

Quality management assignment

[Business](#), [Marketing](#)



Assignment Quality Management Introduction The important of quality For every organization, quality is the key of success factor because quality is one of the key competitive variables, without quality, a business may survive, but won't/can't reach its optimal earning potential. The quality of Companies products or services, the prices it charges and the supply it makes available are all factors the determine demand of customer. There are many ways to improve/achieve the quality such as, certification such as ISO 9000, quality award/ Malcom Award, excellence Award SQA or achieve the TQM.

Purpose of this report I, consultant of MPACE International Consultant has been appointed by BALACE fast food restaurant to write a report using the principles of TQM and the dimensions of quality in service to carry out the gap analysis for BALACE fast food restaurant, in other to recommend on how ABC fast food can achieve business excellence. Background of BALACE fast food restaurant BALACE fast food restaurant is the restaurant established year 2003 at HoChiMinh City in south of Vietnam. There are three main outlets in HoChiMinh City at District 1, District 3, and District 10 with more than 200 employees.

The main activities of restaurant are selling fast food and provide the service to customer. The goal of BALACE fast food restaurant is to provide the nice and fresh food with reasonable price and best service to customer. Finding The benefit of Total Quality Management in the service industry Nowsday, everybody know that Today's customer has a wider choice of products and service than ever before. They are going to be demanding ; keen on having the best services in the shortest possible time ; at the minimum cost.

They will look for solutions that are more specific to their needs thus creating opportunity of many niche market especially service industry. So, there are many opportunities for the service industry depend on how well they satisfy their customer include providing the best service ; at the best reasonable price. To achieve this goal, many organization realize that TQM can help them improve the quality of service in other to help them overcome the problem and achieve the excellence business management.

Explain about benefit of TQM ABC was defined that the TQM looks at the organization as a “ system” and incorporates improvement efforts to enhance the organizational structure so customer (both internal and external) needs are met and streamlined for cost effective and service oriented approaches. In addition, Some specific TQM benefits are customer loyalty, cost savings, higher productivity, higher profitability, improved processes, improved employee morale and positive work environment.

Method of analysis

In this report I will use the principles of TQM and dimensions of quality in service (Servqual model) to analyse the current situation at BALACE fast food restaurant, and carry out the gap of this restaurant and provide the recommendation on how they can overcome the current problem and improve the quality, in other to achieve the business excellence. The principles of TQM are as follows: 1. Quality can and must be managed. 2. Everyone has a customer and is a supplier. 3. Processes, not people are the problem. 4. Every employee is responsible for quality. 5. Problems must be prevented, not just fixed. 6. Quality must be measured. . Quality

improvements must be continuous. 8. The quality standard is defect free. 9. Goals are based on requirements, not negotiated. 10. Life cycle costs, not front end costs. 11. Management must be involved and lead. 12. Plan and organize for the quality improvement. The dimensions of quality in the service industry are as follows: 1. Tangibles. 2. Empathy 3. Assurance 4. Reliability 5. Responsiveness Analyze the BALACE fast food restaurant Analysis of PALACE fast food restaurant using principles of TQM: In the PALACE fast food restaurant the quality always be managed and every employee have to responsible for the quality.

So, there is the committee set-up by the top management which comprise employee from different levels to identify the area of improvement required as well as setting a metric for each the key of processes. The committee required to present the report to the top management on weekly basis. The manager will discuss the content of report during bi-weekly management meeting and the action plan will be formulated to improve the existing process recommended by committee. Besides, every employee in the restaurant is committed to be responsible for the quality, different position level has to responsible for their own task from employee to manager.

Example: There are 50 table in the restaurant with 15 waiters working, each waiter have to take care of at least 3 tables include taking orders, clean tables an solve the problem and responsible for that 3 tables. Hence, the manager can easier and faster to evaluate the performance of waiter.

Avoiding errors also are the area that PALACE focused on. The main focus of a Total Quality Management program is to eliminate errors before they can

occur. Systems cause about 80% of all errors, so if the system is error free, then the employee has a lesser chance of making mistakes.

A central principle of TQM is that mistakes may be made by people, but most of them are caused, or at least permitted, by faulty systems and processes. This means that the root cause of such mistakes can be identified and eliminated, and repetition can be prevented by changing the process. Hence, the manager using the Deming cycle of Plan, Do, Check, and Act in every process to check and prevent the problem rather than fix the problem. It helps in reducing the cost and making it easier to control and ensure the quality of every process. Next comes the integration of management into the process.

Total Quality Management implies that management must be 100% in favor of the program, or else the employees will not respond properly. Employees will follow the lead of the management team. In addition, to achieve the quality, every employee in the restaurant must have a zero-defect attitude in what they do. A new strategic thinking, i. e, a different attitude must be adopted. It stems from the belief that mistakes can be avoided and defects can be prevented. It leads to continuously improving results, in all aspects of work, as a result of continuously improving capabilities, people, processes, technologies and machine capabilities.

For example: There are many defects or problem which is occur in the process such as customer dissatisfaction, quality of food provide to customer, quality of raw material, machine breakdown, performance of employee not consistent...So if we always think that is the defects we can't

prevent or avoid them, we are not able to avoid them in the future, but if we try and always think about the best solution to prevent and control the defect we will achieve the excellence result. In PALACE restaurant, “The customer is always right” is the major principle.

They always know how to listen to the customer needs and wants with friendly service, willing to help and listen to customer complain. The top management provided training to every employee on how to satisfy the customer. Example: The waiter or waitress know how to serve and understand the customer want, in other to give the best suggestion about the food for customer. There is no sense in serving only fried chicken if the customers demand a more health conscious baked or grilled chicken. Customers are not only the people who walk through the doors looking for a meal but also your suppliers and employees” (Stephenson, 1993). To collect the information from employees, the top manager can easily set the goals of restaurant based on the customer requirements to make sure the goals are correct and can meet the customer satisfaction. Controlling the cost in the restaurant the manager look at the life cycle cost, not front end cost. The life cycle cost include any kind of potential cost occur in the internal and external of restaurant.

