

Topic 2.3.3 Managing Quality

BUSINESS: *Creating informed, discerning employees, consumers and future leaders*

Key Vocabulary

Quality control – putting measures in place to check that the customer receives an acceptable level of quality

Quality assurance – a system based on preventing quality problems by involving all staff within the production team to understand their role in maintaining highest quality standards

Warranty – the guarantee by a producer that it will repair any faults in a product for a specific period of time

Core Knowledge

Quality is about meeting a minimum standard to satisfy customer expectations

Quality control

- Finished goods are inspected
- Checks for defects rather than preventing them
- Costly as it can lead to a high level of wastage
- Workers less involved in process so may be less motivated

Quality assurance

- Quality is checked at every stage in the production process – more time consuming, but defective products are dismissed before being completed
- Aims to prevent defects
- Staff need training – costly in short term; more motivating in long term

Importance

- Lowers costs through less wastage
- As production costs lower, profit margins increase
- Quality can improve reputation and build brand loyalty leading to a competitive advantage

Misconceptions

- Remember quality is important for goods as well as services
- Don't confuse quality control and quality assurance
- Quality assurance can not be put in place quickly – staff need to be trained and it takes time to be embedded into the culture of the business



Application

Gordon Ramsey – in his restaurant the Head Chef will check every plate of food before it is sent out

Hotels – have a check list for cleaners to ensure that all rooms are same standard



Topic Links

Motivation – motivated staff are more likely to deliver a high-quality service

Customer needs – quality is one of the needs of customers

Promotion – quality can be used as a promotion tool

Consumer law – products must be 'fit for purpose'; a minimum quality measure

Technology – led to an increase in reviews online, which impacts a firm's reputation