

## Demonstrate knowledge of quality and its management

**Level** 3

**Credits** 4

**Purpose** People credited with this unit standard are able to: explain fundamentals of quality and its management; explain the role of supply chain relationships in quality and its management; explain roles and responsibilities for ensuring quality in an organisation; describe quality management systems; and identify approaches to quality improvement.

**Subfield** Business Operations and Development

**Domain** Quality Management

**Status** Registered

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**Accreditation** Evaluation of documentation by NZQA.

**Standard setting body (SSB)** NZQA National Qualifications Services

**Accreditation and Moderation Action Plan (AMAP) reference** 0113

This AMAP can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

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### Special notes

1 Definitions

*Quality* is the degree to which a set of inherent characteristics of products and services fulfils the stated and implied requirements of customers and other stakeholders.

*Quality management* is a philosophy of management that encompasses quality management systems, customer focus, and a consultative culture. The purpose is to continuously improve the value of goods and services to internal and external customers, with outcomes of improved business results and greater effectiveness and efficiency in day-to-day activities.

*Quality management systems* refers to a formal management system that establishes policy and objectives (and ways of achieving them) in order to direct and control an organisation with regard to quality.

## 2 Abbreviations

ISO (as in ISO 9000) stands for International Standards Organisation.

TQM stands for Total Quality Management.

NZBEA stands for New Zealand Business Excellence Awards.

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## Elements and performance criteria

### Element 1

Explain fundamentals of quality and its management.

#### Performance criteria

1.1 Concepts of quality are explained in terms of degree of excellence, conformance to requirements and fitness for purpose, and meeting and/or exceeding customer needs and expectations.

1.2 Concepts associated with the management of quality are explained in terms of their relationships, applications, and limitations.

Range concepts include but are not limited to – quality management, quality control, quality assurance, total quality management (including continuous improvement).

1.3 Quality management principles are explained in terms of their inter-relationships and application to a specific situation.

Range principles include but are not limited to – customer focus, leadership, involvement of people, process approach, system approach to management, continuous improvement, factual approach to decision-making, mutually beneficial supplier relationships.

### Element 2

Explain the role of supply chain relationships in quality and its management.

#### Performance criteria

2.1 The importance of supply chain management is explained in terms of meeting internal and external customer needs.

2.2 The role of external suppliers is explained in terms of their significance as an integral part of the supply chain.

### Element 3

Explain roles and responsibilities for ensuring quality in an organisation.

#### Performance criteria

- 3.1 The role of stakeholders is explained in terms of their commitment to and support of quality.
- Range stakeholders may include but are not limited to – managers, board members, owners, shareholders, employers.
- 3.2 The conditions required for individuals to take responsibility for quality are described in terms of meeting customer requirements.
- Range conditions include but are not limited to – resources, authority, training, processes.
- 3.3 The role of teams in ensuring quality is explained in terms of the delegation and sharing of authority and responsibility.

### Element 4

Describe quality management systems.

#### Performance criteria

- 4.1 Quality management systems are described in terms of their features.
- Range features may include but are not limited to – systematic approach, documentation of procedures, standards and specifications, review and audit, measurement and evaluation.
- 4.2 Comparison of two recognised models for quality management systems is made in terms of why they are chosen for different situations.
- Range models may include but are not limited to – ISO 9000:2005 series, ISO 22000:2005 *Food Safety Management Systems*, TQM, NZBEA criteria.

## Element 5

Identify approaches to quality improvement.

Range approaches may include but are not limited to – innovation, TQM, ISO, Baldrige award criteria, Six Sigma, NZBEA criteria; evidence of two approaches is required.

### Performance criteria

- 5.1 Identification of approaches to quality improvement establishes their inter-relationship, resource requirement, and significance to the management of organisations.
- 5.2 The role of documentation in each approach is described in terms of its importance for the maintenance of quality improvements.

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### Please note

Providers must be accredited by NZQA, or an inter-institutional body with delegated authority for quality assurance, before they can report credits from assessment against unit standards or deliver courses of study leading to that assessment.

Industry Training Organisations must be accredited by NZQA before they can register credits from assessment against unit standards.

Accredited providers and Industry Training Organisations assessing against unit standards must engage with the moderation system that applies to those standards.

Accreditation requirements and an outline of the moderation system that applies to this standard are outlined in the Accreditation and Moderation Action Plan (AMAP). The AMAP also includes useful information about special requirements for organisations wishing to develop education and training programmes, such as minimum qualifications for tutors and assessors, and special resource requirements.

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### Comments on this unit standard

Please contact the NZQA National Qualifications Services [nqs@nzqa.govt.nz](mailto:nqs@nzqa.govt.nz) if you wish to suggest changes to the content of this unit standard.