**TEST BANK**

**Chapter One**

THE TOTAL QUALITY APPROACH TO QUALITY MANAGEMENT

## **TRUE/FALSE: Place T or F in the space provided to the left of the statement.**

\_\_\_\_\_1. Quality deals not only products and services but also includes people, processes, and environments.

\_\_\_\_\_2. Joseph M. Juran is best known for the Seven Deadly Diseases.

\_\_\_\_\_3. Today’s consumers define quality as being flawless and having all of the attributes they want in just the way they want them.

\_\_\_\_\_4. According to the Three-Legged Stool of Total Quality, the seat of the stool is customer focus.

\_\_\_\_\_5. Quality management has o future in the 21st century.

 \_\_\_\_\_6. Peak performance is essential to organizations that operate in a globally competitive environment.

 \_\_\_\_\_7. The concept that drives the need for Total Quality is competitiveness.

**MULTIPLE CHOICE: Circle the letter before the correct answer in each of the following questions.**

1. The total quality approach has which of the following characteristics?

### Teamwork

#### Obsession with quantity

1. Confusion and poor leadership
2. One employee in charge
3. Customers want an excellent product or service from an organization that also provides:
4. The Deming Cycle
5. Quick fixes
6. Reliable delivery and after purchase support
7. Stamps

3. Which of the following functions is part of the Juran Trilogy?

1. Pareto Principle
2. Quality planning
3. Unity of purpose
4. Six Sigma Program

4. Crosby's Quality Vaccine consists of three ingredients. Which of the following is not one of the three ingredients?

### Teamwork

1. Education
2. Determination
3. Implementation

5. Which of the following is a trend that will shape the future of quality management?

### The Deming Cycle.

1. The Juran Trilogy.
2. Global economy.
3. Increasing global competition.

6. Which of the following certifications is for managers who lead and champion continual-process improvement initiatives?

 A. Calibration technician

 B. Six Sigma Green Belt

 C. Manager of Quality/Organizational Excellence

 D. Quality Process Analyst



**ANSWERS TO** **REVIEW QUESTIONS**

**Chapter One**

THE TOTAL QUALITY APPROACH TO QUALITY MANAGEMENT ACHIEVING ORGANIZATIONAL EXCELLENCE

**1. Define the term quality.**

Quality is a dynamic state associated with products, services, people, processes, and environments that meets or exceeds expectations.

**2. What is total quality?**

Total quality is an approach to doing business that attempts to maximize the competitiveness of an organization through the continual improvement of the quality of its products, services, people, processes, and environments.

**3. List and explain the key elements of total quality.**

**Strategically-based**

Total quality organizations have a comprehensive strategic plan that contains at least the following elements: vision, mission, broad objectives, and activities that must be completed to accomplish the broad objectives. The strategic plan for a total quality organization is designed to give it a sustainable competitive advantage in the marketplace.

**Customer Focus**

In a total quality setting, the customer is the driver. This applies to both internal and external customers.

**Obsession with Quality**

This means all personnel at all levels approach all aspects of the job from the perspective of "How can we do this better?" When an organization is obsessed with quality, good enough is never good enough.

**Scientific Approach**

While it is true that people skills, involvement, and empowerment are important in a total quality setting, they represent only a part of the equation. Another important part of the equation is the use of the scientific approach in structuring work and in decision making and problem solving that relates to the work.

**Long-Term Commitment**

Organizations that implement management innovations after attending short-term seminars often fail in their initial attempt to adopt the total quality approach. This is because they approach total quality as just another management innovation rather than as a whole new way of doing business that requires a whole new corporate culture.

**Teamwork**

Internal competition tends to use energy that should be focused on improving quality, and, in turn, external competitiveness.

Continual Improvement of Systems

In order to continually improve the quality of products or services: which is a fundamental goal in a total quality setting. It is necessary to continually improve systems.

**Continual Process Improvement**

Products are developed and services are delivered by people using processes within environments (systems). To continually improve the quality of products and services—which is a fundamental goal in a total quality setting—it is necessary to continually improve the processes that make up the organization’s systems.