Especially, to access the opportunity for improve cost management, each resource used in the key processes was identified by the manager, particularly those costs that are hidden or forgotten. The cost need to be identified is the failure costs in the service include internal failure costs and external failure costs. According to (James W. Cortada and John A. Woods,

2000) the internal failure costs are those costs incurred prior to the delivery of the service.

These costs include the resources needed to complete additional tasks and any costs involved in rework due to inadequate processes. The external costs are due to dissatisfaction of customers. Typical external costs include:

- + Decreased revenues and profit margins due to lost customers.
- + Increase administration-more customer service staff to handle complaints and problems.
- + Higher service costs-customers using help-desk services more frequently.
- + Sales department productivity failures-assuming the department handles complaints.

Unfortunately, the top management only interested in those process that could directly affect the customer satisfaction for example: the ordering and food preparation the metrics is formulated for each of key process but the top management did not seem to pay attention to supporting processes such as the cleanness of kitchen, the storage of raw material, etc...Due to the failure to monitor the supporting processes, PALACE restaurant often encounter the service failure that lead both customer dissatisfaction and employee is not motivated.

There is the weak of management involved and lead in the PALACE. The top management is not participate in leading and get committed – instead it delegates pays lip service. Top management did not creating and deploying clear quality values and goals consistent with the objectives of restaurant, and in creating and deploying well defined systems, methods and

performance measures for achieving those goals. Hence, the activities improve the quality were not encourage participation by all employees.

In addition, employees in the restaurant roughly in decision making in case of their work and work success but they can't free practice decisions that their work requires and the management doesn't give them enough empowerment to decision making and problem solving without approval. For example: Customer complaint about the food or order extra but the waiter can't make the decision and required to ask manager to solve the problem. They also try to avoid making the decision because of the responsibility. It's take time and also affect to customer satisfaction.

There is the weak team work in the PALACE restaurant. Different levels in restaurant from manager to waiter didn't treat each other as their customer. They tried to do well their role and don't really care about others. As a result, this thinking affect to the quality of restaurant and the result doesn't as they expected. Follow this, the employees can't perform their best and the business can't receive quicker and better solutions to problems and the employees can't get help from other workers to find to find a solution and put into place.

Analysis of PALACE fast food restaurant using dimensions of quality in service (SERVQUAL model): In developing Servqual, Zeithaml et al. (1990) found that service quality is composed of five dimension: Reliability, Tangibles, Responsiveness, Assurance and Empathy. And can be reliability measured via a pair of 22-item surveys-one for expectations, and one for perception. Responsiveness: The ability to address the customer's needs

quickly. Every employee is always willing to help customers when they need in order to tell the customers when the services will be performed.

The manager realized that the most important person who interface customer is waiter or waitress, so the waiter or waitress required ready for customer requirement to give the prompt service to customer. For example: As I explained that 1 waiter or waitress need to take care of at least 3 tables in the restaurant, so they required ready for customer requirement among that 3 tables as fast as possible and make sure that they are never too busy to respond to customer's requests. Reliability: Consistency of performance At PALACE restaurant, they always try to do their best what they promise with customer by a certain time.

Services are provided at the time restaurant promises to do and the restaurant performs the service right at the first time to make sure that they are always consistency of performance and to create the trust in customer. In addition, when the customer has a problem, the restaurant shows a sincere interest in solving it. For example: After long time created the trust of customer about the consistency service performance. The customer always believe that they will be served on time with the friendly and willing to help attitude of every employee in the restaurant.

Tangibles: The physical appearance of facility and its personnel. The restaurant has modern-looking equipment and the physical facilities are visually appealing with nice table using the white table-cloth, nice-looking design, the white wall decorated by some small picture, and the red uniform of employee in the restaurant. The facility design inside the restaurant also

created the convenience for employee during the working time with the smooth work flow and materials associated with the service are visually appealing.

The manager realized that the first important is to created a nice-looking restaurant with nice view and clean, it help customers have better feeling when they enjoy the food and service. The case study ABC explained the successful of CDF restaurant with nice-looking. Assurance: The levels of skill and knowledge needed to perform the task The employees are consistently courteous and willing to help customer but sometime the employees don't have enough knowledge to answer customer's questions. The knowledge of employees are not help them to communicate well with customer, and they seem to be not confidence when they facing customer.

Most of difficult situation and problems are solved by manager. Follow this, the customer may felling unsafe in their transactions. Empathy: A felling for the customer's situation. The restaurant doesn't give individual attention to the customer and also doesn't understand specifics needs of its customer. For example: In the busy hours, some new customer don't know clear about the food, the taste, ingredient of food and up-set about choosing the food and keep on asking about the food, so that situation may create the difficult for the waiter if they are taking order for too long and no more time for other customer.

At this situation, the waiter may require customer faster order or provide not clear information. Therefore, the open hours are not really convenience for all customers because they only target on the workers and employees in the

Company or organization. The main opening hours are from 9am to 2pm and 4pm to 10pm. The gaps carry out from the analysis The gaps carry out from the analysis follow by: + The quality is not measured for all processes + Weak of management involved and lead, the manager didn't give enough empowerment to employees for the decision making. The weak of team work and every employee in the restaurant didn't treat each other as their customer. + The activities improve the quality were not encourage participation by all employees. + Employees don't have enough knowledge to answer customer's questions + Employees didn't confidence when they are facing with customer. + Employees are not felling for customer situation. Method to overcome the current problem To overcome the problem in the PALACE fast food restaurant the manager should