



**THE OPEN UNIVERSITY OF SRI LANKA
COMMONWEALTH EXECUTIVE MASTER OF BUSINESS/PUBLIC
ADMINISTRATION PROGRAMME
FINAL EXAMINATION 2011 /12
MCP1654 – QUALITY ASSURANCE MANAGEMENT**

DURATION THREE (03) HOURS

DATE: 26th February 2012

TIME: 9.30am to 12.30pm

INSTRUCTIONS:

- Answer question number **01** – case study (compulsory) and any **04** questions from others.
- Altogether **05** questions to be answered.

1.

Case Study

Xerox Corporation – Leadership Through Quality

Xerox Corporation is a global company that offers the widest array of document-processing products and consulting services in the industry. Xerox sells its publishing systems, copiers, printers, scanners, fax machines, and document management software, along with related products and services, in more than 130 countries. Xerox products and services are designed to help customers master the flow of information from paper to electronic form and back again. The Xerox customer is anyone who uses documents: Fortune 500 corporations and small companies; public agencies and universities.

Xerox leads the way in digital imaging and what is called distributed publishing. Xerox technology enables the home office to copy, print, scan, and fax documents using a single device; and far-flung enterprises to transmit complicated, multipage documents across networks for copying or printing. Xerox started the office copying revolution with the introduction of its 914 copier in 1959. Today, Xerox stands poised for the continued expansion of the global document-processing market, already enormous at \$200 billion a year and growing 10% a year. In 1995, 20% of revenues were in businesses that grew more than 20%: personal copying and printing (29%); document outsourcing (50%); production publishing (24%); and color copying and printing (45%). Including Fuji Xerox, about two-thirds of the \$25 billion in revenues are generated outside the United States.

Xerox and Quality

Xerox practices total quality management and is committed to providing its customers with innovative products and services that fully meet their needs. Xerox products are consistently rated among the world's best by independent testing organizations. Since 1980, Xerox has won numerous quality awards, including the world's three most prestigious; the Malcolm Baldrige National Quality Award for Xerox Products and Systems in 1989, the first European Quality Award for Rank Xerox in 1992, and the Deming Prize, Japan's highest quality award for Fuji Xerox in 1980.

Xerox is the first major U.S. Corporation to re-gain market share after losing it to Japanese competitors. The company's decision to rededicate itself to quality explains that accomplishment. In the 1970s, Xerox nearly became a victim of its own success, lulled into complacency by the easy growth of its early years. Market share dropped to less than 50% by 1980, from nearly 100% a few years earlier. Fortunately, Xerox reacted to this challenge with a strategy called "Leadership Through Quality." Using Fuji Xerox in Japan as a model, Xerox created a participatory management style that stressed improving quality while reducing costs. Quality circles flourished and teamwork was fostered. Xerox also sought more customer feedback, changed its approach to product development to target key markets, reduced costs, encouraged greater employee involvement and began competitive benchmarking: the now widely used process of measuring performance against the toughest competitors and against companies recognized as the best in a particular area, such as L.L. Bean for distribution and Toyota for quality control.

Leadership Through Quality

The "Leadership Through Quality" thrust has made quality improvement and ultimately, customer satisfaction the job of every employee. All have received at the most cherished corporate values. The company carries out much of its philanthropic work through the Xerox Foundations, which in 1995 contributed \$14 million in five areas: community affairs; education and workforce preparedness; science and technology; cultural affairs; and national affairs. Xerox also supports employee involvement through two innovative programs. Social Service Leave and the Xerox Community Involvement Program (XCIP).

Under Social Service Leave, employees are granted paid leaves of absence to work on community projects of their choice. More than 400 have taken leaves since 1971. The program is believed to be the oldest of its kind in American business. Through XCIP, groups of Xerox employees can get corporate seed money to work on meeting needs they identify in their communities. In 1995 alone, more than 20,000 Xerox employees took part in nearly 700 XCIP projects.

Xerox and Work/Family

Xerox is committed to helping employees balance the demands of professional and personal life. The company believes that by relieving some of the pressures in people's personal lives, Xerox can help them be more focused and productive at work. Xerox offers childcare subsidies, salary redirection for dependent-care expenses; childcare sources and referrals; eldercare consultations and referrals; adoption assistance; leaves of absence; and flexible work arrangements.

In 1993, Xerox introduced Life Cycle Assistance to address the changing needs of a diverse workforce. Money from this program of flexible benefits can be put toward the purchase of a first home and toward the purchase of health insurance for household members not generally eligible for coverage under the Xerox health plans, such as a domestic partner. Life Cycle Assistance is another important step toward giving

employees greater choice in how benefit dollars are spent. Xerox ranked No. 1 on *Money* magazine's 1995 list of U.S. corporations with the best employee benefits.

Xerox and the Environment

Xerox is proving that what is good for the environment can also be good for business. Their environmental initiatives have already saved hundreds of millions of dollars while reducing pollution, waste and energy consumption. The motto "Reuse, Re-manufacture, Recycle" reflects their goal: To create waste-free products in waste-free factories and offices using what is called Design for the Environment. Most copiers, printers and multifunction devices are now designed to be remanufactured at the end of their initial life cycles, an approach made possible by the durability and quality of Xerox products and parts. Xerox uses only recyclable and recycled thermoplastics and metals. The company has adopted snap-together designs to facilitate assembly and disassembly, for the cleaning, testing, and reuse of parts. In 1995, Xerox received the Environmental Achievement Award from the National Wildlife Federation, which cited the company's Design for the Environment program.

Questions

- a) What are some of the unique characteristics of the quality culture at Xerox ?
- b) Describe the benchmarking efforts of Xerox. Discuss what steps Xerox could have taken to avoid loss of market share prior to its turnaround in the 1980s.
- c) Discuss the role played by the management at Xerox in adopting the quality policy.

(40 Marks)

2. a) Explain the importance of viewing quality as a journey?
- b) XYZ company is engaged in manufacturing food products and there was a good market for their products. However, recently the company observed that lot of products is not meeting the expected requirements and as a result CEO of the organization had a meeting with the management and wanted to arrest this situation. After having a lengthy discussion, it has been decided that the Quality Assurance Manager should handle this issue as a Quality Improvement project. If you are the Quality Assurance Manager, indicate how you will proceed in this project to get the maximum benefits?

(15 Marks)

3. a) Discuss typical reasons for each of the following barriers to implementation of Total Quality Management.
 - i) Lack of Top Management Commitment
 - ii) Lack of Proper training and
 - iii) Workforce resistance
- b) Define Quality and explain its role in the modern business environment.

(15 Marks)

4. a) Explain the difference between Quality Control & Quality Management?
b) Explain Dr. Juran's Quality Trilogy and discuss how it can be applied to develop and improve an organization.
(15 Marks)
5. a) What are the major categories of Quality Costs? Explain each of them using relevant examples.
b) As management becomes involved, which costs actually rise and which would fall? Explain in the context of an organization?
(15 Marks)
6. a) Explain in your own words the purpose of ISO 9001 Quality Management Standard.
b) ISO 9001 certification does not provide any tangible benefits to an organization. Do you agree with this statement? If so why? If not why?
(15 Marks)
7. a) Explain the Organizational barriers that prevent a company from adopting the Total Quality Philosophy?
b) What are the reasons for mass inspection not being a viable alternative for Quality Improvement?
(15 Marks)

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