QUALITY CONCEPT
AT THE BEGINNING OF THE XXI CENTURY

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Keywords: Quality, Value for the client, Value for the organization

Abstract: Quality has represented a choice criterion in the purchase process, but its place and role have evolved over time. The most spectacular evolution was ascertained in the same time with the passing from the domination of the attitude "production economy" to the domination of the attitude "market economy". (20th century, years: '60, '70). In general, quality is accepted to exist, if there is a segment that adds value for the client and for the organization

Quality has represented a choice criterion in the purchase process, but its place and role have evolved over time. The most spectacular evolution was ascertained in the same time with the passing from the domination of the attitude "production economy" to the domination of the attitude "market economy". (20th century, years: '60, '70).

If under the conditions of the "production economy", quality had certain features, such as:

- ➢ Quality was synonym with product quality;
- ➢ Quality was peculiar to a market , and not to a market segment;
- ➢ Quality was sustained especially through out the basic functions of the product;
- ➢ Quality was evaluated especially from the organization's point of view , etc.,

under the conditions of "market economy" the regnant features are:

- ▪ Quality is referring to quality activity;
- ▪ Quality has become personalized on the market segment (clients) or even on the client;
- ▪ Quality is sustained more and more through the product's functions considered to be secondary;
- ▪ Quality must be evaluated from multiple perspectives: clients, suppliers, staff, etc.

In general, quality is accepted to exist, if there is a segment that adds value:

– for the client;
– for the organization.

This means:

→ value for the market;
→ value for the partners;
→ value for the staff;
→ value for the clients.

The 4 value categories define the concept "**valuable client"**.

This new approach is the result of restructuring the generic purposes of the organization's viability (figure1).

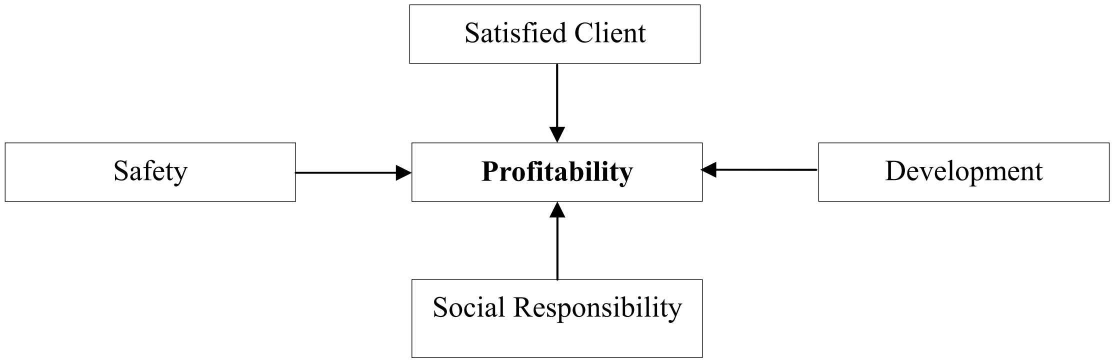

Fig. 1: The generic purposes of the organization's viability

Value for the client –satisfied client

There is a satisfied client, if he finds in the offer that he receives what he expects and what has value for him. The client's expectations will depend on:

- the client's perception;
- the importance of purchase for the client.

According to the 2 evaluation axes, can be highlighted certain "expectations": price, originality, reliability, etc.

So, the expected value depends on:

a. the existence of some criteria (specifications);

b. the existence of certain perceptions.

In general, the choice criteria refer to: originality, information about the product, the availability of the product, reliability, service station, time of delivery, services, price, etc.

These choice criteria can not be found in all the situations and entirely. Because of this, are necessary an identification and an evaluation of the value elements for the client.

Concerning the perception, it is recommended to take into consideration the fact that every client (group of clients) is characterized by a certain perception of the need of purchase, according to the individual characteristics ("growth", "decrease" kind-of-flat" euphoria") or according to how it positioned towards the result and the gain of a transaction (relation) .

The identification of the value elements for the client can be done:

a. with the help of the " questionnaires" which allow the identification and the selection of the value elements for the client;

b. With the help of "experts" in such evaluations and with a lot of experience in the studied domain.

Value for the organization

The value for the organization has passed from **profit**, in the case of a classic approach, to economic value added and market one, under the actual conditions.

The profit, as a value in a classic approach, is divided into:

- **dividends-value** for shareholders;
- **profit for development** –value for managers.

For this reason, appears a source of conflict between shareholder and management.

Value added for organization is structured like this:

- economic value added, as a subtractions between profit and the cost of using the capital;
- value added on the market, as a subtraction between the results of using the capital and the invested capital.

In order to obtain the value added, and also the value of profitability for an organization, one needs to answer correctly and factual to the questions:

- **WHAT** is asked?
- **HOW** much is asked?
- **HOW** is asked?
- **WHERE** is asked?
- **A**t **WHAT PRICE** (cost) is asked?

Assuring some actual answers from the low part, up to the top of an organization is the warranty for a quality activity, for a quality offer, for quality economic goods, and so, as a consequence, for satisfied clients.

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