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# CHAPTER 9

## QUALITY STANDARDS

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The focus of this chapter is quality standards and the challenging issues that are raised by standards and ethics internationally. This topic will draw on and build knowledge about ethics that students bring to our classes. The particular focus that we have chosen, international quality standards, serves the needs of teachers and students worldwide.

We will begin by exploring the topic in the background information, In the Classroom Applications section; teachers may choose one or all of the activities. Finally, a list of Internet Resources allows teachers to obtain more information on international quality standards from the web.



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### BACKGROUND INFORMATION

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Quality standards help businesses to function in an ethical way. These standards tell businesses what minimal requirements are needed in order to ensure the public that the product or service offered is of high quality.

How do we go about setting standards for the thousands of diverse businesses in the world today? How do we address cultural issues in setting quality standards internationally? What can a business do in order to have confidence that its products or services are meeting the standards of quality that will assure a competitive edge in business worldwide? How can we learn more about standards setting in a changing business climate? And how does the Internet influence our ability to set and abide by standards in the international business world? These questions will be addressed in this section.

We will discuss international quality standards from three perspectives: international, national, and regional. All three perspectives influence international quality standards and determine how different countries operate within the international community

#### **Building International Standards**

According to research, there are **universal** stages in the development of morality among humans. This means that all people in all cultures around the world follow, more or less, a similar pattern of development in their moral values.

If we accept this conclusion, then there may be a way to set guidelines for standards of quality in international business. This would suggest that in spite of incredible diversity of products and

services among businesses and the numerous cultural, religious, and national identities around the world, it might be possible to have a common standard of quality

Is it possible to set quality standards that would be recognized and used all over the world? The International Organization of Standards is a body of business professionals whose task is to identify and implement international quality standards for business. If successful, ISO will be the first organization in history to establish such standards. Though members of this organization do not, at this time, represent every single participant in international business, the goal of the organization is to include as many countries and businesses as possible.

(Note: A web site with the listing of all members of ISO and their contact information appears in the [Internet Resources](#) section of this chapter.)

According to experts in business ethics, the issues for setting international standards, and indeed all issues in international business, are about values. These issues fall into three broad categories: **comparable values**, **values in tension**, and **incompatible values** (see Trevino and Nelson<sup>1</sup> for a detailed discussion on this topic).

The task of setting quality standards is easily achieved for the first of these three categories, comparable values. If two business professionals follow the same values, their approach to quality will not differ greatly. For the second category, it is possible to resolve the values in tension because the two parties are not in direct conflict on all issues, only some. However, the third category, incompatible values, is the important issue for business and ethical business professionals in the 21<sup>st</sup> century. How can we set quality standards if those standards somehow **defy** our own, or someone else's, basic values? In order to answer this question, we need, first, to examine the meaning of quality.

## Quality

What is quality in a service or product? Business professionals worldwide have set up standards for defining quality. Those standards are almost always stated either in **qualitative terms**, **quantitative terms** or both. If stated in qualitative terms, we would say that the product or service must have certain characteristics in order to be called a "high-quality product or service". If stated in quantitative terms, we would say that the product or service must have certain characteristics that can be shown using numbers. For example, a Fiat car must meet certain standards in order to be sold. First, certain qualitative criteria are met in terms of the comfort, appearance and mechanical parts of the car. From a quantitative point of view, the Fiat manufacturer has numerical criteria for measuring quality: the size of parts, the number of revolutions per minute of the engine at a given speed of travel, and so on. Both criteria - qualitative and quantitative - set the Fiat standard.

Next we will look at how standards are assured for business in the United States. We will see how values influence defining and measuring quality for business in the United States. Of course, in other countries, these values will vary.

## National Standards: An Example

In the United States, four values have been identified by business ethicists as the source of national standards of quality in business. Those values include:

- a legal and regulatory system
- a strong concern for the perspective of the public and their expectations
- general business values held by business professionals – an expectation that business managers are ethical people
- An emphasis on the individual versus the corporation

In the United States, there is a complex of governmental and professional groups, laws, and procedures for addressing issues of quality standards (see [Internet Resources](#) for web sites of several of these groups). These form a regulatory system that enforces standards in business.

In addition, the media has a strong presence in the U.S. in terms of addressing quality standards in business. Therefore, if there is a suspected breach of quality standards leading to injury to an individual or damage to property, the event or series of events leading up to the suspected breach is very likely to be widely known and discussed. For example, if children are injured or die because a toy is unsafe, the media will inform the public of this suspected violation of quality standards.

The **Protestant work ethic** and the expectation by the public of high moral behavior on the part of business managers are very important in that U.S. consumers expect business to perform well at all times and under all circumstances. It is difficult for a business to be excused for wrong doing in the United States when it comes to standards of quality.

