SSLtd

**Situation**

SSLtd is a manufacturer producing metal multi fuel stoves. The company is a part of the UK domestic heating market, which is a very competitive and dynamic market. The market is influenced by a number of factors such as fuel prices, energy efficiency, renewable technologies and other technological developments. The business was set up 32 years ago and since it has started operating the business has not changed. This is very surprising because they are involved in a very competitive and fast changing market, therefore the SSLtd needs to adapt to the changes and improve their operations in order to stand out from competitors and satisfy customers.

**Why is Quality Management important to SSLtd?**

Quality management is implementing steps and strategies to ensure the business’s performance and quality is consistent. Total quality management means that the whole workforce and other important stakeholders such as suppliers must be on board and completely committed. To achieve total quality management a business needs to ensure they are communicating well, they have a quality chain and integrated systems, strategic approach and are listening/satisfying customers.

Total quality management is important to SSLtd because they are involved in a very competitive environment. The company has not changed their process in 32 years, which also indicates their products have not changed and they are not responding well to customer needs. Automated stoves are an emerging class in the market as they automatically control the air intake using computer chips and sensors, which maximises efficiency and emission reduction. This is responding to customer trends and needs such as technological development and environmental factors. Therefore total quality management focuses on satisfying the customer, as they determine whether the business is approach and effort to quality is worthwhile. By satisfying customers will improve the business immensely because with consistent quality leads to a very good brand image, which will improve profitability and their competitive edge.

Total quality management is also important to SSLtd because it will help improve relationships between staff. Total quality management involves staff committed, good communication and identifying training needs. This is good because currently the business has many management layers and is working in a hierarchical structure. Therefore due to the supervisors in the business the workers and production management do not communicate often, which will have an effect on motivation. One motivational theorist Mayo found out that workers respond well and are more efficient when there is good management involvement, effective communication and teamwork. Overall this means that by implementing total management will improve the motivation and morale of employees because currently due to the low staff turnover it indicates that workers have settled and not striving for excellence. Therefore with good communication and a management involvement the business will see improvements in the employees’ performance and efficiency. Communication is also a good way to receive new ideas from employees that may improve the business.

Overall quality management is very important to a business, as it will help the company meet aims and objectives. SSLtd from the situation main aims are to improve profitability, improve competitiveness, increase customer satisfaction and improve labour turnover. The business will be able to meet these aims because quality management helps a business stay competitive by consistent quality and customer satisfaction, as well as gaining third party recognition. A business with consistent quality is also able to justify higher prices with quality, which will help improve profitability and return to stakeholders.

**What techniques can SSLtd use for quality management?**

**Quality Circles**

To achieve total quality management the business needs to communicate well with employees and receive their total commitment. I suggest the business use quality circles as an effective technique to achieve staff involvement. A quality circle is when a company gathers a group of workers that are from all levels and departments in the business. The purpose of a quality circles is for both management and employees to give feedback, to set targets and aim, and to also identify training needs. This will help management and employees improve their relationships, and this can be proved by bench mark Jaguar Land Rover who were voted number 1 ‘best employer in 2016’, and this was measured by asking the employees how much would their recommend their employer on a scale from one to ten. Jaguar land rover ensures that employees are getting the support they need to adapt their skills and to explore new ideas. SSLtd therefore needs to have a value of unity, as it is beneficial for the employer and manager to get along because it supports motivation and increases efficiency and performance. Theorist Mintzberg states that it is a manager’s role to share information to all staff and to be able to speak to workers on their level. Mintzberg also states that it is a manager’s role to make decisions and with quality circles the business is able to make effective decisions efficiently, because employees can provide feedback and give a manager their advice on what they think the best decision is for the company.

