

of the national capital (first of all corporations in sphere of motor industry, high technologies, manufactures of home appliances, the chemical industry), development of a facilities in a combination to preservation and augmentation of national culture and steady economic development.

Since the middle of 1970th years, the economy of Japan takes the second place after the USA in the world on volume of GDP and becomes one of the world financial centers.

So what to learn from Japan, the country that is one of the most developed states in the world till present days?

The basic secret of this economic miracle is that the government of Japan has staked on people-citizens of Japan. They carried extraordinary diligence of Japanese to number of advantages of the constructed economy in a combination to a high educational level and strong traditions of mutual aid, i.e. advantage in the field of "the human capital".

We also come to such moment of development when it is necessary to do accent on quality of human resources. Bad development of this aspect of our states has led to the present situation, in which the considerable part of economy of Kazakhstan is in a shadow, taking high places in ratings on such parameters of the countries of the world. For this reason the level of trust of citizens and businessmen in relation to the government is practically equal to zero.

For the development of "human resources", we should change mentality of people, which has created since Soviet times. The mentality, where mutual aid and aspiration to the answer to a question "What I have made for my native land? "Instead of "What my native land has made for me?" are the most important points. And the change of mentality goes smoothly with the change of generation.

In conclusion, we should apply more efforts for development of education, because the youth is the future of our states. And if we do not undertake the necessary steps now, as Japan did before, we will be in lists of the countries that need grants from world powers for normal existence of people next 20-30 years. Or can we be the country which will help others? Everything is in our hands.

ORGANIZATION OF PRODUCT QUALITY CONTROL

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1. INTRODUCTION

The problem of product quality control is applicable for every company, particularly today, when in increasing production efficiency one of the most important factors is product quality, which provide product competitiveness. Using quality of their products companies can appeal customers and distinguish themselves from their competitors. For a business to be successful, all the systems and teams in the company should be working well together to be able to provide excellent quality service or goods. A company's reputation is built on the quality of products or services the company provides. Modern production – is the production of high quality products. Generally companies can compete in three primary features of their goods and services: quality, price, availability. Often consumers prefer quality to price, because they understand that high quality will decrease expenses on exploitation and repair, and satisfy their needs better. Customer satisfaction is a result of providing consumers with quality products and services. Company growth and profit both come from the customer loyalty, which is a direct result of customer satisfaction.

The biggest companies in the world base their image on the quality of their products. These firms have entire departments of highly trained specialists to design and implement their quality control programs. And high quality provides to these companies sales, decrease in costs and increase in profit, even if the price of these products is high.

For today Kazakhstan established trade relations with foreign countries and many companies entered our domestic market. For this reason competition on the market of products and services of the country increased. Majority of products and services produced by foreign companies have very high quality. Having a successful business can be difficult to do especially when you have tough market competition. That is why domestic producers have to look for new and effective methods to raise quality of products in order not to loose their existing consumers and be competitive.

Systems of quality control are individual for every company. But world science and practice formed unique features of these systems, and also methods and principles which can be used in each firm. So the main problem for every company is to choose the most suitable method, which will allow controlling whole production process.

2. QUALITY AND QUALITY CONTROL

2.1 Definition of quality

Definition defines quality as “the total composite product and service characteristics of marketing, engineering, manufacturing and maintenance through which the product or service in use will meet the expectations of the customer”¹. From this definition we see that the customer’s intended use of the product can affect quality. A product must be adequate for the application that the customer has in mind.

There are three aspects of quality (Figure 1):

1. Designed quality – is a quality that the product is designed to have, and comes from the specifications and the features that are designed to satisfy customers. Designed quality is good when the product satisfies customers.
2. Process quality – shows how good the process is at making products, how much variability it introduces – and generally how closely the products match their designed specifications. Process quality is high when the completed product matches its designed specifications.
3. Achieved quality – shows how the overall quality is, with its combination of design and process. Achieved quality is high when the product’s design meets customers expectations, and it is made according to specifications.

