

The importance of quality management



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With the development of science and technology and the needs of market competition, more and more companies begin to pay attention to quality management. In the process of enterprises' development, the quality is the key to success or failure of any companies (Mile, 2004). If any produces or services that companies supply have some problems, it will give serious consequences for the entire enterprise, directly affect the economic efficiency of enterprises and even have an impact on companies' future development. Therefore, the quality is the lifeline for survival and development of companies. In recent years, frequent consumer complaints as well as other cases arising from products' quality, are clear proofs on this point. Generally speaking, quality is an increasingly important issue, because it not only has a lot to do with the economic efficiency of enterprises, but also with the vital interests of the majority of the people (Will, 2009). Now, all countries have to improve product quality as an important policy of industrial development. All enterprises must survive on quality, and the importance of quality management is clear. The merits of products' quality have a direct impact on the company's operations and development. Poor quality, on the one hand will cause some harms on consumers, on the other hand will also affect consumers' choices on the other products or services. On the contrary, a good quality of products can bring both enterprises and consumers huge economic and social benefits: the reputation of enterprises can enhance, and they can increase their profits and values; consumers can choose the proper products or services according to their interests and preferences. The role of quality management is clear for a company (Will, 2009). The level of quality management affects not only the economic interests and competitiveness of enterprises, but also reflects an enterprise's integrated management and

technical level, and meanwhile, it reflects the situation of enterprises' spiritual civilization. Effective quality management can contribute to the success of enterprises, and more and more enterprises realize the importance of quality management.

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1. Background

In recent years, due to quality problems, more and more consumers suffer a loss, which includes material factors and spiritual factors. Consumers begin to be skeptical about the products or services that enterprises supply, and there is a significantly decreasing on consumers' loyalty of products. In this case, more and more enterprises begin to emphasize quality management, and they implement quality management in the whole business. Enterprises use all kinds of quality management certification to regulate their products or services. When products export to other countries, enterprises will face relevant detection about quality of the products (John, 2009). With the development and improvement of certification system, countries have introduced the ISO9000 Quality System to regulate the quality of products. Enterprises that can pass the ISO9000 Quality System have qualifications to sell products in foreign markets, and it also is a demonstration that the quality of their products or services is good, and consumers can use safely. With the help of quality management frameworks, enterprises can make a success in the fierce competition. Now, quality management frameworks have applied to all kinds of industry areas, and quality management frameworks have contributed to the success of enterprises (Ronald, 2009). It is said that Six Sigma Quality Management is regarded as the next step in

the evolution of quality management, and in its future application, services and manufacturing will face all kinds of benefits and problems.

2. The goals setting out to achieve

2.1 ISO9000 Quality System's contribute to a business or organization's success

International Organization for Standardization is the world's leading non-governmental International Organization for Standardization. The organization aims at promoting worldwide standardization and some related work, in order to facilitate the exchange of international trade and services, and based on the development of knowledge, science, technology and economic cooperation activities to promote the globalization of trade in goods and services (Jens, 2007). ISO9000 Quality System is just one of standards that the organization has implemented. ISO9000 Quality System's contribute to a business or organization's success can be discussed from the following aspects:

The first aspect is that it is favorable to strengthen quality management and improve enterprises' efficiency. From the enterprises' internal aspect, the implementation of ISO9000 Quality System can conduct quality management in accordance with international standard quality system, truly achieve the legal and scientific requirements, and greatly improve efficiency and product qualified rate, rapidly improving economic efficiency of enterprises and social benefits. From the enterprises' external aspect, when knowing that suppliers are managed in accordance with international standards and has achieved ISO9000 Quality System Certificate, consumers are sure that the company is able to provide stabilize production of qualified products as well

as excellent products, and they can trust companies and contract with the company to expand their market share (David, 2006).

The second aspect is that companies gain the international trade permits, which is conducive to pass over the barrier of international trade. Many countries set all sorts of trade barriers, including tariff barriers and non-tariff barriers, in order to protect their own interests (Kenneth, 2005). Non-tariff barriers mainly refer to technical barriers. Technical barriers are primarily about barriers of product quality certification and ISO9000 quality system certification. In the world trade organization, the member states exclude tariff barriers each other, therefore, gaining certification is the main way to eliminate trade barriers. Those enterprises that obtain ISO9000 quality system certification can enter the foreign markets freely, which can help them with more market shares and more consumers (Bryce, 2004).

The third aspect is that enterprises can make a success in the competition of products' quality. The means of international trade competition are price competition and quality competition. The method of low-price sales is not only to make profits dropped, if they constitute dumping, but also subject to trade sanctions, therefore, price competition is more and more not advisable (Jay, 2006). Since the 1970s, quality competition has become the primary means of international trade competition, and many countries have regarded the requirements to improve the quality of imported goods as important measures of trade protectionism. The implementation of ISO9000 international standard quality management, can improve product quality and stability to enable enterprises to compete in product quality in an invincible position.

