

Faculty of Islamic Economics and Finance Semester I, 2020/2021 Academic Session

Final Examination Question Paper

Course Code: BF3324

Course Name: Total Quality Management

Course Level: Bachelor of Business Management

Time : 2 hours

Note(s):

- 1. This examination is divided into TWO (2) SECTIONS with 60 marks.
- 2. Write ALL of your answers in the Answer Booklet provided.
- 3. SECTION A consists of FOUR questions with 15 marks. Answer ALL the questions.
- 4. **SECTION B** consists of FOUR Short-Essay questions with 45 marks. Answer only THREE questions (out of FOUR questions).
- 5. Candidates are not allowed to take the Answer Booklet out of the examination venue.

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SECTION A: SHORT ESSAY-TYPE QUESTIONS (15 marks)

- 1. Explain the six-step strategy for identifying customer needs in quality improvement efforts (3 marks).
- 2. List six statements that summarize the comparative scope of ISO 9000 and TQM (6 marks).
- 3. In the context of the five-S philosophy, what is the intent of the word "Standardize"? (2 marks).
- 4. List four steps in Nominal Group Technique (NGT) when you would like to use for employee empowerment to achieve quality improvement (4 marks).

SECTION B: SHORT ESSAY-TYPE QUESTIONS (45 marks)

Short Case-Study 1

Perhaps the most famous case illustrating the enormous cost of winning back lost customers is that of the "Tylenol Murders." Seven people in the Chicago area died suddenly after taking Tylenol capsules. An investigation revealed that the capsules had been laced with cyanide, a deadly poison. When the story ran on the nightly news programs, a nationwide panic ensued that caused Tylenol's sales to plummet overnight. Many business analysts predicted that Tylenol's manufacturer, Johnson & Johnson, would not survive the tragedy. Johnson & Johnson surprised the analysts by undertaking one of the most successful campaigns in history to win back customers. It worked, but the cost was huge. This case led not just Johnson & Johnson but also all major drug manufacturers to develop the tamperproof bottle. Having done so, Johnson & Johnson undertook an intensive public customers.

Question:

What would it take for Johnson & Johnson to win back your trust as its customer if one of the victims was a close friend of yours? Elaborate your answers (15 marks).

Short Case-Study 2:

The employees of a mid-sized **Printed Circuit-Board Manufacturing** based in **Kuala Belait**, **Brunei** had been excited about their empowerment program during its first several months of operation. A number of solid suggestions for improvement had been made, accepted, and implemented, saying the company substantial amounts of money by reducing throughput time by 19%. During this period, the management was very supportive. Because of its new employee-driven competitiveness, the company became a hot item and was sold at a sizable profit. The new management team voiced agreement with the empowerment program, but it soon became apparent that management support was hollow and halfhearted at best. Within 3 months of the sale, employee interest in the program had died, and the program had been dissolved.

Question:

If you were the Quality Manager for this company and proposed employee empowerment effort to the top management, how would you have gained a commitment to it from them? Elaborate your answers (15 marks).

Short Case-Study 3

Cempaka **Plastics** Corporation (CPC) located in Muara is contract plastics die-casting house serving wide range of clients. Over the a vears. favored supplier of precision die castings producer of model airplane kits. In recent days the defect rate of these parts has increased. (Acceptance is based on a visual inspection of the parts for appearance.) After thorough audit of the process, Quality Team has concluded that there has been no change to the process. It claims that the increase defects must be in variation that is related some assignable cause. The President of CPC does not have a clue as to what that means, and he has called you in for an explanation.

Question:

What will you tell the President and how you are going to develop an approach (or approaches) to get the operation back to normal? Elaborate your answers (15 marks).

Short Case-Study 4

Reliance Control Systems is a large manufacturer of control systems for the electrical power generation and distribution industry. Over the past few years, Reliance has watched overseas competitors take away market share with products that are priced lower and that, at the same time, have developed a reputation for better reliability. The company is not in a dangerous position yet, but the Board of Directors wants to see a concerted effort to improve the company's competitive posture. Among the senior management, two factions have developed. One, led by the Vice President (Operations), is pressing the CEO to implement Total Quality Management (TQM). After all, the aim of TQM is improved competitiveness, and that is just what is needed. On the other hand, the Vice President (Manufacturing) and the Director of Quality Assurance are making the case for ISO 9000:2000.

Question:

You have heard both sets of arguments from both conflicting parties; and you believe there might be a third approach that could satisfy both factions. What would you propose? Elaborate your answers (15 marks).

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