Finally, the role of the individual and his/her responsibility for actions is very important in quality management in the U.S. Individuals in large corporations can and are held accountable for violations of quality standards.

If a product or company in the U.S. has in some way failed to meet quality standards, that product or company may be publicly boycotted. In part, a public response occurs because of the perception – right or wrong – that products and services must meet quality standards. Most issues involving product safety, product tampering, or failure to satisfy the customer are detected by consumers or heeded by business.

In summary, values that bind a nation together come to bear on quality standards all over the world. The United States is one example of a country whose values can be readily observed with regard to quality standards in business. Of those values, the role of four is briefly presented here as an example. Teachers and students will want to analyze values with which they are closely associated in their own countries. Such an analysis will provide rich insights into the role and definition of quality and standards in that national context.

## Profession-specific Standards

International professional associations are a good way to set international standards of quality because these associations represent the interests of the professional group rather than the interests of a national group. In an increasingly shrinking world, there are evolving sub-cultures of business professionals, people who call themselves "international marketers," and "international accountants." The values of these professional groups appropriately shape the standards of the business world of the 21<sup>st</sup> century.

In addition to international efforts to build a quality standard and national efforts to define and assure quality in business, professional groups also function to set standards for business and industry. Professional associations provide businesses with information and guidance in setting standards. Through accreditation bodies, peer review boards, and editorial review procedures, business professionals in hundreds of subspecialty areas have regional, national, and international organizations and associations that guide them in setting standards. Professional standards are set for all professions and in all work places. Medicine, law, education and the service industry have standards of quality that guide their work. These standards serve to support businesses that provide products and services and represent the interests of the professional group in question.

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## CLASSROOM APPLICATIONS

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### PRELIMINARY LESSON PLANNING

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*Materials:*

Make copies of the [Background](#), [Appendix A](#), [Appendix B](#) and [Appendix C](#)



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### WARM UP ACTIVITY

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**(approximately 30 minutes)**

*Materials*

Bring in several of the following objects or other items in which your students are likely to have interest.

- a piece of clothing or accessory (purse, small piece of luggage, gloves, sweater)
- a pen
- a small home appliance or laptop computer
- a cellular phone

- a child's toy
- an infant car seat
- a piece of sports equipment: a basketball, a pair of shoes for football

### *Procedures*

1. Pass the objects to students. Ask them to examine them carefully.
2. Discuss with students that the companies that manufacture these objects are making a profit on their sale. Tell students that the topic of this lesson is quality standards in business.
3. Ask students to choose an item and tell you (or each other in groups) the name of the manufacturer of the item. Ask them to think about other items of the same type that are manufactured by other companies. Tell them to make a list of two or three competitors of the company that manufacture the item you brought.
4. Ask students to decide which company makes the best piece of luggage, pen, cellular phone, etc. Is it the company that manufactured the product in their hands? Is it another company?
5. Once they have decided which company makes the best product in 2 or 3 categories, ask students to determine what quality standards they used to evaluate the company. If, for example, your students say that Sony produces the best cellular phone, ask them why they think Sony produces the best cellular phone. What quality standards do you use to evaluate cellular phones? How does Sony meet your standards?
6. Close the warm up by telling students that now, they will read a short summary about quality standards. Then, they will do some exercises including surfing the web and find out more.

Teachers may want to guide students through the reading, then discuss the reading to make sure students follow the ideas.



## ACTIVITY #1 -- STANDARDS ON THE WEB

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**(45-60 minutes, or more)**

### *Objectives*

- Be able to evaluate web sites on standards
- Be aware of web resources for use by a business

### *Procedures*

1. Surf the web and find the home pages of at least three companies.  
**Note:** This step may be done individually or in pairs.
2. Identify and list the companies' quality standards.

3. List as much information as you can about who sets the standards for quality in this company. Do international bodies set their standards? National organizations or governmental groups? Professional associations or organizations?
4. Complete [Appendix B](#).
5. Report back.



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## ACTIVITY #2 – CREATING QUALITY STANDARDS FOR A NEW PRODUCT OR SERVICE

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**(60 minutes or more)**

### *Objectives*

- Use the knowledge and skills learned about standards
- Apply criteria for setting quality standards
- Create a marketable product with quality standards

### *Procedures*

1. Place students into small groups of approximately four students each.
2. Ask them to complete the following tasks:
  - A. Decide on a product or service your group wants to sell.
  - B. Analyze the market by surfing the web for examples of similar products or services.
  - C. Determine quality standards by the manufacturers of those products or services.
  - D. Determine how you will set the standards for the quality of that product or service. Use [Appendix C](#) for recording your work.
  - E. Present your product and your standards for quality to the class.



