

# **Unit 15: Principles of Quality Management**

<b>Unit reference number:</b>	<b>A/506/4167</b>
<b>QCF Level 4:</b>	<b>BTEC Professional</b>
<b>Credit value:</b>	<b>4</b>
<b>Guided learning hours:</b>	<b>37</b>

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## **Unit aim**

The aim of the unit is to give learners an understanding of the importance of having good quality products, services and business practices. The unit also helps learners to understand how the management of quality in a business contributes to the achievement of business goals.

## **Unit introduction**

In this unit, you will consider the role of managing quality in businesses and how it supports the effective operation of businesses. Some products, for example motor vehicles, have to be built in compliance with the law, which in effect defines a particular quality threshold. However, manufacturers want to do more than just the legal and regulatory minimum. For example, they want components to arrive just in time, they want products to be made with zero defects and they want a productive workforce. You will learn that many businesses adopt a policy of trying to promote continuous improvement in all their activities.

By managing quality, managers will help improve the performance of businesses. If vehicles are produced with zero defects there will be no costly product recalls, repair and maintenance costs will be lower and customers will be satisfied and may want to tell others about the benefits of a particular model. Sales may increase as more of the manufacturer's vehicles are purchased and the manufacturer may be able to charge a premium price for good quality vehicles. Increased output will lead to lower average costs. All of which contributes to profitability. You will understand that administrative systems contribute to the management of quality and the quality of administrative systems contributes directly to meeting customer needs and ensuring the continuation of profitable relationships and therefore supporting the achievement of business goals.

## Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

### On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand approaches to quality management	1.1 Evaluate the concept, purpose and scope of quality management 1.2 Distinguish between quality management, quality control and quality assurance 1.3 Analyse the features of different approaches to quality management 1.4 Explain the benefits of adopting an holistic approach to quality management 1.5 Analyse the role of administrative systems in the effective management of quality
2 Understand the benefits of quality management	2.1 Analyse the potential benefits to an organisation of effective quality management 2.2 Explain the relationship between quality management and customer satisfaction 2.3 Evaluate the impact of quality management on continuous improvement
3 Understand the use of quality controls	3.1 Explain the purpose of user and non-user surveys 3.2 Analyse the relationship between quality controls and customer complaints 3.3 Evaluate the risks attached to the self-assessment on the quality of business performance 3.4 Evaluate the benefits of involving others in the management of quality

## Unit content

### 1 Understand approaches to quality management

*Quality control:* ensuring everything produced/sold meets a defined set of standards

*Quality assurance:* a process of checking that the products/service meets specific requirements

*Different approaches to quality management:* quality management components (quality planning, quality control, quality assurance, quality improvement); ensuring consistency; ensuring good quality; product quality; service quality; process quality; Deming's 14 Points for Management, e.g. product/service improvement, building in quality; Six Sigma; developing the leadership of change, training, plan-do-act-check; prevention of problems, e.g. zero defects, get it right first time; business process re-engineering; compliance approaches, e.g. target setting, inspection; assurance; ownership-based approaches, e.g. pride in work, individual's responsibility for quality

*Holistic approach to quality management:* integrate work across functional areas; holistic/inclusive approaches to quality management (individuals, teams, clients, suppliers, functions, systems); multi-disciplinary approach to quality; multi-level teams; transparency; participatory culture; customer expectations; customer care; meeting customer needs; requirements of suppliers; supplier care; operations management (purchasing, selling, manufacturing, human resources, finance, logistics)

*Role of administrative systems:* promoting quality; communicating quality management requirements; monitoring quality, e.g. products, services, processes; gathering data; reputational management; managing consequences of poor quality

### 2 Understand the benefits of quality management

*Benefits of effective quality management:* quality standards, e.g. International Standards ISO9000 series, British Standards Institute (BSI) BS5750, Investors in People, CE marking, Royal warrants; customer requirements met; organisations requirements met; help organisation achieve goals and objectives; competitive advantage

*Quality management and customer satisfaction:* meet customer needs and expectations; continuous improvement

*Continuous improvement:* understand the need; measures of success; strategies; using data; implementing change

### 3 Understand the use of quality controls

*User and non-user surveys:* understand strengths and weaknesses; identify demand and need

*Relationship between quality controls and customer complaints:* customer satisfaction and complaints handling, e.g. ISO 10002

*Involving others in management of quality:* continuous process improvement; improve motivation; teamwork; holistic approach