

## QUESTION 5

Annex A2 of ISO 9004 “Quality Management Systems - Guidelines for Performance Improvement” offers the following performance maturity levels of an organisation’s quality management system implementation:

Maturity Level 1 – No formal approach

Maturity Level 2 – Reactive approach

Maturity Level 3 – Stable formal system approach

Maturity Level 4 – Continuous improvement emphasised

Maturity Level 5 – Best-in-class performance

(a) Describe the characteristics of each maturity level.

(10 marks)

(b) Describe the stages that an organisation would need to adopt and implement to improve from Maturity Level 1 to Maturity Level 5.

(15 marks)



Chartered Quality Institute

CQI Examinations June 2014

### Unit 504

## Quality Management (Level 5)

24 June 2014

Time: 9.40 – 12.10  
(2½ hours)

#### Notes for candidates

At 9.30, you have 10 minutes’ preparation time before the exam begins.  
Your exam booklet will be handed out at 9.40.

Attempt **BOTH** questions in **Section A**. Attempt **any TWO** questions from **Section B**.  
If you attempt all three questions in Section B, only the first two will be marked.

Questions may be attempted in any order. All questions carry equal marks.  
The maximum marks for each part of each question are shown.

Begin each question at the top of a fresh sheet of paper.  
Do not write in the margins.

If you use any additional sheets (i.e. graph paper or additional answer booklet)  
please write your CQI student number, examination name and date on each sheet.

## SECTION A – ANSWER BOTH QUESTIONS

### QUESTION 1

Quality management adopts a number of management principles that can be used by top management to guide their organisations towards improved performance. Discuss how the following principles would be applied within a process or service organisation:

- (a) Customer focus (6 marks)
- (b) Involvement of people (6 marks)
- (c) Leadership (6 marks)
- (d) System approach to management. (7 marks)

### QUESTION 2

The costs for producing a quality product or providing a quality service must be carefully managed to ensure that the business remains profitable and competitive.

- (a) Explain what is meant by quality costs with **three** examples. (10 marks)
- (b) Explain how quality costs associated with failure or non-conformance can be identified in:
  - (i) Design (5 marks)
  - (ii) Quality planning (5 marks)
  - (iii) Monitoring and measurement (5 marks)

## SECTION B – ANSWER TWO QUESTIONS ONLY

### QUESTION 3

The complexity of an organisation usually grows as the size of the organisation increases. One method to help an organisation to remain effective as it grows is to focus on a process approach to managing the organisation.

- (a) In the context of such an organisation, provide a common definition that can be used to describe any Business Process. (5 marks)
- (b) Often described as Key Processes and Support Processes, describe and evaluate a method that can be used to identify the critical processes that should be the focus of improvement activities within an organisation. Use an organisation of your choice to provide examples of these processes, discuss how your selected method identifies the processes to support your answer. (14 marks)
- (c) Using one of the processes identified above to illustrate your answer, define and describe three dimensions that may be used to measure process performance. (6 marks)

### QUESTION 4

The Plan, Do, Check, Act (PDCA) cycle is an approach to change and problem solving which is at the heart of any quality-driven philosophy.

- (a) Describe the **four** stages of PDCA with examples of activities at each stage. (12 marks)
- (b) Critically analyse using an example of your own choice, how PDCA can contribute to problem solving and business improvement. (13 marks)