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## COOL DOWN ACTIVITY

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**(30-40 minutes)**

Ask students to share their results from Activity #2 and to provide feedback to each other on their products and/or services.



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## POSSIBLE EXTENSIONS TO THE LESSON

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- Have students check out the ISO 14000 standards on the web site listed below. Have them identify products to check out against the standards.

- Take a look at a corporate web site for a company that is known for very high quality products or services such as Mercedes Benz, Rolex or Dior. Identify ways in which quality is used as a marketing tool.
- Have students send an e-mail request for standards of quality to several companies.
- For Activity #1, ask students to list ways in which a company, identified through their web surfing, might add to their quality standards to provide for a better product.
- For Activity #2, ask students to present their results to a business leader. Try to find a way to introduce a good, new product or service on the market. Use quality standards identified in Activity #2 to market the product or service.
- Identify standards of quality criteria using these three minimal categories that have been introduced in previous lessons: product or service does no harm/causes no injury to those who use it; product or service does no harm to the environment; and product or service does not disrespect any group or individual. Find companies that take this minimal view of quality standards.



## INTERNET RESOURCES

<http://www.spcp.org>

*The Society of Permanent Cosmetic Professionals*

This site is dedicated to providing information and setting quality and professional standards for the permanent cosmetic and tattoo industry.

[http://www.rtdna.org/pages/media\\_items/code-of-ethics-and-professional-conduct48.php?id=48](http://www.rtdna.org/pages/media_items/code-of-ethics-and-professional-conduct48.php?id=48)

*RTNDA Codes of Ethics and Standards Across Half a Century*

This site provides a code of standards for the RTNDA -- Radio-Television News Directors' Association.

<http://healthcareorganizationalethics.blogspot.com/2011/01/crunch-time-in-massachusetts-for-cost.html>

Health care reform is a big issue in the United States and worldwide in many countries nowadays. Check out this blog where issues are addressed in one state, Massachusetts, where concerns about cost are aired. Consider setting up a blog on raising health care ethical issues in your city or country!

[http://www.iso.org/iso/iso\\_14000\\_essentials](http://www.iso.org/iso/iso_14000_essentials)

*ISO 14000 - The Environmental Standard*

The International Organization of Standardization was created to give industry and business information about environmental issues. A major force in the business world in the 21<sup>st</sup> century, environmental standards are set by this organization and implemented by its members. This site includes information on what to do to become certified by ISO 14000, how to make, implement a plan, and a summary.

<http://www.iso.org/iso/home.htm>

*ISO members worldwide*

This site features a list, by country, of all members of the ISO.

<http://www.usoge.gov>

*The United States Office of Government Ethics*

This site provides information about U.S. government standards. Several links (from this page) offer

information on what are new, ethics programs, ethics community services, an ethics resource library, agency best practices, international developments and others.

<http://www.tesol.org>

TESOL Online

This organization has information about how teachers of English to speakers of other languages are accredited in order to maintain a quality standard in that professional discipline.

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## APPENDIX A

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### Useful Terms and Expressions

**Comparable values** - Beliefs or priorities that are similar across (at least two) different cultures.  
Competitive edge Ability of a company to keep ahead of those producing similar products or services

**Defy** - (verb) Disobey, oppose  
*Defiance (noun) Defiant (adj.)*

**Incompatible values** - Beliefs that are totally different across (at least two) cultures

**Legal and regulatory system** - A way of assuring quality or other standards of performance or production

**Protestant work ethic** - A belief that if one works hard, he or she will succeed. No success goes to one who has not earned it through hard work. The Protestant ethic is a value associated with United States business

**Qualitative criteria** - System of evaluation requiring the use of non-countable, non-measurable values

**Quantitative criteria** - System of evaluation requiring use of countable, measurable values

**Universal** - (adj.) General, entire, ubiquitous

**Values in tension** - Beliefs that are somewhat at odds, or beliefs that differ somewhat across (at least two) cultures. For example, nepotism: the custom of hiring one's family members rather than outsiders

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## APPENDIX B

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### Research on Standards

**Names of Student(s):**

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**Name of Company**

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**Stated Standard: How set?**

1.

2.

3.

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## APPENDIX C

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### Quality Standards for a New Product or Service

Names of Students: \_\_\_\_\_

Name of the Product or Service \_\_\_\_\_

#### Quality Standards of the Competition (minimum: 3 competitors)

Name of Competitor #1 \_\_\_\_\_

Quality Standards of the competitor: How is standard met?

1.

2.

3.

Name of Competitor #2 \_\_\_\_\_

Quality standards of competitor: How is standard met?

1.

2.

3.

Name of Competitor #3 \_\_\_\_\_

Quality standards of competitor: How is standard met?

1.

2.

3.

Quality standards of our product or service: How met?

1.

2.

3.

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