2. 2 The ISO framework's practice in automotive industry

Nowadays, ISO framework has been applied to all kinds of industry areas, which include automotive industry. Automotive industry needs technology to improve the quality of automobiles, and only doing this can automotive enterprises guarantee the safety of consumers. In order to enlarge the market shares and satisfy the consumers' need, automotive industry also recommends the ISO framework of quality management. Some automotive enterprises make a success by the implementation of quality management, while others may have a loss in the fierce competition.

The old Henry Ford founded Ford Motor Company in 1903. He invited auto industry experts Kuziensi as general manager, used tools of scientific quality management and built the world's first automobile assembly line, which made the productivity increasing by 10 times, costs and prices greatly reduced. Thus, Ford Motor Company became the largest automobile manufacturer in the world, and Ford has thus obtained the title of King of the car. However, old Henry Ford was dazzled by a temporary success, and in 1915, he dismissed Kuziensi, who made major contributions toward the development of the company. Ford's financial situation was in trouble and was in the brink of bankruptcy soon. Young Henry Ford took over the company, employed Bridge full charge of the company business and emphasized the importance of quality management. Finally, Ford Motor Company has boarded the number two in U. S. auto industry. Ford Motor Company's tortuous history of prosperity, decay and then prosperity, is largely due to the Call for quality management, and indirectly proves the role of quality management in a company (John, 2003).

While Toyota Motor Corporation is not luck in the quality management. As the Japanese automotive industry benchmark, Toyota Motor Corporation beat GM for the first time in 2008 and boarded the champs of car sales in the world. Toyota really has enough capital to show off to the world: where there is a way for car, there is a Toyota. However, the recent appearance of the recall makes the Toyota Motor fell into the mundane world overnight, and several generations of painstaking efforts on the “ quality, reputation” and the brand image of Toyota is facing a severe test. Reflection Toyota’s development process, along the development path of Toyota, people can find that lack of quality management is an important factor that leads to Toyota’s embarrassment today. Every business must address the issue of reducing operating costs, and Toyota is no exception, but the excessive pursuit of low-cost strategy is bound to sacrifice product quality (Ton, 2009). Although whether the recall will cause the devastating blow to the company still has no conclusion, it leaves many of the automotive industry as well as other sectors deserve consideration.

From the above two cases, readers can understand the importance of quality management. Companies that can implement the quality management well can make a long-term development, while those that neglect the importance of quality management will undertake huge losses (Wayne, 2009).

3. The methodology used to complete the work

This article mainly introduces the importance of quality management (Mark, 2009). By the analysis of quality management, the purpose is to address three questions: ISO9000 Quality System’s contribute to a business or organization’s success; the ISO framework’s practice in automotive industry;

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comment on the benefits and problems in the Six sigma quality management's future application. In order to answer these questions, all kinds of methods will used, such as case analysis, method of positive and negative contrast and theoretical analysis.

4. Situation appraisal

More and more enterprises apply quality management on its business. With the development of practice, Six Sigma Quality Management is regarded as the next step in the evolution of quality management. Six Sigma Quality Management is a system of business improvement methodology, and it is designed to improve enterprises' business process in order to achieve customers' satisfaction. It realizes the free of defects by the systematic, the integrated use of business process improvement. It defines the current process, measures, analyzes, improves, controls and eliminates the defects of process and worthless jobs, thereby enhancing the quality and service, reducing costs, and shortening the operating cycle, so as to win customers' satisfaction, and enhance their competitiveness. That many companies make a success by the using of Six Sigma Quality Management is no accident, and they all strictly follow the core concept of Six Sigma without exception by researching the companies' seeking the successful implementation of Six Sigma. They perfectly combine these ideas with the actual situation of their enterprises, and made the method effectively applied and strict implemented in their own unique environment (Trigg, 2007). The benefits that Six Sigma Quality Management brings for the enterprises are as follows: on the one hand, implementation of Six Sigma Quality Management can standardize corporate governance and help to achieve the development of a

virtuous circle. The basic requirement of method is that the company should have a good documented quality management system to ensure that products are controlled for each process and product quality is provided by the continued reliability. On the other hand, implementation of Six Sigma Quality Management can dramatically improve a company's reputation. Quality is the life of enterprises, those who have a good reputation of quality will the market and increase visibility. Implementation of Six Sigma Quality Management is the best advertise for enterprises' products, and enterprises can have advantage in quality credit and create a good corporate image. Although Six Sigma Quality Management can bring many benefits for the enterprises, it also has some problems that will face services and manufacturing with its future application. Many enterprises may have no condition to implement Six Sigma Quality Management, but they will continue to carry out it. In addition, some enterprises can not combine the management with their own situation, which may cause failure at last.

5. Complications from the research

Although ISO9000 Quality System has become the symbol of enterprises' success and good products' quality, with the continuous increasing in certified companies, the quality of enterprises' reliability and credit of previously certified enterprises is continues to decline. The gold content of quality certification is lower and lower, which gives people the impression that it is too simple to take quality certification.

6. Conclusion

Quality management is important in the process of enterprises' business, and enterprises should implement quality management throughout its

running. Only realize the importance of quality management and effectively carry out quality management can enterprises make a long-term development and win more market shares and more consumers.