



University of Kelaniya - Sri Lanka

Centre for Distance and Continuing Education

Faculty of Commerce & Management Studies

Bachelor of Business Management (General) Degree Third Examination (External) – 2016

April/ May - 2022

BMGTE 3035 – Total Quality Management

No of questions : 04 (Four)

Time: 03 Hours

Answer all the questions.

Question No. (01)

Organizational excellence is the continuous effort to establish an internal framework of standards and processes that are intended to engage and motivate employees to provide products and services that meet customer needs within business aspirations. Further, “Quality” is recognized as one competitive advantage that a corporate can nurture in order to achieve business excellence.

Explain how quality contributes to achieving business excellence using Dr. Juran’s Quality Definition.

(Total 20 Marks)

Question No. (02)

When James Jayawikrama founded his firm just after World War II, he had no idea that he would expand and hand on the company to the second generation. However, it is now led by the 3rd generation. Nearly 70 years later, the modest little bakery with his name on the door—Dayasili Bakers—has grown into one of the country's major fast-food restaurant chain. Managing a fast-food network with over 80 locations is not a simple feat. However, they face a stiff competition at

the movement from multinational fast-food chains that have lately entered in to the country. The Managing Director (MD) highlighted new competitors that have entered the market and their strategies during the most recent management meeting. We are a quality fast-food provider in Sri Lanka, according to the Marketing Manager (MM). However, our delivery speed is inadequate, and delivery speed is our new rival's competitive edge. As a result, our outlets, particularly those that deal with busy customers, may experience a decline in sales. The MD inquired about the company's delivery schedule; no one had a firm grasp on it. In light of this, MD rejected MM's argument and established a committee to expeditiously implement corrective action. The Operations Executive (OE), the Marketing Executive (ME), and the Human Resource Executive (HRE) comprise the committee. ME advocated during the first committee meeting that a benchmarking scheme should be implemented to expedite delivery operations. However, OE recommended developing a continuous improvement program (KAIZEN) to address the organization's problems. Assume you are the committee's third member (HRE).

- a) How to implement KAIZEN program in this scenario? Explain.
(10 Marks)
 - b) Assume your committee ultimately decides to launch a benchmarking program; describe four distinct types of benchmarking approaches and their pros and drawbacks.
(15 marks)
 - c) Assume the committee unanimously agreed to expedite the delivery procedure. What is the most appropriate method of benchmarking that the organization can use? You are free to make any assumptions.
(15 marks)
- (Total 40 marks)**

Question No. (03)

Divasara Industries (Pvt.) Ltd Managing Director Jayasiri Fernando summoned an emergency management meeting to examine the legal action taken against the company's product by one client. This is not the first time the company's products have been accused of being tainted.

Generally, a substantial number of products return during the company's warranty period requires a repair. This is the first instance, that a client has taken legal action.

Mr. Fernando directly blamed the operations manager during the meeting. According to him, this was owing to the product's poor quality. Additionally, the Marketing Manager provided assistance to the Managing Director. Further, he mentioned that he was unable to meet the sales targets set for him due to the poor quality of the products. The production manager attempted to defend himself by alleging that the purchasing manager supplied low-quality raw materials. He also faulted the human resources manager for failing to replace employees on time.

Each management laid blame on the others and ultimately concluded that no one was accountable for the incident. However, if the company loses the court case, it will suffer negative consequences. As a Quality Management Consultant, they welcome your thoughts to resolve this issue.

a) Define the term "Cost of quality" and explain its elements.

(10 marks)

b) Logically present the methodology you suggest to the company.

(10 marks)

(Total 20 marks)

Question No. (04)

Electo is the market leader in the manufacturing of electrical switches in Sri Lanka. They have established a powerful brand in Sri Lanka as a local company specializing in electrical switch manufacturing over the last 25 years. They now confront intense competition as a result of the introduction of foreign products to the market. A management meeting was called to determine the market's competitive behavior in this context.

It was stressed that direct material costs account for a significant chunk of the unit cost of production and have a significant impact on the unit contribution. Additionally, the meeting revealed that material 'X' is a critical material that is used in the manufacturing process. For the

last decade it is supplied by single supplier, and it represent a significant amount in the overall unit cost.

According to the company's new purchasing manager, price of the Material "X" might be decreased by procuring the relevant material "X" for the unit on the open market via a more open and transparent purchasing system.

As the Company's Quality Manager, present your position on this topic logically.

(Total 20 marks)