



**THE OPEN UNIVERSITY OF SRI LANKA**  
**COMMONWEALTH EXECUTIVE MASTER OF BUSINESS/PUBLIC**  
**ADMINISTRATION**  
**FINAL EXAMINATION – 2014**  
**MCP 1654 – QUALITY ASSUARANCE MANAGEMENT**  
**DURATION: THREE (03) HOURS**

**Date: 9<sup>th</sup> August, 2014**

**Time: 9.30 am – 12.30 pm**

**Instructions:**

- Answer five Questions including Question Number one.
- Your answers should be methodical and focused. Use suitable examples and illustrations where necessary.

**Question no. 1**

**HEAVY TRUCK (HT) CORPORATION**

HT Corporation, a manufacturer of heavy trucks had a long, distressing and unpleasant history of employee relations. The company openly practiced “management through terrorism”. Engineers and technicians dominated the culture. One of the company’s assembly plants devoted major resources to statistical process control. An entire department staffed with engineers justified its existence by keeping control charts. The engineers collected and stored data on a computer and posted the charts in every production department once each week. They also posted lists of problems and defects attributable to each department. Another department kept itself busy with “work redesign” and “assembly line balancing”. The plant was highly product focused. Material moved smoothly from one operation to next. Subassemblies flowed into assemblies like the tributaries of a river all moving toward the final assembly line.

Despite this effort, quality was mediocre at best. HT Corporation devoted more factory space to rework and repair operations than to the original assembly. The individual and social aspects of the system were largely ignored. People lacked interpersonal skills, common goals and trust and they could not hope to attain these qualities under the existing power structure and reward system.

**Discussion questions:**

- a) Comment on the human resource management practices of HT Corporation. ( 13 marks)
- b) If you take over as the Chief Executive Officer of HT Corporation what change would you plan to implement? How would you start implementing intended changes? ( 15 marks)

**Question no. 2**

- a) "Quality is a competitive weapon". Do you agree with this statement? Justify your answer. (7 marks)
- b) Distinguish between "Quality of Design" and "Quality of Conformance"? (6 marks)
- c) "Quality and financial performance are intimately related". Elaborate this statement (5 marks)

**Question no. 3**

- a) Describe the different categories of cost of quality. (5 marks)
- b) With suitable examples explain how prevention costs help any organization to strengthen its operations outcome. (7 marks)
- c) Explain with practical reasons why do quality improvement efforts fail in organizations? (6 marks)

**Question no. 4**

- a) Explain the main pillars of ISO 9001 quality standard. (6 marks)
- b) Explain why mutual beneficial -supplier relationship is important for the present day's industry and trade. (5 marks)
- c) Explain how an organization could be benefitted with an ISO 9001 Quality Management System. (7 marks)

**Question no. 5**

- a) Explain the salient features of various teachings of "Quality Gurus". Compare and Contrast the views of these gurus. (6 marks)
- b) Describe the role of leadership and its contribution for a successful Quality Management programme. (6 marks)
- c) Explain Juran's "Quality Trilogy" and its applicability for the modern industry. (6 marks)

**Question no. 6**

- a) Explain the meaning of Total Quality Management (TQM). (5 marks)
- b) Explain the importance of Plan- Do- Check- Action (PDCA) cycle. (6 marks)
- c) Assume that you are given an authority to develop a TQM system for your organization. Explain the steps that you would adopt to make this task a success. (Hint –Identify an organization and then explain the process). (7 marks)