

2005/2006 SEMESTER 2 - SEMESTRAL EXAMINATION

Course : Diploma in Business Management
Diploma in Marketing
Diploma in Financial Services
Diploma in Accountancy and Finance
Diploma in Sport and Wellness Management

Module : BM0771 – Quality Management

Feb 2006

Time Allowed: 2 hrs

INSTRUCTIONS TO CANDIDATES

- 1 This examination paper consists of **SEVEN (7)** pages including this page.
- 2 There are **THREE (3)** Sections in this examination paper:
Section A (30 marks): Answer **ALL** the questions.
Section B (40 marks): Answer **Any TWO out of THREE** questions.
Section C (30 marks): Answer **ALL** questions.
- 3 All answers must be written in the answer booklet(s) provided.
- 4 Start a new question on a fresh page and indicate the question number clearly.

SECTION A – COMPULSORY (30 marks)

Answer **ALL** the questions below.

Question 1

Not Happy With A Cab Ride? Now SMRT Offers A Refund

Passengers who complain about the service they get from a taxi driver will get their fares back in a taxi voucher, which they can redeem on their next trip in an SMRT cab. Passengers who call the hotline 6555-8888 to complain will be reimbursed within seven days of submitting their receipt for the journey. On the flip side, SMRT is hoping passengers will reward its cabbies for good service by tipping them.

SMRT is urging its drivers to follow five golden rules: 1. Greet passengers when they board the taxi, 2. Ask for their preferred route of travel, 3. Provide a safe journey, 4. Keep the taxi clean, 5. Ensure the correct fare is charged

Mr Lim Swee Say, Minister in the Prime Minister's Office, said that taxi drivers still needed to improve their image, when he launched SMRT Taxis' money –back guarantee initiative at the SMRT clubhouse in Bishan. "Over the years, even though the standard of driving and taxi services has improved, in the minds of many Singaporeans, the standard has not gone up It is because some taxi drivers indeed have not played their part and, as a result, have affected the image of the entire profession."

But SMRT, which has a fleet of 3,000 taxis, said that 80 out of the 100 calls it gets from the public every month are praise for drivers.

Though tipping is not customary practice here, cabbies said they do get tips from both locals and tourists, with amounts ranging from \$2 to \$50. Some passengers said that instead of tipping, they tell cabbies to keep the change.

Cherie Wong, a 25- year old architect who takes a taxi at least five times a week, welcomed the money back scheme. "Just voicing a complaint doesn't make someone feel like the company is taking feedback seriously. But by committing to giving refunds, we know that our feedback matters," she said.

(Straits Times 9 Dec 05)

a) Identify the **THREE (3)** principles of Total Quality that SMRT is working on.

(3 marks)

b) Briefly explain the **THREE (3)** key principles of Total Quality above with an example each from the above case.

(9 marks)

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- c) Briefly describe any FIVE (5) key differences in terms of quality between services such as taxi service and manufactured goods such as digital cameras.
(10 marks)
- d) There are several approaches to TQM implementation available to SMRT. Briefly describe FOUR (4) approaches that SMRT may follow.
(8 marks)

END OF SECTION A

SECTION B (40 MARKS)

Answer any TWO (2) of three questions.

Question 2

The Four Seasons Hotel is widely regarded as one of the top hotels ranked in terms of customer service quality. Dedicated to continuous innovation and the highest standards of hospitality, Four Seasons invented luxury for the modern traveller. The entire experience in the hotel from check-in to check out is focused squarely on the customer.

- a) State and briefly explain the SIX (6) leading quality practices of customer-driven companies like the Four Seasons Hotel. (12 marks)
- b) State any FOUR (4) key dimensions of service quality. (4 marks)
- c) Choose any TWO (2) dimensions of service quality, and provide your example of each dimension from the example of the Four Seasons Hotel. (4 marks)

Question 3

Robinson was one of the first department stores in Singapore to obtain the Singapore Service Class standard because of its strong emphasis on service quality. The company believes that their service staff are a key asset. As one of Singapore's leading retailers, they pay keen attention to staff training in the areas of presentation and product knowledge. Their commitment to excellent service that exceeds customer expectations has garnered them numerous industry awards over the years. For instance, many of its staff have received numerous Excellent Service Awards (EXSA).

