



(University of Choice)

**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)
UNIVERSITY MAIN EXAMINATION
2022/2023 ACADEMIC YEAR
FIRST YEAR FIRST SEMESTER EXAMINATIONS
FOR THE DEGREE
OF
BACHELOR OF COMMERCE**

COURSE CODE: BCB 105

COURSE TITLE: QUALITY MANAGEMENT

DATE: WEDNESDAY, 21ST /12/2022 TIME: 12:00 - 2:00PM

INSTRUCTIONS TO CANDIDATES

Question ONE (1) is compulsory and any OTHER TWO (2) questions

TIME: 2 Hours

MMUST observes ZERO tolerance to examination cheating

QUESTION ONE (COMPULSORY 30 MARKS)

BIDCO oil limited was started in 1980 as a family business making oil products. Its annual turnover was 1 million Kenya shillings, a reasonable income for a family then. Overtime, the sales increased reaching a peak of 500 million.

Due to liberalization and the entrant of other players, sales of BIDCO oil started to take a nosedive, reaching a low of 100 million by 2005. Bidco oils products were costing 20% more than imported oil and were still more expensive than those of the local new entrants.

The family after much soul searching relinquished the day to day running of BIDCO oil Limited and sought the services of Mr. Mamadi, an experienced manager. His brief was to turn around the company and regain the sales lost.

In 2006, Mr. Mamadi, The managing director, enlisted his company to participate in Company of The Year Award (COYA). Obviously his company did not win any award. The following year he also participated.

In 2009 he again participated and BIDCO Oil Limited scooped the prestigious COYA quality award. The sales hit the one billion shilling mark compelling BIDCO Oil Limited to embark on a major expansion drive to meet the increased demand. His products were now selling at 10% below those imported.

Required

- a) What benefits, if any does a company stand to gain from participating in the company of the year award (COYA) (10 marks)
- b) How did BIDCO Oil Limited use quality to reduce costs (5 marks)
- c) Should BIDCO Oil Limited participate in COYA in 2010? Discuss (5 marks)
- d) Discuss the contribution of the company of the year award (COYA) to quality improvement in BIDCO Oil limited. (10 marks)

QUESTION TWO (20 MARKS)

- a) It is often said 'you can't control what you can't measure and you can't manage what you can't control' in the light of TQM based performance measurement, discuss this statement. (10 marks)

- b) Many organizations in Kenya are seeking ISO certification. Discuss the potential benefits such organizations may derive from the certification. (10 marks)

QUESTION THREE (20 MARKS)

- a) Quality improvement techniques available for use in an organization may include but not limited to design of experiments and quality function deployment. Compare and contrast these techniques. (10 marks).
- b) Discuss the contribution of Kaoru Ishikawa to the total quality management we have today. (10 marks).

QUESTION FOUR (20 MARKS)

- a) Taguchi's method is scientifically disciplined mechanism for evaluating and implementing improvements in products, process materials equipment and facilities. Describe the procedure used to apply this method for optimizing the processes. (10 marks)
- b) Mass media has revealed that problems in public sugar manufacturing firms in Kenya emanate from poor leadership by the heads of the firms. Explain principles of Total Quality Management (TQM) that if applied could alleviate the challenges encountered by such leadership (10 marks).

QUESTION FIVE (20 MARKS)

- a) "For any organization to succeed in this challenging business environment, it has to be proactive in its plans". Discuss this quote in relation to quality function. (10 marks).
- b) Explain how you understand the concept of "quality management awards" and briefly describe any two examples you have studied (10 marks)