

# Exxon and total quality management

Business



ExxonMobil can be viewed as a classic example of how a multinational company can adapt to change in times of internal and external turmoil. The 1989 Exxon Valdez spill was a low point in the corporate history of the energy giant and it brought about sweeping operational and safety improvements to the company and the oil industry as a whole. Consequently Exxon had to investigate, plan and implement an effective strategy where careful consideration was taken to minimize future process and safety flaws, inherent operational defects, increased operational safety standards and continuously improve operational processes in order to minimize future accident risks and associated costs impact of such events. The company implemented sweeping and exceptionally thorough operational and safety management system heavily based and influenced by total quality management principles and operational philosophy and goals. This cultural and operational shift at Exxon-Mobil as a company was implemented to all its worldwide operations and became a swift change and operational philosophy and culture (Exxonmobile). After the Exxon Valdez accident, ExxonMobil used Total Quality Management to re-brand itself as a company by not only ensuring utmost safety and quality in its products and services, but also considering the customers as an operational driving factor. Due to the extremely competitive nature of the crude oil and fuel markets, Exxon needed to differentiate themselves in order to remain competitive. The company utilized a Total Quality Management approach to identifying and implementing customer focused and driven solutions rather than only competing on price alone. Exxon took it upon themselves with considerable challenge of regaining the public trust and successfully re-brand themselves as a trustworthy and reliable fuel provider which also meant their service

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stations and owners were asked follow suit and emulate the company wide cultural and operational shift into their franchise operations and gas stations. As a strategic philosophy, the company examined and looked to improve four qualities of the end-user and consumer confidence experience which are important to the end user higher quality products, efficient and easy to use products and services clearer and more concise warranty and guarantee explanations as well as non-deceptive advertising practices (Scheid, 2010). By analyzing the customers needs and wants and by using total quality management strategies to implement the changes necessary to satisfy the customers wants and needs, they successfully eased the public's concerns about ExxonMobil as a company and successfully re-branded themselves. For ExxonMobil as a company the high quality and expertise of their directors, managers, officers and employees is one of the corporation's greatest assets and strengths. It is also responsible for the corporate overall comeback from adversity and success. Without the dedication and short and long term strategic focus of the company's management and employees, the company would not have been successful in implementing their TQM initiatives and realign the corporation as whole. Exxon recognizes the need and responsibility the company has to best serve the customers needs and how it is of primary importance to the long term success of the company. The company has made it a policy to understand their customer's requirements and concerns to respond effectively to their needs. As stated in their corporate website, ExxonMobil guiding principles for managing the relationships with their stakeholders, customers, employees and communities are in line with TQM principles. The company is committed to enhancing the long-term value of their investment dollars by running a <https://assignbuster.com/exxon-and-total-quality-management/>

business profitably, efficiently and responsibly. Exxon-Mobil recognizes the need to continuously improve their products and services to meet and exceed the ever changing needs and demands of their customer base. Exxon is committed to maintaining its competitive advantage by recruiting, training, and retaining the best professional talent and maximize their opportunities for success by continuous training, continuous improvement and employee professional development. Through a committed focus to maintaining a motivated, safe and rewarding work environment the company is focused in achieving overall operational excellence. A clear commitment to being a good corporate citizen within the communities the company operates globally has become a central part of the company's efforts. Maintaining high safety standards which are environmentally responsible as well as ethical, obeying all applicable law and regulations as well as being respectful to local mores and customs has become standards operating procedure for the company as a whole (Exxonmobile). Focusing on improving the quality of a company can provide great benefits for the company as a whole. Quality improvements can increase the operating efficiency of a firm. “ Quality improvement (QI) consists of systematic and continuous actions that lead to measurable improvement” (Hrsa). The changes in quality control at ExxonMobil will help the company become more profitable. References Exxonmobil. com. Our Guiding Principles. Retrieved November 15, 2013 from [http://www.exxonmobil.com/Corporate/about\\_who\\_sbc.aspx](http://www.exxonmobil.com/Corporate/about_who_sbc.aspx) Exxonmobil. com. The Valdez Oil Spill. Retrieved November 15, 2013 from [http://www.exxonmobil.com/Corporate/about\\_issues\\_valdez.aspx](http://www.exxonmobil.com/Corporate/about_issues_valdez.aspx) Hrsa. gov. Quality Improvement. Retrieved November 15, 2013 from <http://www.hrsa.gov/quality/toolbox/methodology/qualityimprovement/index.html> Scheid, J. <https://assignbuster.com/exxon-and-total-quality-management/>

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