**Education and Training**

Education and training are fundamental to total quality because they represent the best way to improve people on a continual basis. In a total quality organization, everyone is constantly learning.

**Freedom through Control**

Involving and empowering employees is fundamental to total quality as a way to simultaneously bring more minds to bear on the decision making process and increase the ownership employees feel in decisions that are made. The freedoms enjoyed in a total quality setting are actually the result of well-planned and carried out controls.

**Unity of Purpose**

In order to apply the total quality approach, organizations must have unity of purpose. Collective bargaining is about wages, benefits, and working conditions, not about corporate purpose and vision. Employees should feel more involved and empowered in a total quality setting than in a traditionally managed situation, but the goal of total quality is to enhance competitiveness not to eliminate unions.

**Employee involvement**

The basis for involving employees increases the likelihood of a good decision1 a better plan, or a more effective improvement by bring more minds to bear on the situation: not just any minds, but the minds of the people who are closest to the work in quest. It also promotes ownership of decisions by involving the people who will have to implement them. Empowerment means not just involving people but involving them in ways that give them a real voice.

**Peak Performance**

When effectively practiced, total quality allows every aspect of an organization to operate at peak levels. This means that personnel and processes operate at their best. Peak performance is essential to organizations that operate in a global environment where competition is intense, constant, and unforgiving.

**4. Explain the rationale for the total quality approach to doing business.**

Total quality is not just one individual concept. It is a number of related concepts pulled together to create a comprehensive approach to doing business. Many people contributed in meaningful ways to the development of the various concepts that are known collectively as total quality.

**5.** **Describe the following concepts:**

**Deming's Fourteen Points**

His Fourteen Points describe what is necessary for a business to survive and be competitive today. They summarize what a company must do to effect a positive transition from business-as-usual to world-class performance. They contain the essence of all of Dr. Deming's teachings and are the heart of his philosophy.

1. Create constancy of purpose toward the improvement of products and services in order to become competitive, stay in business, and provide jobs.
2. Adopt the new philosophy. Management must learn that it is a new economic age and awaken to the challenge, learn their responsibilities, and take on leadership for change.
3. Stop depending on inspection to achieve quality. Build in quality from the start.
4. Stop awarding contracts on the basis of low bids.
5. Improve continuously and forever the system of production and service, to improve quality and productivity, and thus constantly reduce costs.
6. Institute training on the job.
7. Institute leadership. The purpose of leadership should be to help people and technology work better.
8. Drive out fear so that everyone may work effectively.
9. Break down barriers between departments so that people can work as a team.
10. Eliminate slogans, exhortations, and targets for the workforce. They create adversarial relationships.
11. Eliminate quotas and management by objectives. Substitute leadership.
12. Remove barriers that rob employees of their pride of workmanship.
13. Institute a vigorous program of education and self-improvement.
14. Make the transformation everyone's job and put everyone to work on it.

**The Deming Cycle**

The Deming Cycle was developed to link the production of a product with consumer needs and focusing the resources of all departments (research, design, production, and marketing) in a cooperative effort to meet those needs.

1. Conduct consumer research and use it in planning the product (plan).
2. Produce the product (do).
3. Check the product to make sure it was produced in accordance with the plan (Check).
4. Market the product (act).
5. Analyze how the product is received in the marketplace in terms of quality, cost, and other criteria, or how it measures up against expectations (analyze).

**The Seven Deadly Sins**

The Seven Deadly Sins summarize Dr. Deming's views on what can inhibit the transformation from business-as-usual to worldclass quality.

