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Total Quality Management
in the
New Zealand Pipfruit Industry;
An exploratory study

A thesis presented in partial fulfilment of the requirements for the degree
of

Master in Quality Systems

at

Massey University, Palmerston North, Manawatu,

New Zealand

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2010

ABSTRACT

Over the years, quality processes developed by guilds were followed by quality end-inspections, quality control methods, quality assurance methods and Total Quality Management (TQM) systems. Quality Management has developed into a distinct direction in management thinking. There is substantial evidence that excellent companies use many elements of the Total Quality Management domain.

This document aims to explore several concepts and developments in TQM as they may apply to- and be applied in the NZ pipfruit industry. It further aims to identify areas within the industry where identified TQM principles should be considered as valuable and consolidates these into a number of recommendations. Recommendations are general in nature due to the limitations attached to this study. The difference between quality management for manufacturing and service industries is discussed. Fundamental principles are highlighted for exploration of application in the pipfruit industry.

There is practically no quality management literature about the pipfruit industry. The industry is different in that it deals with 'live' product and seasonal activity. The New Zealand pipfruit industry has been exposed to a number of volatile socio-economic changes in the last 15 years. The shape in which the industry emerged from these changes has not facilitated development of quality management processes.

A number of stakeholders are interviewed to understand what TQM aspects they use in the running of their organisations. Some of these represent more than one activity type as they are 'vertically integrated'. An additional survey of a wider group of stakeholders adds to understanding of TQM elements used in the pipfruit industry.

Results indicate that there is some understanding of TQM principles but that organisations typically have short-term results focus rather than strategic quality positions. The seasonality of the industry hinders investment into employees, particularly seasonal employees. Cross-functional thinking, continuous improvement and participative company culture are not dominant features in the industry.

The industry can find ways to improve its position by adopting a different fundamental thinking. Recommendations are made concerning strategy, people and culture. An

integrated model is introduced in an attempt to present structure to the quality workings within the industry.

This study shows that more work must be done to understand how TQM principles can be further developed to assist the NZ pipfruit industry and seasonal primary horticultural industries. Much benefit can be gained from advanced studies into the quality management within the pipfruit industry and horticultural seasonal industries.

ACKNOWLEDGEMENTS

The subject for this research project was selected because I believe that the New Zealand pipfruit industry can and must mature further if it wants to flourish. The subject implied both qualitative and quantitative research and meant that a number of senior managers of organisations within the industry had to sacrifice their time to participate in interviews and complete questionnaires. I can't mention their names but they know who they are. I am grateful for the openness demonstrated during the interviews and can only hope that this research report may in some way contribute to improvement of their organisations.

Most of what I learned about the pipfruit industry, I learned while working for the Crasborn Group where there are some very hardworking and fine people (The Crasborn Group was not included as participant in this study for that reason). I am hopeful that this study may contribute to further improvement of the organisation.

Pipfruit New Zealand Incorporated was helpful selecting the interviewed and surveyed organisations, proof reading several sections of this report and provided a number of references which were gratefully used.

Associate professor Nigel Grigg was supervising this project and I would like to acknowledge the patience and friendly, open and supportive questions, comments and suggestions with which he, Nicky Campbell-Allen and (soon-to-be Dr.) Greg Frater have helped me during the course of this study.

My family; my wife has supported me to undertake this venture and at times asked critical questions which kept me honest. Our three daughters and partners; our live-in-nephew; and our four grandchildren; simply because they make us proud to be part of them.

A constant in life is that learning never ends.

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