

## **Production and Quality Systems**

### **5.0 Production Process**

Tesco is very large successful food retailer and as well as selling other companies branded products they also produce their very own branded products to meet the needs of their consumers. For Tesco their production process is important because it changes inputs into outputs to sell and produce goods that meet the needs of their customers. Production takes place when resources, such as raw materials or components, are changed into goods or products. Tesco carry out extensive market research to evaluate the likely success of a product before production takes place. Once Tesco have decided to on what new product they would like to produce it then organises its production process.

It is possible to classify production into a number of headings. Most businesses use one of the following methods of production – project, job or batch production. Tesco production process is concerned with mainly batch production.

Batch production is where a number of identical or similar items are produced in a set or batch. The items need not to be for any specific customer but are made are regular intervals in specific quantities, but if stock is very low more products are produced. Batch production involves work being passed from one stage to another. Tesco each stage of production is highly planned.

A key feature of batch production is that, every now and then Tesco have to stop the production process and reset it for a different product. Tesco uses this form of production to produce its own Tesco Value goods. Line production is also used sometimes, this method involves products being passed down a line of production. The production process is repeating one, with identical products going through the same sequence of operations.

### **5.1 Quality Control/Assurance System**

Quality is an important factor in the production process for Tesco, quality control and assurance are different ways making sure that Tesco's customers get the best quality of the products they purchase. Quality control means inspecting or testing the quality at various points in the manufacture of a Tesco branded product or delivery of service. It is concerned with detecting and cutting out the products that fall below set standards. This process takes place after these products have been produced. Quality control is carried out by Tesco employing quality control inspectors. Inspection and testing are the most common methods Tesco use of carrying out quality control.

Quality assurance occurs both during and after the event, and is concerned with trying to stop faults from happening. Quality assurance is concerned with to make sure products are produced to satisfactory standards. Quality assurance is the responsibility of the

workforce, working in teams. Quality standards should be maintained by following steps set out in Tesco quality assurance system.

Tesco define quality control/assurance as an ongoing structured approach to providing 100% customer satisfaction via error free, waste free and accident free operation. Quality control/assurance are both a philosophy and a set of guiding principles that represent the foundation of a continually improving organisation

To establish this quality process, each functions management staff attend meetings every day on total quality management and on leadership of quality between functions to achieve objectives. Within the company, a quality improvement team meets weekly to lead and monitor the quality process.

The four keys to quality control/assurance for Tesco are:

- ◆ Meeting customer requirements
- ◆ Prevention of defects
- ◆ An attitude to satisfy the customer all the time
- ◆ Measurement to verify the process is meeting requirements.

For Tesco these quality measures ensure its staff have an accident free operation, likewise for their customers.

### **5.2 Production and Quality helps to Add Value to Products**

One of the prime concerns of Tesco is to convert inputs into outputs to satisfy the needs of consumers. Tesco produce their very own basic household products to satisfy the needs of various consumers. When Tesco produce there are various processes involved in adding value in the process of their products. Tesco add value to their products by adding more information on the products.

Even when a product remains the same, packaging information may have to be altered because of a change in legal requirements, changes in nutritional concepts, or advances in food preservation and cooking. For example, a product might have its packaging altered to indicate that it could be suitable for microwave cooking. It will therefore be necessary to test the product in their laboratory. Here they insert fibre optic probes into the product. This allows Tesco to monitor the temperature of the product whilst it is cooking, in order to ensure that it reaches a high enough temperature for it to be consumed with safety and this is how Tesco adds value to its goods so that customers are tempted and attracted to buy them.

### **5.3 Quality Systems**

Tesco products are continually monitored and tested for their quality and customer acceptability; this is their product evaluation. Tesco staff and management procedures are also monitored to ensure that they maintain the highest standards; this is quality assurance. Below are the quality systems which Tesco use in their production process to add value.

Total Quality Management (TQM) – this is the most complete form operations management. It is concerned with encouraging everyone in the workplace to think about quality in the business and use different management techniques within each department.

No, Tesco do not prescribe any particular system of standards such as BS5750 or ISO9000. This is because they set their own standards through product specifications, detailed analytical specifications and codes of practice. These include the codes for preventing diseases from entering the food chain, animal testing and farming practices. Within the product process they expect suppliers to have identified the critical points in the production process and to withstand an in-depth audit of the processes, controls and premises by one of their technologists. However, if a supplier chooses to use BS5750 or ISO9000 as part of its discipline, they have no objection whatsoever. So therefore Tesco uses its very own quality standards to produce and sell its products.