Company can only get results (i.e. good achieved quality) when the both designed products that satisfy customers (good designed quality), and make the products according to specifications (good process quality). Mistakes in either of these – or both of them – give poor achieved quality. (Figure 2)

2.2 Quality control

Control - An evaluation to indicate needed corrective responses; the act of guiding a process in which variability is attributable to a constant system of chance causes.

There are several definitions of quality control:

1. Marketing dictionary: Quality control - Controls placed on the manufacture, distribution, and/or sales of products and services to assure customers that the quality of the goods and services will remain at the industry's or manufacturer's standard for quality throughout all areas of production and sales.
2. Small Business Encyclopedia: Quality control - Quality control refers to the process, most often implemented in manufacturing, of monitoring the quality of finished products through statistical measures and an overall corporate commitment to producing defect-free products. Quality control principles can also be utilized in service industries.
3. American society for quality: Quality control - The observation techniques and activities used to fulfill requirements for quality.

2.3 Control approaches to quality

Traditional bureaucratic control

Bureaucratic control is the use of rules, policies, and hierarchy of authority, written documentation, reward systems, and other formal mechanism to influence employee behavior and assess performance. Bureaucratic control relies on the cultural value of traditional top-down control and is implemented through the organization’s administrative system. It assumes that quality targets can be defined and that employees’ work behavior will conform to those targets if formal rules and regulations are provided.

Decentralized control

Decentralized control represents cultural values that are almost the opposite of those of bureaucratic control. Decentralized control relies on social values, traditions, shared beliefs, and trust to foster compliance with organizational goals. Employees are trusted, and managers believe that employees are willing to perform correctly without extensive rules of supervision.

In decentralized control, technology is used to empower employees giving them the information they need to make effective decision. Through network information system, workers throughout the company can access data that was once available only to a select few. When managers share

¹ James B. Dilworth, Operations management, 1992

information and power, control can no longer be exercised using the traditional bureaucratic approach. Decentralized control is usually implemented in the following areas.

Traditional bureaucratic control vs. Decentralized control

	Bureaucratic	Decentralized
<i>Purpose</i>	Employee compliance with rules	Employee commitment to quality
<i>Techniques</i>	Rules, formal control systems, hierarchy, quality control inspectors, selection and training, and technology	Corporate culture, peer group, self-control, selection, and socialization
<i>Performance expectations</i>	Measurable standards define minimum performance; fixed indicators	Emphasis on higher performance and oriented toward dynamic marketplace
<i>Organization structure</i>	Tall structure, top-down controls Rules and procedures for coordination and control Authority of position; quality control department monitor quality	Flat structure, mutual influence Shared goals, values, traditions for coordination and control Authority of knowledge and expertise; everyone monitors quality
<i>Rewards</i>	Based on employee's achievement in own job	Based on group achievements and equity across employees
<i>Participation</i>	Formalized and narrow (e.g., grievance procedures)	Informal and broad, including quality control, system design, and organizational governance

Bureaucratic control is concerned with compliance and decentralized control with employee commitment. Bureaucratic methods define explicit standards that translate into minimum performance and use top-down control. Compensation is based on individual performance. Employees rarely participate in the control process. With decentralized methods employees strive to achieve standards beyond explicitly stated goals. Influence is mutual, with employees having a say in how tasks are performed and even in determining standards of performance and design of control systems. Shared goals and values replace rules and procedures. Compensation is based on group, departmental, and organizational success rather than on individual performance. This induced individuals to help each other improve quality rather than compete against one another. Employees participate in a wide range of areas, including quality governance, goal setting, and performance standards.

3. CONCLUSION

In order to have effective quality control each organization should carefully examine existing approaches before choosing one of them. Two approaches to quality control were discussed. Each of them has advantages and disadvantages.

Many managers effectively use bureaucratic control, but too much control can backfire. Employees resent being watched too closely, and they may try to sabotage the control system. However, too little bureaucratic control also can backfire. Finding the right level is the challenge. And decentralized control utilizes methods different from those of bureaucratic control. It is a mistake to assume that decentralized control is weak or represents the absence of control simply because visible rules, procedures, and supervision are absent. Indeed, some people believe that decentralized approach is the stronger form of control because it engages employees' commitment and involvement. Decentralization is the wave of the future, with more companies adopting it as part of a strong corporate culture that encourages employee involvement.

