

KCA UNIVERSITY
BACHELOR OF COMMERCE
BAM 2201 – TOTAL QUALITY MANAGEMENT (DISTANCE LEARNING)
REG NO: 20/01512 – YEGON ERICK KIPRONO

ANSWERS

Question One

Determine five areas to pay attention to in order to build their “Quality infrastructure”.

- a) Development and design; Johnson & Johnson company should consider having a quality personnel representative in respective firms to ensure quality is enhanced at the point of conceiving and designing the product since it is tedious to correct poorly conceived product at production stage. Well-designed product is durable and reliable.
- b) Manufacturing quality supply chain; For products to be of acceptable quality, Johnson & Johnson company should ensure various firms adopt a chain of supply from conception of the product to design to packaging so that as they transport to outlets and final consumers they have observed and maintained quality standards at all levels.
- c) Acquisition of raw materials by firms; Johnson & Johnson company should insist that firms supplying products to them are using raw materials that are as per specifications and correct ingredients.
- d) Communication; The parties and firms involved should have timely and proper communication so as to avoid perceived poor quality and rectify areas of supply chain or production that may be operating below acceptable quality standards.
- e) Manufacturing; Johnson & Johnson company representative at supplying firms premises must ensure that quality is upheld and that employees in the manufacturing department should stop the production line when quality is compromised until the cause is determined and resolved.

Relevant methods that the company can use to determine customer satisfaction or otherwise in light of high volume recalls bearing in mind the size of the company and its extent of operation.

- a) The internet; The managers should monitor conversation taking place touching on their products in the internet so as to find out what clients are saying about their products. This

provides an avenue of ensuring instant feedback or rectification of faulty items are acted upon before it gets to an extent of ruining the reputation of the firm.

b) Toll free telephone number; The company should give toll free telephone numbers to buyers of some products so that they can raise complaints in case they are dissatisfied with the product. This ensures complains are handled in time and instant feedback given to clients.

c) Report card; Use of report card is an effective tool that gathers information from clients. The company sends quarterly report to its clients and feedback is analyzed to identify areas that require improvement.

d) Employees feedback; Employees interact mostly with the clients and they have insights of conditions that affect quality of the products. They can easily brainstorm and provide solutions to quality issues raised by clients.

e) Comment card; Is an information gathering method where comment card is attached to the warranty at the point of purchase. The customers gives feedback that may be used to make improvements on the products purchased.

Question Two

a) Importance of Fishbone diagram in quality management and drawing diagram showing causes under four specific heading.

Importance of Fishbone diagram.

- i. Fishbone diagram facilitate brainstorming. It boosts and structure brainstorming about the reason of a certain result because it captures all the causes.
- ii. It stimulates problem solving. It provides reasons in visual graph and exploring the root cause may stimulate the team to find out solutions to the problems at hand.
- iii. The Fishbone diagram helps maintain team focus as you discuss the root to take in solving problems or achieving singular goal. It helps ensure nobody in the team is busy chasing non-existent problem.
- iv. It displays relationships clearly and logically. Fishbone diagram helps capture the link and relationship among the potential causes and outcome shown in the diagram. Since it is grouped logically, the relationship can be understood easily.
- v. Fishbone diagram exhibit causes simultaneously. Every causal chain shown on the Fishbone diagram may lead to the problem. It is a useful tool that presents problems and possible solutions to the stakeholders.

Cause-and-effect diagram

- i. Personnel
- ii. Processes
- iii. Materials
- iv. Machine

b) Strategies he can use to mitigate identified causes.

- i. Personnel/ workers; Mr. Salim should train more workers or hire trained workers to be able to produce quality cakes.
- ii. Processes; Procedures needs to be structured to suit the operation. All the workers be given an opportunity to propose the appropriate procedure that is effective and acceptable.
- iii. Materials; Materials should be sourced from reliable suppliers or manufacturers to avoid situations where production is halted due to lack of materials.
- iv. Machines; New machines should be purchased and frequent repairs and maintenance should be done.

Question Three

a) Difference between Internal failure cost and external failure cost.

Internal failure cost are the cost of quality associated with product failure that are discovered before a product leaves the factory such as cost of repairs while external failure cost are cost incurred due to product failure when the product have been sold to clients such as loss of future sale occasioned by dissatisfied clients

b) Types of Internal failure cost and a strategy to avoid each.

- i. Rework; It is the cost of rectifying quality issues on existing product.
- ii. Rework inspection; It is the cost of inspecting a product after rework.
- iii. Scrap; Is the cost of the product that cannot be reused.
- iv. Scrap disposal; Is the cost of getting rid of a product that cannot be reused.

Strategy to avoid above cost

- i. Rework; Train the employees, prioritize task assignments, plan out work among others.
- ii. Rework inspection; Seamless communication, maintain compliance standards, make plans for scrap materials, leverage on technology among others.
- iii. Scrap; Choose the right raw materials, improve staff training, among others.
- iv. Scrap disposal; Start recycling, use reusable bags, shop responsibly among others.

c) Types of External failure cost and strategy to avoid.

- i. Product return cost; Cost incurred when product initially sold to the customer is returned to the seller.
- ii. Legal fees; Charges arises due to lawsuit filed by the client.
- iii. Loss of future sales from dissatisfied customers.
- iv. Warranty cost; Cost arising due to defective product where a customer claims his product to be repaired at the cost of the firm.
- v. Product recalls; Cost incurred by the firm having sold the products to various customers only to realize later that they are unfit for use.

Strategy to avoid above cost

- i. Product return cost; Ensure quality standards are maintained before a product is handed over to the customer.
- ii. Product recalls; Ensure inspection is carried at all times.
- iii. Warranty cost; Carry out periodic internal quality audit.
- iv. Loss of future sales; Seamless change management