- a) State FOUR (4) reasons why a company like Robinsons would go for the Singapore Service Class. (4 marks)
- b) State and briefly explain the FOUR (4) components and sub-components of the Singapore Service Class framework. (8 marks)
- c) Select any TWO (2) components of the Singapore Service Class framework, and briefly explain with your examples how Robinsons might implement them to achieve the Singapore Service Class standard. (8 marks)

Question 4

Jimmy Koh has just started a company, "Silicon Systems" dealing with the manufacture of computer microchips for hi-tech equipment like mobile phones, PDAs and digital cameras. He once attended a quality management seminar explaining the contributions of leading quality thinkers like Deming, Juran and Ishikawa. Jimmy believes that it is important to start the company on strong quality foundations, and begins to think about how he can apply the teachings of these quality thinkers to the management of quality at Silicon Systems.

- a) State and briefly explain any FOUR (4) of Deming's Fourteen Points principle.
(8 marks)
- b) Select any TWO (2) principles, and briefly explain how Jimmy would implement them at Silicon Systems.
(4 marks)
- c) State and briefly explain Juran's Quality Trilogy.
(6 marks)
- d) Select any ONE (1) aspect of Juran's Quality Trilogy, and briefly explain how Jimmy would implement it at Silicon Systems.
(2 marks)

END OF SECTION B

SECTION C – COMPULSORY (30 marks)

Read the following short case and answer ALL the questions below.

Singtel is Asia's leading communications group with operations and investments in more than 20 countries and territories around the world. Serving both the corporate and consumer markets, the SingTel is committed to bringing the best of global communications to customers in the Asia Pacific and beyond. In Singapore, SingTel has had more than 120 years of operating experience and has played an integral part in the development of the city as a major communications hub in the region.

Singtel was able to maintain its leading market position despite liberalisation of the market and intensifying competition since 1997. This reflects in their ability to offer a comprehensive package of communications services, coupled with strong brand recognition. Singtel has proven over the years that its unique combination of technology ownership, broad product offering, customer service and support results in a sustainable competitive advantage. Singtel believes that creating and delivering value to customers, employees and shareholders is fundamental to their business. Providing innovative communications solutions to meet evolving customer needs has been core to our success. Customer surveys have been carried out annually to understand customers' perception of service and product quality.

Over the years Singtel has made a number of improvements in terms of its services and products that are tailored to its customers. TQM was initiated at every level to bring about excellence in every business unit within the organisation. TQM is seen as a philosophy that makes quality values the driving force behind leadership, customer service, design & planning, training and management practices. Senior management led the way in building quality values into the company operations. All employees are also well trained, empowered and committed to continuously improve and reduce costs in operations. Systematic processes were integrated throughout the organisation to foster continuous improvement.

Many of the business units were ISO certified. Business units designed and documented policies and processes in their respective areas. They conducted regular audits to ensure compliance and accountability to the quality standards. One of the units was in the call centre operations. Some of the key responsibilities in handling of customer complaints in the call centre included the logging of customer complaints, resolution of complaints and monitoring of the status of the complaints. With the successful implementation of the ISO standard, Singtel received the National Call Centre standard in meeting these quality requirements. Singtel also achieved greater customer satisfaction as a result. A survey was done based on consumer's overall perceptions about the service, product, the number of complaints received and customer retention rates. It was found that about 20% out of 40% said that they were happy about the services.

- a) State and briefly explain any FOUR (4) principles of the ISO 9000: 2000 framework.
(8 marks)
- b) Using evidence from the above case, identify any FOUR (4) of those principles that are practiced in Singtel.
(8 marks)
- c) State and briefly explain any FOUR (4) steps for TQM implementation evident in the above case of Singtel.
(10 marks)
- d) State TWO (2) similar principles between the Singapore Quality Award and ISO 9000 Quality Management System
(4 marks)

END OF SECTION C

END OF EXAM PAPER