

## QUALITY AS A VISION OF THE FUTURE

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### SUMMARY

*The issue of quality is increasingly present in all areas of society, including the contemporary management. Most authors believe that we are living in the century of quality, because it is a concept that is key to the success of many global companies.*

*Globalization increases competitiveness, so manufacturers decide for prestige in the international market. Increasing competition has made the company consistently increase their productivity while reducing costs.*

*The new quality concept requires a radical change of existing views and attitudes towards quality and business in general.*

*As a basis for defining a new concept of quality, customer satisfaction is taken, instead of the traditional views of producers and suppliers, so quality must be built into all phases of business.*

*Starting from business etiquette and culture of the company, through the processes, human resources, marketing and ending at product and services site, the process of Total Quality Management (TQM) is spreaded.*

*The concept of Sustainable Development is developing along with this process.*

**Keywords:** quality, contentment, management, sustainable, development, processes, standards

### 1. INTRODUCTION

Volatility of the market economy environment, the dominant competitors, high expectations of consumers and characteristic tendencies in modern business conditions have contributed to the development of a new concept of quality.

Starting from the final quality control, over a defined level of quality, production process control and prevention in the field of quality, a system of Total Quality Management (TQM) is established.

Consumers, as the main interest group of any successful organization, are provided with informations about performance of products/services and the whole process. So that constant improvement with the use of new technologies, the best answer for any organization that wants to be competitive. Special importance belongs to the environment protection, by introduction of the ISO 14001:2004.

The strategy of processes quality and environment management becomes imperative, because it is the way for achieving leadership positions.

## 2. QUALITY ASSURANCE

Quality is a global phenomenon, which in its full meaning, had won Europe, after Japan and America. Quality is integrating today in national governments, regions and cities, economy, law, business associations, educational and health institutions, media and all citizens.

The former European Community with its project Europe '92. built quality and technical standards in its fundamentals. In this way, product quality and System quality of organization, toward standard ISO 9001<sup>1</sup>, became a barriers for European market accessing. The current European Union is with promotion the policy of quality has reached the evolution of implementation of the economic aspects of quality as the primary factor for the financial performance and achievement of competitiveness of European organizations<sup>2</sup>. That concept includes the use of intellectual technologies and demands a radical change in existing views and attitudes towards quality and business in general.

Quality policy, product safety and environmental protection, express commitment of the management to work actively on the integrated management system maintenance and continuous improvement.

It is implemented by defining and achieving goals, engaging all employees, providing needed resources and establishing good partnership connections with customers and suppliers [3]. Quality policy combines goals such as:

- Stable and profitable business,
- Ongoing development through the introduction of the new technologies,
- Development of new markets,
- Increasing of competitive ability,
- Increasing efficiency of the integrated management system,
- Achieving business excellence.

By performance monitoring, measuring and analyzing, the processes are controlled<sup>3</sup>.

The effects are compared, allowing their volatility, supplement or override in order to maximize quality and safety of product.

Given the fact that quality is the result of the level of customer satisfaction and product prices, the highest value for users is the optimal combination of quality and price.

Achieving such high values is possible through the establishment of quality management, which involves the application and development of certain phases:

- Inspection-effective technical control<sup>4</sup>,
- Quality management-process planning and control<sup>5</sup>,

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<sup>1</sup> Quality Management System.

<sup>2</sup> European model of excellence established the European Foundation for Quality Management (EFQM) 1992. European Organization for Quality (EOQ) promoted in the 2000<sup>th</sup> year a European vision of quality, that quality is integrated in the general social sphere, on which rests the essence of survival and development of European integration.

<sup>3</sup> Quality is functionally connected with the values of some attributes. A higher level of quality has products/services, which attributes satisfies customers to a greater extent. Quality of products/services is measurable using statistical methods and accepted economic indicators.

<sup>4</sup> Statistically, about 15% of the goods with error pass commission control.

<sup>5</sup> Allows the identification of errors and impact on prevention.

- Quality assurance-identifying needs<sup>6</sup>,
- Developing a quality management-continuity in the development,
- The effectiveness of quality management-ensures the progress of business.

### 3. QUALITY MANAGEMENT

In order for a company to survive and successfully operate, it must have a quality strategy, which will accomplish projected goals.