1. Lack of constancy of purpose to pan products and services that have a market sufficient to keep the company n business and provide jobs.
2. Emphasis on short-term profits; short4erm thinking that is driven by a fear of unfriendly takeover attempts and pressure from bankers and shareholders to produce dividends.
3. Personal review systems for managers and management by objectives without providing methods of resources to accomplish objectives. Performance evaluations, merit ratings, and annual appraisals are all part of it - its disease.
4. Job hopping by managers.
5. Using only visible data and information in decision making with little or no consideration given to what is not known or cannot be known.
6. Excessive medical costs.
7. Excessive costs of liability driven up by lawyers who work on contingency fees.
8. **List and explain Juran's main contributions to the quality movement.**

**Juran's three Basic Steps to Progress.**

These are broad steps that, in Juran's opinion, companies must take if they are to achieve world-class quality. He also believes there is a point of diminishing return that applies to quality and competitiveness.

1. Achieve structured improvements on a continual basis combined with dedication and a sense of urgency.
2. Establish an extensive training program.
3. Establish commitment and leadership on the part of higher management

**Juran’s Ten Steps to Quality Improvement**

Ten steps which overlap with Deming's Fourteen Points. They mesh well with the philosophy of quality experts.

1. Build awareness of both the need for improvement and opportunities for improvement.
2. Set goals for improvement.
3. Organize to meet the goals that have been set.
4. Provide training.
5. Implement projects aimed at solving problems.
6. Report progress.
7. Give recognition.
8. Communicate results.
9. Keep score.
10. Maintain momentum by building improvement into the company's regular systems.

**The Pareto Principle**

According to this principle, organizations should concentrate their energy on eliminating the vital few sources that cause the majority of problems. This principle is sometimes called the 80/20 rule. 80% of the trouble comes from 20% of the problems. Though named for turn-of-the-century economist, Vilfredo Pareto, it was Dr. Juran who applied this idea to management. Dr. Juran advises us to concentrate on the vital few sources of problems and not be distracted by those of lesser importance.

**The Juran Trilogy**

The Juran Trilogy summarizes the three primary managerial functions. They are: Quality Planning, Quality Control, and Quality Improvement

1. **Why do some quality initiatives fail?**

When organizations approach total quality as just another management innovation or, even worse, as a quick fix, their efforts are doomed to fail from the start.

1. **What contributions to the quality movement is Philip B. Crosby known for?**

Philip B. Crosby is best known for his advocacy of zero-effects management and prevention as opposed to statistically acceptable levels of quality. He is also known for his Quality Vaccine and Crosby's Fourteen Steps to Quality Improvement. Crosby's Quality Vaccine consists of 1) Determination, 2) Education, and 3) Implementation. Crosby's Fourteen Steps to Quality Improvement are as follows:

1. Make it dear that management is committed to quality for the long term.
2. Form cross-departmental quality teams.
3. Identify where current and potential problems exist
4. Assess the cost of quality and explain how it is used as a management tool.
5. Increase the quality awareness and personal commitment of all employees.
6. Take immediate action to correct problems identified.
7. Establish a zero defects program.
8. Train supervisors to carry out their responsibilities in the quality program.
9. Hold a Zero Defects Day to ensure all employees are aware there is a new direction.
10. Encourage individuals and teams to establish both personal and team improvement goals.
11. Encourage employees to tell management about obstacles they face in trying to meet quality goals.
12. Recognize employees who participate.
13. Implement quality councils to promote continual communication.
14. Repeat everything to illustrate that quality improvement is a never-ending process.
15. **Summarize the most common errors made when starting quality initiatives.**

Senior management delegation and poor leadership

Team mania

Deployment process

Taking a narrow dogmatic approach

Confusion about the differences among education, awareness, inspiration, and skill building.

**9. Explain the trends that are affecting the future of quality management are as follows:**

Increasing global competition. Today’s customers share two common characteristics: 1) they are part of regional trade alliances and 2) they expect both high quality and added value.

Increasing customer expectations. Customers want an excellent product or service from an organization that also provides accurate billing, reliable delivery, and after purchase support.

Opposing economic pressures. The global marketplace exerts enormous unrelenting pressure on organizations to continually improve quality while simultaneously reducing the prices they charge for goods and services.

New approaches to management. Companies that succeed in the global marketplace have learned that you manage budgets, but lead people.