**Quality Assurance and Quality Audit**

To achieve total quality management also the business needs to have a strategic and systematic approach and managers must adopt the skill of process thinking, which means implementing steps to ensure performance and quality is consistently monitored. Quality assurance means that the business continuously checks at each stage that quality is being met. This is good because unlike quality control this will avoid an expensive quality check at the end. Therefore I think quality assurance is a good technique to implement in order to achieve quality management because it means that responsibility of quality is spread across a team and it also means that if there was mistake it can be easily tracked, and this is implementing a quality audit. Overall quality assurance ensures of zero defect production and reduces the amount of waste. It also reduces costs because if the company used on quality control as a technique and the products were found not up to standard at the end of the process a lot of money and time in production has been wasted. Quality assurance will support the business through using different production processes such as lean production and just in time.

**Integrated Systems**

To achieve total quality management the different functions in the business need to be a part of a quality chain with each other and also suppliers. A quality chain means that the departments are treating each other as internal customers and when another department needs assistance they get treated like they were a customer. It is also means that the suppliers and business have a very strong and trustworthy relationship. Chris North the new operation manager wants to introduce lean manufacturing and just in time like Jaguar Land Rover, as it improves efficiency and helps reduce wastage. SSLtd therefore needs to implement integrated systems to achieve this. An integrated system is put in place so that the all the functions in the company and suppliers are working as one instead of separate businesses. For example the business can achieve this by implementing an automated reordering system, so that orders to suppliers are efficient and automatic. This will help the production process become very efficient and will help reduce costs in waste and storage space. The company can also use a system that Jaguar Land Rover also does which is returning scrap materials to their suppliers so they can be reused, as SSLtd uses metals as their main material for their products and therefore by making an agreement with suppliers will help implement lean manufacturing and reduce waste even further.

**Training and Development**

To achieve a quality management the business needs to offer training and development to their workers. By not offering training and development could seriously effect motivation because a major factor that influences an employee’s morale is to the extent of how well they can do their job. I have mentioned this before but Jaguar Land Rover achieved best employer in 2016 and this would have been partially influenced by their award winning training schemes, which help workers develop leadership and personal skills. Therefore this shows that this is important to an employee’s motivation and it is also important to performance. By training your employees it means that everyone in the business is on the same page and it improves performance quality and efficiency. Overall training and development is good for the business because it will implement motivational factors stated by theorist Herzberg such as recognition, nature of work and being valued. I believe SSLtd has Herzberg’s hygiene factors in places such as work policy, pay, working conditions and supervision due to the low labour turnover, however to make their employees work harder and boost motivation managers and leaders at SSLtd need to value and recognise potential in their employees. Therefore training and development shows the business wants to support their employees and upskill them to widen their opportunities in the company.

**Kaizen**

To achieve a quality management the business needs to continuously improve, which is also known as Kaizen. This can be achieved through objective/short term goals as theorist Drucker states MBO helps measure performance, which can help a business implement improvements. When setting objectives it is a manager’s role to make sure they are consistent with the overall vision, and therefore by setting aims will provide steps of how to improve the company. Continuous improvement can also be done by looking at previous data recorded by the business and then managers can make decision and judgements based on factual information. The recorded data can highlight both achievements and places of improvements, therefore the company can reward their employees by recognising their achievements as well as motivating their employees to keep the determination up for a quality culture.

**This piece of work gained a Merit however there are a number of key factors that would have moved it up the grade bands. Both the report and the ppt would have benefitted from the following additions:**

1. **Show evidence of independent research** – when making a point about Quality Circles for example, **refer to another business that is NOT already in the case study to support your point** (eg BMW Mini who operate this system). This is necessary for both analysis of the issues (AF1/2) and your recommendations (AF3)
2. **When making a recommendation**, make sure that you consider the **advantages and disadvantages of your proposal**. Consider **short term v long term** implications and **cost/benefit** issues. Eg although implementing Quality Circles might be time consuming in the short term and have a cost implication because people will need to be paid for their time/not working on production etc and may also be resistant to change in the long term it should be beneficial to the company in a number of ways – it should contribute to the zero defects target/lean manufacturing and working in teams/being listened to/making suggestions that are implemented should be a positive experience (ref Herzberg etc).