First, quality management should encompass all aspects of quality, from product design toward production and use. All efforts to achieve quality must be guided by the corporate quality policy that is based on planning and controlling [4].

Today, successful companies are changing their strategy and are turning to the consumer [1], trying to create more value<sup>7</sup> than competitors.

Customers estimate offered values based on perceived benefits, quality and performance on the one hand and what they give on the other<sup>8</sup>.

The most important activity in the value-oriented strategy, is implementation. Implementation is the process that combines the functions and directs them toward value creation for consumers.

The main activities are related to:

- Decision-making,
- Creation,
- Delivery,
- Communication and
- Evaluation of values.

Competitive advantage is on the side of the company that creates greater value for their customers<sup>9</sup>. Better understanding of the value that consumers prefer, create a sustainable advantage for all participants involved in the process.

The concept of quality begins with customer needs and ends with its satisfaction [2]. Parallel to this, the concept of quality of life is developing.

The quality of human life depends not only on economic conditions, but also on many other factors, which include physical and mental health, social security, social institutions, political stability and living environment.

The high level of social development is largely in opposing position towards freedom of the individual, his professional and other restrictions. Therefore, the quality of life can be discussed only as a process<sup>10</sup>.

With a view to its development based on the premise of quality of life, the European Union has developed a new strategy:

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<sup>6</sup> Optimal satisfaction of consumers.

<sup>7</sup> Represents the buyer's perception of achieved utility of a product/service in comparison to its price. Usefulness of the product/service incorporates: quality, reliability and utility features.

<sup>8</sup> Knowledge that consumers have about products and possible solutions to their problems in the system of consumption, through information and communication technology is improved.

<sup>9</sup> By enabling consumers to create value provides the conditions for minimizing the difference in value. They become a source of information that is required by companies in order to form value for consumers.

<sup>10</sup> Higher quality level of the organization provides a higher profit, and thus higher wages and better quality of working life, time and qualitatively.

- ❖ To become competitive economy based on knowledge and capable of sustainable economic development.

By establishing and measuring the quality of life, in this way, the conditions for the improvement of underdeveloped elements of quality are created.

#### **4. ENVIRONMENTAL MANAGEMENT**

Economic rationality becomes a compulsory part of business practices not only the most developed countries, but each country individually. Conservation of natural resources, especially their rational use.

Environmental Strategy includes health and life protection, maintenance the quality of ecosystems, preservation of a sustainable balance of nature, controlled and rational use and management of natural resources.

The task of the Strategy is to formulate an effective procedure for achieving the final goal-sustainable development<sup>11</sup>.

The introduction of clean production is based on the principles of modern theories of strategic planning and management.

The strategy of ecological rationality is to:

- By 2020. decrease CO<sub>2</sub> emission by 1/5, increase energy efficiency by 20% and increase use of renewable energy sources by a fifth,
- Implement Environmental Management System (EMS) [8], which deals with the influence to environment and pollution prevention.

#### **5. CONCLUSION**

As a basis for defining a new concept of quality the customer's view is taken into count, instead of, until recently represented, traditional views of the producer or supplier of services...

Achievement of quality is oriented toward planning, prevention and improvement to prevent causes of the defects, omissions in all business processes of the organization, leading to a reduction in overall operating costs.

This approach is superior to all others and provides long-term development of the organization.

In recent years more and more are studying ways of creating and delivering values, in order to successfully positioning the company.

Value in use is a subjective category, as viewed from the standpoint of a particular consumer. It is the customers satisfaction.

Often, technology updates, and changes in consumer needs and wants, requiring coordination of research and development, technology and marketing strategies and their directing toward creation of market-friendly ideas. The strategy of research and development should be focused on consumers and their demands.

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<sup>11</sup> Analysis of the situation with the connectedness of cleaner production and different approaches for providing a quality system in accordance with ISO 14001, ISO 9000, HACCP.

By industrial revolution man has mastered nature, but in the struggle for profit endangered non-renewable natural resources, dramatically undermined the natural balance and threaten the environment.

Excessive emissions of greenhouse gases upset to the extent the natural equilibrium that has led to global warming, which threatens with planetary cataclysm.

Environmental disaster in Japan has encouraged many to imagine in what kind of environment we live.

Response can provide the Green economy project, and not only to the challenges offered by the economic crisis, but also to the energy crisis, food prices increas by 30% and the crisis of ecology.

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