

JAYPEE UNIVERSITY OF INFORMATION TECHNOLOGY, WAKNAGHAT  
TEST – 1 EXAMINATION, SEPTEMBER 2016  
B.TECH VII SEMESTER

COURSE CODE: 11B1WPD834  
COURSE NAME: Total Quality Management  
COURSE CREDIT: 3

MAX. MARKS: 15  
MAX. TIME: 1 HR

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**Note: All questions are compulsory. Carrying of mobile phone during examination will be treated as case of unfair means. All questions are of equal marks.**

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1. Briefly discuss different quality dimensions for goods and services separately.
2. Briefly discuss the contribution of Deming in the field of Total Quality Management.
3. Briefly discuss the seven Management and Planning Tool which helps a firm for successful accomplishment of its objective.
4. Read the following case carefully and the following questions:

Philips India Ltd. previously called Pieco Electronics Ltd., a MNC has Dutch parents and its major plant in Calcutta. The company is having a very sound corporate image in India for its electronic products, namely TVs, Radios, transistors, battery cells, electric bulbs, electric tubes, two-in-ones, etc. Indians love to have Phillips products, which are more costly than various Indian electronics products brands, as they maintain a better quality. Philips operates through forward integration with its own authorized dealer's network in India. The company has maintained its corporate image and reputation in Indian market over the years. The labour trouble started in 1990. The company had its ancient production system in its main plant at Calcutta. Labour unions started agitations for salary hike and asked for a number of incentives and facilities to establish parity with other competing electronic giants. "There was a political clout of the labour unions which lead to increased militancy" says the Chief Executive Officer of the Phillips India Ltd. The situation of labour trouble took such an ugly turn that the Dutch parents of the Philips India decided to get out of India by closing the plant. In 1995, however, managers refused to give up and implemented TQM. The first step was total employees involvement. The management adopted the strategy of managing people through involving, empowering and motivating. The management re-established its future vision to be an international design and production center and decided to benchmark with international quality system standards ISO 9000. The main weakness of the company during 1990 started converting into strength when labour unions started participating intensively. A number of self-directed and self-managing mini, micro and mega-teams were formed and assigned responsibility and accountability under dynamic leaders. By 1995 the Calcutta plant of Philips India became a model factory for its major competitors to envy-its operations and turnaround.

The R&D section took the leading role for spearheading the company with its smart people and well equipped laboratories. The posters claiming "quality" were exhibited in the premises and all working areas. All this made the Calcutta plant a showpiece of Philips. It became the company's best bet for an international manufacturing center. The progress due to teamwork and quality orientation was so impressive that it led the company to achieve the internationally most coveted-The European Quality Award. The company also obtained certification of Environmental management system EMS 14001 which gave it a further boost in improving its sagging image during the previous 4-5 years from 1990 onwards.

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In a nutshell, five beliefs helped the management in its revival. These five beliefs are: (i) mission statement, (ii) revolve around valuing, (iii) trusting and creating trustworthiness, (iv) respecting the people and using their brainpower in teams, and (v) continuously motivating them. A few other things which helped the company are: propagating employee ship. TQM was used to bring about the much needed culture change, open communication, sharing information, sharing problems openly, and an appeal to labour unions to uphold the pride of Calcutta. Moreover, the company started operating in 3 shifts instead of only general shift over the previous time period. The continuous improvement through structured Kaizen activities was adopted as a way of day-to-day work improvement in assignments. A suggestion scheme was introduced which started getting a record number of practical and implementable suggestions. Cross-functional groups and small group improvement activities did a wonderful job. Rewards and recognition system was introduced.

Regular surveys on employee motivation were undertaken to know and further boost the employees' morale and participation in decisions of the company. Focus on customer and their delightment was increased by customer surveys, defect tracking, undertaking defect repairs, meeting the warranty claims, making after sales service better, customer helpline documents, promptness in delivery, etc.

Internal customer satisfaction was improved by strengthening internal supplier-internal customer chain with self-appraised vendor services. The inputs from the internal customers were obtained regularly for carrying out performance appraisal of the officers. The practice kept the officers on their toes. "Today. The company has not only recovered from its previous labour trouble but also has counted has counted itself amongst the few world-class companies: It has obtained recognition the world-over by winning the most coveted award- The European Quality Award", says the Chief Executive of the company. "Philips India Ltd. has become a benchmark for various competitors in India and abroad", the CEO of the company adds further.

**Questions:**

- a) Discuss the various labour troubles which compelled the company management and its Dutch parents to decide to wind up the Calcutta plant. What were the problems?
- b) How would you apply the Phillips India policy to help other electronics companies in India to implement TQM?