5-2 Final Project Milestone Two: Outline

Trystia Savor

Southern New Hampshire University

**Company Background and History**

* The company was founded in the year 1938 as a trading company. However, in the first three years after its founding the company ventured into food processing and textiles (O’Regan, 2015).
* The company was founded by Lee Byung-chul. After the death of its founder the company was split into four major bodies which are the Samsung Group, the Sinsegae Group, the CJ Group and the Hansoul Group.
* The first decade of the company marked an experimentation period for the company as it had also ventured into the retail of insurance and securities.
* The company entered the electronics business in the late 1960, as well as the construction industry and the shipping industry in the 1970s.

**Description of Quality Issue.**

* In 2016, the company had to recall its flagship product in the smartphone market, the Samsung Galaxy Note 7 following reports of a defect.
* The defect included devices exploding while charging and potentially posing a lot of risk to consumers and their property. This was due to a malfunction with the phone’s battery cells.

**Quality Culture.**

* Samsung has instilled a strong sense of quality control in its structure due to its seniority based and militaristic corporate culture.
* Its rigid top-down culture could have contributed to the quality issue by hampering performance

**Voice of the Customer**

* Samsung Galaxy Note 7 defect had a negative impact on consumer confidence in the products of the company.
* The company customers now have reservations about the company’s future products, its customer service as well as ability to handle customer concerns such as quality issues effectively.

**Change Management Plan**

**Quality Theories**

* Quality theories that can be applied to bring change include Crosby’s Theory and Joseph Juran’s Theory.
* These theories can result in improved quality and quality control by creating awareness of opportunities for change and ensuring that

**Quality Tools and Techniques.**

* Samsung can use cause and effect diagrams to identify the root causes of potential or existing problems.
* The company can use flow-charting to check the flow of a process and determine existing problems as well as predict potential flows in its processes
* The company can also use Pareto charts to predict the probability of the occurrence of a variable so as to improve its processes.

**Implementing Change**

* To implement these changes in the organization, the company should first assess the current state of the organization so as to identify areas for improvement, create a plan for the change process and create motivation for change among the company stakeholders.
* The company should then develop a plan for implementing the quality tools and techniques in order to move the organization from its current state to the desired state.
* Next, the company should conduct the actual implementation by launching the tools and techniques and the processes that are necessary for the change.
* Finally, the company should monitor and evaluate the change effort to ensure that the exercise is successful and that the deviations from the plan are limited.

**Expected Outcomes**

* Successful implementation of the change will result in a robust competitive position as the company will be able to adapt better to changing customer expectations and government regulations.
* Successful change management will also lead to improved customer satisfaction which will enhance the company’s brand
* Elimination of defects will reduce the costs of the company such as in the recall of products
* Successful implementation of the quality management will lead to improved and innovative processes that can enhance stakeholder value.

**Research**

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