

# Managing quality essay



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Commercial Organisations The two organisations that have been chosen for this study are both company's that offer taxi and mini-bus hire services, based in Fife in Scotland. For the purpose of this report, they will be referred to as ABC Hire and GHI taxis. ABC Hire ABC Hire has a fleet of 56 vehicles. In addition to the normal ad-hoc taxi business, ABC has also secured a number of contracts with local authorities and businesses, including recruitment agencies.

Many of these are long-term contracts. The company employs a total of 88 people, which includes 2 owners, 5 managers, 5 office staff and 11 controllers. Upon employment, all staff is given full training and attends an induction. Regular training update sessions are provided, which includes customer care and career advancement.

As part of their training process, ABC ensures that their managers are trained and comfortable with the use of modern technology, understanding that it is important for them to be comfortable in this area of the business as much as any other (Dreyfus & Dreyfus 1986). ABC operates on the basis of encouraging career development from within. They also operate a performance related pay structure with addition benefits, and their fleet is immaculately maintained. Their staff turnover levels are very low.

ABC Hire is also looking to expand their business, either by acquisition or by setting up offices in other locations. They are widely recognised as an extremely professionally run organisation. GHI Taxis GHI are a smaller Taxi company, with only 21 vehicles, most of which are in a poor state of repair and not very presentable. There is only the owner and two others in the

office and 30 drivers, 12 are part time. The company offers no training, nor is there any structure for advancement of position. The office environment is not very encouraging for customers or staff.

GHI pays a flat rate, with no additional benefits, and expects their staff to work long hours. There is a regular change of staff members. GHI taxis are not perceived to be a very professional organisation, and thus most of their work tends to be non-contract in nature. This is reflected in the fact that they have insufficient funds to even consider expanding their business. Evaluation of theories in organisations It can be seen from the study of the two companies that the performance of ABC is far superior to that of its competitor.

Whilst both businesses can be said to be providing the needs as outlined in the first level of Maslow's theory, it is ABC that has extended their staff motivational practices to include other the other levels that Marlow describes, including job security; creating a team-based organisation and providing an environment that allows staff to pursue their goals. In addition, as can be seen from the customer reaction, they have also focused on quality as a path to building business value (Dale Barrie 2003). Although GHI have satisfied the basic needs of their staff, the precarious business position of the business, together with the way that staff are treated by the organisation, shows that levels two to four of the Marlow pyramid (see appendix), are not working in their organisation. With there being no opportunity for career advancement, it is also clear that a person who wants to pursue their goals in working life, would not find the GHI environment one that would meet their needs in this respect. Conclusion From the research

that we have conducted into the two companies, we have concluded that Maslow's "hierarchy of needs" theory does have practical purpose in business.

If the environment within which employees work is conducive to meeting his or her needs, the workers are motivated and give of their best. Similarly, if a business concentrates effort on managing quality, its goals of an increased customer base, and business growth will succeed. It is clear from the examples, that ABC have succeeded in building a business culture that encourages and motivates the staff, whilst at the same time providing a level of quality and customer care which is attracting growth of revenue and clients. Unless GHI reorganises their business in accordance with these theories and practices, it is likely that this business will fail.

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