations are basically under pressure to demonstrate management 4 systems that satisfy the various demands of stakeholders. Issues on quality, environment, IT security and legislation, health and safety, the list of aspects and the requirements your business has to comply with, seems to go on and on. Traditionally, organizations have focused on establishing management systems that demonstrate compliance with each specific requirement, sometimes in isolation or even conflict. Whereas in a perfect world, you should have one system that ensure your organization addresses all of its objectives at once, be the quality, environment or any other aspect. It's a great challenge to satisfy the needs of several management systems while running a business. But achieving this can be beneficial to your organization's efficiency and effectiveness, as well as reducing the cost and disruption of external audits. Therefore, an integrated management system (IMS) is highly recommended. IMS is a management system which integrates all components of a business into one coherent system so as to enable the achievement of its vision, mission, and purpose. Discuss in details about the implementation of IMS in your company.

(100 marks)

5. As one of the most important steps to move forward, the vast majority of the companies are actively engaged in benchmarking. Benchmarking is become an increasingly popular tool among companies trying to become more competitive, striving for world-class performance. Benchmarking was brought to our awareness through Robert C. Camp's 1989 landmark book. Benchmarking is a part of the total quality process, and anyone involved in total quality should have a solid understanding of this subject. Provide your detail explanation on the benefits and pitfalls of benchmarking. You also need to include on how to make rational decisions concerning benchmarking, including whether or not to do it, and how to go about it.

6. Just in time (JIT) or sometimes referred to as Lean Production Manufacturing is the name given by the Toyota Production System developed by Taiichi Ohno. Another popular term known as Focused Factory is sometimes applied to JIT production cell. If you encounter a production system called Demand Flow, or Demand Flow Technology, it is JIT with new label. JIT manufacturing has become a management philosophy that seeks to eliminate all forms of waste in manufacturing processes and their support activities. This has to apply not only to the JIT manufacturer but also to its suppliers if the system is to eliminate all possible waste. Often that those companies that have required their suppliers to do their warehousing clearly have not gotten the point. The supplier should not produce the material until the JIT manufacturer needs it. In that mode there is no warehousing and therefore, no wasted resources for buildings, maintenance, people to care for the material spoilage, obsolescence, or other related problems. Explain in detail about the rational for JIT, relationship of JIT to TQM and Word-Class manufacturing, benefits of JIT, requirements of JIT and automation & JIT.

Total Quality Management (TQM) is the way of managing for the future, and 7. is far wider in its application than just assuring product or service quality - it is a way of managing people and business processes to ensure complete customer satisfaction at every stage, internally and externally. TQM, combined with effective leadership, results in an organization doing the right things right, first time. Therefore, the International Organization for Standardization (ISO) has defined TQM as "A management approach for an organization, centred on quality, based on the participation of all its members and aiming at long-term success through customer satisfaction, and benefits to all members of the organization and to society". The core of TQM is the customer-supplier interfaces, both externally and internally, with a number of processes at each interface. This core must be surrounded by systematic planning, appropriate tools for measuring, delivering and sustaining quality, competent teamwork, commitment to quality, communication of the quality message, and recognition of the need to change the culture of the organization to create total quality. For better understanding, it is more convenience to express the above statement in a simple TQM Model. Develop a possible TQM Model with details explanation.