



## Quality of goods and services



### Definitions

<b>Quality</b>	Is about a product being fit for purpose
<b>Quality assurance</b>	Is an approach that involves the whole business focusing on quality, aiming to prevent quality problems arising
<b>Quality control</b>	Is a system for inspecting the quality of the goods or services produced and they are of a good standard
<b>Returns</b>	Are goods which customers take back to the shop because there are problems with the quality of them
<b>Recalls</b>	Are when a fault occurs with a product and the business asks for the product to be brought back so it can be repaired or replaced

### The importance of providing quality goods and services

- It avoids waste, which will reduce costs
- It avoids recalls, which will reduce costs
- It will affect the reputation and sales of a business. If a customer receives poor quality products they may decide to buy from a competitor in the future

	<b>Advantages</b>	<b>Disadvantages</b>
<b>Quality control</b>	<ul style="list-style-type: none"> <li>• It can help to <b>prevent faulty goods</b> and services being sold</li> <li>• It is <b>not disruptive to production</b> - workers continue working and inspectors do the checking</li> <li>• May benefit from an <b>improved reputation</b> which may <b>increase sales</b></li> </ul>	<ul style="list-style-type: none"> <li>• It <b>does not prevent waste</b> of resources when products are faulty</li> <li>• The process of inspecting costs money e.g. wages of inspectors</li> <li>• It <b>does not encourage all workers to be responsible</b> for quality</li> </ul>
<b>Quality assurance</b>	<ul style="list-style-type: none"> <li>• There may be <b>less wastage</b> and this will <b>reduce production costs</b></li> <li>• <b>Workers may feel valued</b> because they have been given responsibility for quality and this may motivate them to work harder</li> <li>• A <b>better reputation</b> which may <b>increase sales</b></li> </ul>	<ul style="list-style-type: none"> <li>• It may <b>disrupt production</b> because workers are stopping to check the quality of what they have produced</li> <li>• It may <b>cost a lot to train workers</b></li> <li>• Workers may <b>worry about the extra responsibility</b> and may resist the introduction of quality assurance methods</li> </ul>

## Exam Questions

ABC Bicycles Ltd have been producing bikes for over 20 years and have recently introduced new machines to their production line to ensure that their bikes are produced to the highest standard. The machines check that all parts have been fitted accurately. Each employee is also responsible for checking each bike at each stage of the process. They also have to wear white gloves and clothing to ensure that the bikes do not get dirty during the production of the bikes. The business used to check the quality of their bikes using a quality control system. Two specially trained employees were responsible to check the quality of each bike. However, they found that this resulted in too many bikes not meeting the required standard and therefore classed as waste.

## Knowledge

1. What is meant by the term 'quality control'? (1 mark)

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2. What is meant by the term 'quality assurance'? (1 mark)

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## Application

3. State three example from the case study that are examples of quality assurance (3 marks)

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## Analysis

4. Analyse one benefit of the business using quality assurance (3 marks)

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5. Analyse one drawback of the business using quality control (3 marks)

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