

Keeping ahead of changing markets

Quality management questions demand quality management answers – don't get caught out

MANAGING CHANGE IN BUSINESS

All businesses experience change – employees nowadays demand a say in how the business is run and customers expect top-quality products.

Employee empowerment

Because employees today expect a say in how they do their jobs, managers have had to change. They now use employee empowerment.

Employee empowerment means giving employees power to make decisions on their own without having to ask the manager's permission. Employees are given freedom to decide what to do and when to do it. Employees use their skills and knowledge as they see fit in the best interests of the business.

Employee empowerment has changed the role of managers in a number of ways:

- ◆ Because employees are given the power to make decisions related to their jobs, they have to consult with their managers less. Managers can thus spend less time supervising employees, allowing them to concentrate on other important matters.

- ◆ It helps managers to motivate their employees better. Employees' motivation increases because they enjoy having more responsible jobs to do. It satisfies their esteem needs. They are happier in their jobs and work harder.

- ◆ The business makes the most of its employees' skills and talents. Employees are not just used for simple mindless tasks. Instead, the business uses their analytical and decision-making skills to sort out problems in the business.

Total Quality Management (TQM)

Customers today expect top quality. If a business follows the principles of TQM, the business will have perfect quality products.

TQM is a management strategy designed to ensure perfect products and 100 per cent customer satisfaction. It says that every person in the business is responsible for quality and everyone (managers, suppliers and employees) must work together as a team to deliver perfect quality products to the customer.

TQM has changed the role of managers in a number of ways:

- ◆ Managers and employees work together as a team to make perfect products. Better quality products help manag-

ers to achieve an increase in sales and profits.

- ◆ Perfect quality products help managers to lower costs because the business does not waste money on repairing faulty products or giving refunds on faulty products.

- ◆ TQM helps managers to motivate employees. Workers like being responsible for quality. They feel important and valued by the business. They are happier and work harder.

1999 Higher Level Section 1 Q7 (10 MARKS)

Question: Total Quality Management (TQM) helps business because it . . .

Answer:

says that every person in the business must work together to make excellent quality products. Excellent products increase sales and profits.

or

lowers a business's costs because making excellent products means it does not waste money on repairs and refunds.

NEW TECHNOLOGY

New technology changes the role of managers in a number of ways.



Marketing

Managers can use the internet to advertise their products to consumers throughout the world. This can reduce the business's printing and stationery costs as customers can download brochures from the business's website.

Decision making

Managers can use Information and Communications Technology (ICT) to help them make better and faster decisions. They can download information in seconds from the world wide web about any topic and use this to help them make a decision.

Production

Managers can use Computer Aided Design (CAD). This is computer software that is used to design new products for business. Instead of drawing up designs by hand and building prototypes to test them, the computer designs and tests the new product. This means that products can be designed and made much more quickly and cheaply.

Redundancies

New technology can replace the employees in a business. This reduces a manager's span of control, as there are fewer employees to supervise. This frees the manager to spend time on the more important aspects of the business.

For example, Ryanair and Aer Lingus have replaced their reservations staff with internet booking.

