

b) Selecting one key process from an organisation of your choice, explain why the process you selected is key to the organisation and, using a diagram or diagrams to assist, describe the process, including how it has been implemented and how the design of the process ensures that the needs of the stakeholders that you identified in part (a) are met. (15 marks)

c) Briefly explain how the process may be improved to both better meet stakeholder needs and benefit the organisation. (2 marks)

## QUESTION 5

An organisation has a specific problem in managing customer concerns and has identified that the eight quality management principles described in ISO 9000: *Quality Management System – Fundamentals and Vocabulary* could be used as a foundation to help the organisational address this issue. The eight principles are:

- I. Customer focus
- II. Leadership
- III. Involvement of people
- IV. Process approach
- V. System approach to management
- VI. Continual improvement
- VII. Factual approach to decision making
- VIII. Mutually beneficial supplier relationships

- a) Provide a definition and an explanation for each of the quality management principles of:
- (i) Customer focus (4 marks)
  - (ii) Leadership (4 marks)
  - (iii) Process approach (4 marks)
  - (iv) Systems approach to management (4 marks)
- b) Select **three** principles that would best help the organisation to address the issue of managing customer concerns. Explain how the three selected principles could be used to improve the timely resolution of problems that are affecting the organisation's customers. Provide specific examples of actions that the organisation may take, linking these to the principles selected. (9 marks)



Chartered Quality Institute

CQI Examinations January 2014

## Unit 504

### Quality Management (Level 5)

21 January 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

The Plan, Do, Check, Act (PDCA) cycle is a process that is commonly used in organisations to drive improvement. It is a process that can be applied at strategic, process and task levels within an organisation.

- a) Describe, with the aid of a diagram or diagrams, the PDCA cycle and how its cyclical nature contributes to continual improvement. Include in your answer a description of the purpose of each stage of the cycle. **(8 marks)**
- b) Briefly list **three** benefits of using such a process to aid problem solving. **(3 marks)**
- c) Using an example of your choice, explain how the PDCA process was used to analyse the problem and how a solution to address this problem was developed and implemented. Ensure that you include in your answer a brief description of the problem and how each of the steps of the PDCA cycle were applied to the problem, include two examples of the tools used within each of the four steps of the cycle (eight in total). **(14 marks)**

### QUESTION 2

The Failure, Appraisal, Prevention cost model (FAP) is one method of identifying and reporting quality related costs to management.

- a) Define the term 'quality related cost' and provide **two** examples of quality related costs for each category of failure, appraisal and prevention (six in total). **(10 marks)**
- b) Briefly describe, with the aid of a diagram or diagrams, how the FAP cost model can be used to reduce the total quality related costs within an organisation. **(5 marks)**
- c) Using examples to demonstrate your arguments, discuss the benefits and difficulties of implementing a cost of quality programme within an organisation. **(10 marks)**

## SECTION B – ANSWER TWO QUESTIONS ONLY

### QUESTION 3

An organisation that fails to address its customers' needs is likely to eventually fail as its customers move to other organisations that will address these needs. Some of the key processes to ensure that customer needs are met are:

- (1) Identification of market needs
  - (2) Development or acquisition of new products or services
  - (3) Provision of new products or services
  - (4) After sales support of products and services
- a) Using an organisation of your choice to illustrate your answers, select three of the four business processes listed above and, for each one selected, identify the key issues that impact the effectiveness of the processes. Discuss how the quality function can best be structured and organised to support and improve the effectiveness of the selected processes. Include in your discussion two examples of quality activities from each of the processes selected (six in total). **(15 marks)**
- b) Matrix and functional structures are two extreme approaches used to organise resources to support an organisation's needs. Using these, or two other extremes of organisation of your choice, briefly describe their characteristics and discuss the benefits and difficulties of operating in these structures. **(10 marks)**

### QUESTION 4

Organisational stakeholders can include customers, shareholders, employees, suppliers, local residents and many more. Each of these stakeholders has different and, potentially, conflicting needs that should be considered and addressed by an organisation's management system.

- a) Using two of the above named organisational stakeholders, or two of your own choosing, list what you believe to be the top two expectations for each of them, briefly explaining why they are likely to be priorities for that stakeholder. **(8 marks)**