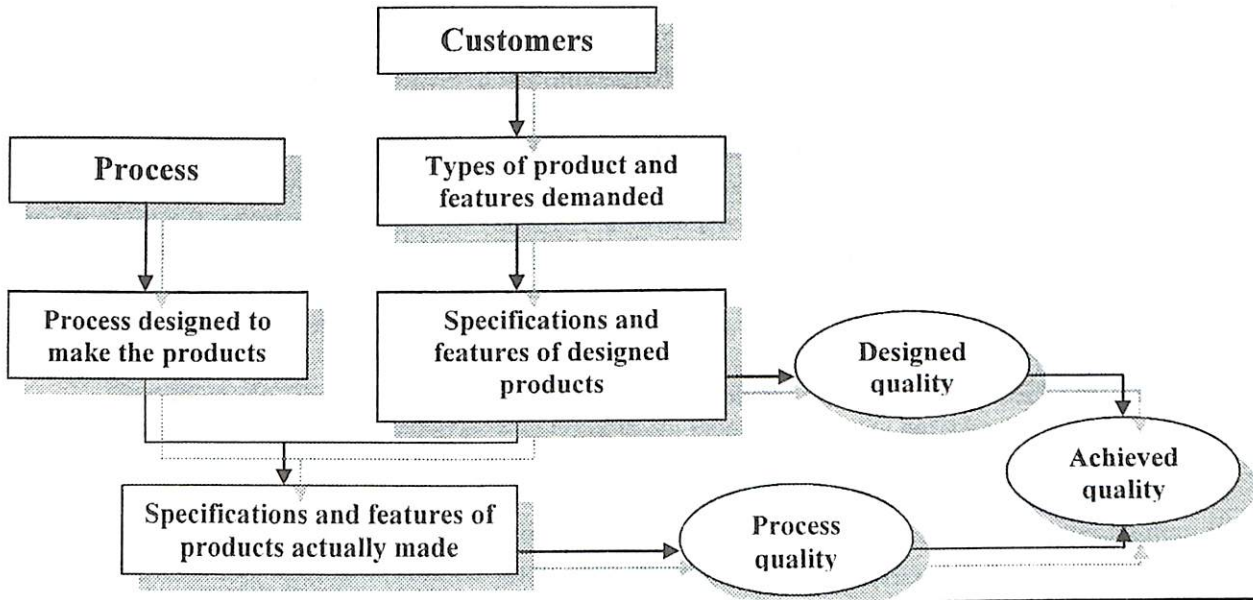
Which approach company will choose depends on organization's strategy. But the best way is to combine them. It will allow company to build their own system of quality control, which will fit perfectly for production process, allow improving quality of products, and be more competitive in the market.

LITERATURE

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APPENDIX

Figure 1. Designed, process and achieved quality.



Source: Donald Waters, Operations strategy, 2006

Figure 2. The need for both good design and process quality.

		Product design – setting designed quality, emphasizing the external view of customers	
		Good	Poor
Production – setting process quality, emphasizing the internal view of operations	Good	1. Good achieved quality – product designed satisfies customers and they are made according to specifications.	3. Poor achieved quality – product designs do not satisfy customers, but they are made according to specifications.
	Poor	2. Variability achieved quality – products designed would satisfy customers, but they do not always meet specifications.	4. Worst achieved quality – product designs would not satisfy customers, and they do not meet specifications.

Source: Donald Waters, Operations strategy, 2006

ЭФФЕКТИВНОЕ УПРАВЛЕНИЕ ТРУДОВЫМИ РЕСУРСАМИ В ОРГАНИЗАЦИИ

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Экономический потенциал страны, национальное богатство и качество жизни определяются главным образом состоянием трудовых ресурсов, уровнем развития трудового или человеческого потенциала.