

Edward de Brincat

Quality Management in Micro firms – Myth or Reality?

A Maltese Micro Manufacturing firm under review



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Executive Summary

Manufacturing companies including a local micro-enterprise - Quality Postform Ltd are persistently facing competitive pressures as a consequence of customers demanding higher quality products. The emergence of Quality Management has been attributed by many researchers and Quality Gurus including Phil Crosby as a strategic imperative for typical organisations to survive within a highly competitive environment. Nevertheless, research carried out throughout the past years is relatively restricted regarding the practicality of micro-manufacturing firms in implementing Crosby's Quality Improvement Programme, which is claimed to be highly beneficial in typical situations. This dissertation seeks to investigate this scenario from both a descriptive and critical perspective towards Quality Postform Ltd.

The research provides a critical evaluation of the academic contributions towards the quality management concept. Distinct disputed viewpoints have been identified focusing on Crosby's 14-Step Quality Improvement Programme. From one end of the spectrum, supporters uphold that claimed benefits have been acknowledged. Alternatively, others sustain that in essence a Quality Improvement Programme is counter-productive in terms of its application within Small and Medium sized Enterprises. However the researcher has identified four key pre-requisites in order for micro-firms to effectively implement Crosby's programme. These include: management commitment, the acknowledgement of a quality problem, the organisation's readiness to embrace change together with the suppliers' readiness to support the quality programme.

The methodology applied to assess the presence of these four pre-requisites at QPL was to compile primary, qualitative data through one-to-one / face-to-face interviews with key management officials. This approach is justified due to the absence of formalised documentation and as a result, it is imperative to assess that historical data on Quality Systems is seriously lacking at QPL. The field research outcome reveals that QPL's management is experiencing serious doubts regarding the feasibility and practicality of the program's implementation within a micro-manufacturing firm. This is the case primarily whenever the latter is facing limited financial and human resource capabilities such as at QPL. The research findings disclose that none of the four pre-requisites are present within this micro-firm. Moreover it confirms the scepticism on the part of specific scholars regarding quality management programmes

that micro-firms fail to afford such initiatives. Thus, it transpires that a distinct approach towards Quality Management within small business is more appropriate.

1.0 INTRODUCTION

1.1 Research Preamble

The underlying objective of business concerns is to deliver quality via superior and sustainable quality value systems (Goetsch and Davis, 2010). Within the contemporary business setting, QM appears to be no longer a competitive weapon in the arsenal of established organisations, but a prerequisite for survival (Haksever 1996). The emergence of the TQM concept has been acclaimed as the cure to un-competitiveness in abundant number of cases. Philip Crosby's 14-step programme is acclaimed to be the catalyst of quality improvement. These views seek to simplify the definition of quality in a business context as firms struggle to implement quality improvement programmes especially in the manufacturing sector where complex factors come into play such as sophisticated production machinery, technical and staff knowledge and skills, integrated information technology software systems, regional and organizational cultures and the size of the firm itself.

Literature indicates that insufficient empirical studies have been undertaken in relation to the systematic implementation of Philip Crosby's model within the wider context of EU based micro-organisations – the latter representing 92% (see Appendix 1). Empirical evidence on outcomes regarding the implementation of the Crosby model is rather constrained. Thus, the researcher was motivated to fill this research gap by insightfully investigating a wide range of aspects within this arena.

The researcher within the capacity of the GM of a micro-manufacturing firm, recognised the need to evaluate the applicability of Crosby's 14-step Quality Improvement Programme. This is especially the case in a local context, where this industry sector represents 96% of all organisations, employing 40.3% of the Maltese workforce (see Appendix 1).