

Improving quality of products



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Malaysia's auto market is dominated by its national cars, PROTON and PERODUA which in year 2000 accounted for the market share of roughly 90 percent of the vehicles sold annually. Some 25 other manufacturers compete for the remaining 10 percent. Two years ago, the market share of national car makers has declined to roughly 63 percent.

Besides, every year we receive a lot of complaints from the public; even the press frequently reported about the professionalism and quality problems occurred to our company. In addition, the issues can be easily found through internet and spread widely in the public forum about the manufacturing defects by PROTON EDAR.

Problems

The major problem faced by PROTON is quality control and professionalism. Complaints typically relate to failures in car interior and exterior performance. It is unusual to hear public complaints about the overall poor quality vehicles by PROTON over the years and it is indirectly affecting the financial result of the company. PROTON is losing its market share continuously when its sales dwindled tremendously. Subsequently, the profit margin of PROTON also eroded substantially too. Besides that, there are many complaints about PROTON's Service Centre with their bad services. The staff there is incompetent to fix and even diagnose the problems that customers were facing.

Findings

(1) PRONTON's Engine Problems

We have received some complaints from customers that revealed the discontent among the customers on PROTON's product. Generally, those problems are about the engine of PROTON's car. Most of PROTON's cars are using CAMPRO engine and it has generated many problems, such as abnormal sound, easy overheat, sudden off engine and massive vibration. These kinds of problems not only happened on those old cars, even though those new cars that have just bought also suffering with these engine problems. The customers just feel like they are driving the old cars.

(2) Poor Car Performance

Besides that, typically the complaints also belong to the performance of PROTON's car. There are many car components in order to manufacture a car and the customers found that the quality of components that PROTON's manufacturers are using is low. For example, the customers' feedback showed that PROTON's car has frequent happened with the dysfunction of air conditioner, vibration of steering, failure in power windows, sound proof problem and so on. Customers also emphasized that these types of poor car performance already exists for several years and PROTON not make any improvement yet.

(3) Bad Customer Service

We have also found that there were numerous cases pointed out in several forums which complained about the bad customer service from the PROTON's i-Care Centre. Some of the staff there showed no manners to customers who are calling for enquiry and solution about their PROTON's car.

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The solution given by those staff from i-Care Centre was not useful enough to solve the customers' problem as well. Furthermore, some technicians who are working in PROTON's Service Centre are also incapable to fix the problem of PROTON's car. Many of the customers feel frustrated when the problems of their cars are cannot be fixed even though it is still under PROTON's warranty.

Conclusion

PROTON as the first Malaysian car manufacturer has established a very strong identification in the Malaysia automotive market. However, the consumers perceive that it has not delivered what is promised and expected. As a result, PROTON is incapable to create positive response in the expectation of its consumers. Indeed, PROTON still has substantial potential and capacity to perform better in offering its customers products and services of leading quality.

In order to increase sales and minimize the weaknesses of Proton, Proton should change its strategy and the way to continue manufacturing the new car model. In my recommendation, Proton could enhance the effectiveness and efficiency of services and the quality and quantity of productivity by establishing the changes in four areas: (1) improving the performance of engine, (2) innovating on interior and exterior designs, (3) focusing on service excellence, (4) providing training for all levels of technicians to enhance their skills and knowledge in order to help existing customers and future prospects solving more problems.

Recommendations

Performance of Engine

After several discussions with other departments, I recommend that Proton should use good quality materials when manufacturing new car models in the future. For any car, engine is the critical part of the car. Therefore, priority must be given to the car if we want to produce good quality of car. In this area, I recommend that Proton should invest in R&D technology and speed up its effort in developing its strategic partners to strengthen its quality. So, I suggest that Proton should replace its CAMPRO engine and consider joint venture with other reputable manufacturer engine partner, such as manufacturers from European countries (BMW, Mercedes and Peugeot) and Japan (Mitsubishi and Honda).

Innovation of Designs

Regarding the interior design, the dashboard area will start to produce noises causing uncomforted to the driver as the soundproofing of the car is very poor especially when car is going on a fast pace due to weariness as the car is already old. Interior design with aesthetic and good sound protection will create a positive driving experience for the driver.

For the exterior design, PROTON should concern about its products in term of solidity. From a survey, most consumers think that its body frame is very vulnerable and they feel it is light and have a sense of floating when they are driving the car at high speed especially on the highway. Again, the investment in R&D is very important in order to improve in this area. I strongly recommend that working with partners which are specialized in

frame manufacturing instead of spending more time on study the changes of material.

Service Excellence

By having all those functional and symbolic characteristics will not promise PROTON brand to succeed if it doesn't offer excellence after-sales service to ensure that PROTON continues to be the preference of its existing customers. I recommend that PROTON should strengthen their customer relationship, especially in creating a more friendly approach towards customer care by introducing its i-Care, a customer management centre totally dedicated to the needs of their customer which is important in brand building and earn trust from customers. Besides that, PROTON needs to ensure that those staffs who are working in i-Care Centre have sufficient knowledge and high emotional quotient when communicating with customers.

Training for Existing Technician

PROTON is providing sufficient Service Centre among Malaysia's states. It is because PROTON is offering an extension of 5 years PROTON Manufacturer Warranty to all PROTON's car owner now. The benefit of being under warranty is to assure that there still a good resale value by the PROTON trained technicians even after many years. However, it is sadly to say that most of the complaints are mainly about the incompetency of technicians which they couldn't solve the problems from the PROTON's consumers. So, as a Customer Service Department Manager, I recommend that the updated practical training should be provided to all levels of technicians in order they have enough skills and knowledge to handle most types of problems they

will be facing in the future. Thus, the consumers of PROTON will gain confidence toward us since their cars are still under warranty. Hence, PROTON Manufacturer Warranty only can become trustworthy.

Limitations

The success of these recommendations is still limited by a few factors. First, the joint venture process must be accepted by the other manufacturer. Second, PROTON should choose the manufacturer which has the better technology compared to PROTON in order to improve the quality of car performance. Third, department of customer service should support and keep improving the skills and knowledge of technicians in the future to reduce the complaint from customer.