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Implementing a quality management program – three Cs of success: commitment, culture, cost

George P. Laszlo

Introduction

It has been said sometimes in recent years that quality assurance is the assurance of quality; quality management is the quality of management. The key factors of success for the proper implementation of a quality management program in any organization lie within that statement. Quality assurance efforts are directed at activities related to the products and services that are provided; the scope of a quality management program encompasses everyone and all activities. Since management is responsible for directing the activities of the people within the organization, the control of the management process itself is necessary to implement an overall quality program.

Managing people consists of more than controlling their activities – management must provide the appropriate leadership in demonstrating its commitment, must foster a culture commensurate with its vision and mission, and must make available the funds for the implementation of the program. Without these aspects in place, no quality program can withstand the test of time.

The evolution of quality introduced to us the now-familiar acronym TQM about ten years ago, but the conceptual differences between TQM and QA still confound people. A common mistaken belief holds that TQM is basically the same as QA except with a proactive approach. However, that is merely one of the many aspects that separate the two. Whereas QA is oriented towards the assurance of product and service quality, the scope of TQM extends throughout the organization. The TQM philosophy needs to be integrated into the prevailing thinking so that looking for better ways of accomplishing activities becomes a way of life for everyone and they will view the various TQM tools as the “weapons of choice” for attacking problems. The newer designation quality management systems (QMS) usually shortened to quality management (QM), came into use to further emphasize the requirement for such an approach to quality to be an integral part of management activities and management systems within the organization.

It is of paramount importance to recognize that references to QM or QMS as a philosophy are not an attempt to introduce a “touch-feely” approach. It is in fact actually alluding to the fact that QM is more than a collection of QA techniques and comprises...
guidelines for operational management providing enhancements to internal processes and interactions that are oriented toward excellence in products and services.

Successful implementation of a QM program must include a recalibration of organization-wide thinking as well as training in QA methods. Excellence in thinking and high quality work methods are the combined results that are generated by a solid QM program. Improvements in efficiency, product and service quality are specific results that also provide justification for QM.

There must be a clear understanding of the various aspects involved before attempting to undertake any steps toward implementation of a QM program in an organization. As part of the Canada Award for Excellence, a national recognition program for outstanding achievements in QM, a comparison chart was produced to illustrate the differences between QM and QA as reproduced in Table I.

The table summarizes the various aspects that differentiate QM from QA in terms of not only who is involved and how, but also the basic motivation and focus for the types of approaches. The factors that drive a quality management program, referenced in the last column, form the basis for the key factors of success for implementation. These factors are actually used as part of the evaluation criteria by Canada Awards for Excellence examiners to determine the level of maturity and pervasiveness of QM at organizations that are potential candidates for recognition.

These QM drivers can be grouped into three critical factors of success which can also be referred to as the three Cs of success: commitment (management leadership, company-wide scope, and involvement at all levels), culture (social responsibility and company culture to do the right things right), and cost (quality cost approach). It is clear that these issues directly influence the way employees view their responsibilities and perform their functions. It is equally clear what positive impact they may have on the collective behaviour within the organization as well as on the quality of their output in terms of products and services. However, what is more important to recognize is that the absence of these three critical factors will prevent successful implementation of QM in an organization or seriously jeopardize the survival of an established QM program.

### Commitment

The impetus for motivation for a quality assurance program is external with the basic focus on customer assurance. Typically there is a recognition by management that the principal objective of a QA program is to provide products and services that meet the expectations of customers. There are a growing number of sectors where such programs are actually demanded by customers. QA programs usually gain management support because of such outside pressures. However, management then sees that the benefits for the organization are to enhance customer acceptance, resulting in improved market share and increased profits.

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**Table I** Comparison of quality assurance and quality management

<table>
<thead>
<tr>
<th>Basic focus</th>
<th>Quality assurance</th>
<th>Quality management</th>
<th>QM drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation</td>
<td>Externally imposed</td>
<td>Internally generated</td>
<td>Management leadership</td>
</tr>
<tr>
<td>Application areas</td>
<td>Line functions that are product-related</td>
<td>Entire organization</td>
<td>Company-wide scope</td>
</tr>
<tr>
<td>Key participants</td>
<td>Quality professionals, line management and staff</td>
<td>All management and employees</td>
<td>Involvement at all levels</td>
</tr>
<tr>
<td>Principal drivers</td>
<td>Proof of conformance of product and QA system</td>
<td>Continuous product and process improvements</td>
<td>Company culture to do the right things right</td>
</tr>
<tr>
<td>Desired end-goal</td>
<td>Market eligibility and/or marketing advantage</td>
<td>Overall business results and competitiveness</td>
<td>Quality cost approach</td>
</tr>
</tbody>
</table>

**Note:** Based with permission on the Canada Awards for Excellence 1997 Examiner’ Training Guide
Management commitment for QA is thus linked to customer retention and profitability.

The concept of QM is so complex that although it may be relatively easy to attract their interest, it is difficult to obtain commitment from management and it is even more difficult to retain their ongoing support for such an initiative within the organization. Quality management is based on the recognition that management has social responsibilities to all stakeholders – owners, customers, employees, suppliers, and society as well as the need to have leadership ability to motivate others around them to share their holistic vision of the social contract to act accordingly. QM is very much like the proverbial motherhood and apple pie – everyone is for the concept. However, unless there is active commitment and participation by management, QM will fail.

Commitment from the top
One of the prime prerequisites for successful implementation for any major initiative within an organization is commitment from the top. It is the responsibility of management to establish the strategies toward the objectives of the organization as well as to set priorities to attain its goals. It must be recognized that no matter how noble a cause may be, unless management includes it into its strategic plans and sets goals toward its attainment, all efforts which are not sanctioned by management are considered to be distractions from other priorities. Indeed, resources committed to other causes are actually wasteful as far as the management of the organization is concerned.

Gaining the approval from management and then obtaining their commitment are the first steps toward successful implementation of QM in any organization. There are numerous documented cases where a well-intentioned quality manager or a helpful outside consultant started a series of activities with a view to implementing QM but were thwarted in their efforts. Invariably, they did not involve senior management sufficiently early in their projects but hoped to convince them with impressive results. Unfortunately it takes a considerable time to notice sustained tangible benefits from QM because it is based on enhancements to internal processes and interactions that are oriented toward excellence in products and services. Certain aspects of such improvement may be realized soon after implementation, but typically most have predominantly long-term effects.

In many organizational environments today there is little patience to wait for benefits over time. Management is often looking for short-term returns on investments to have positive effects on the financial “bottom line”. It can be unequivocally stated that QM is not a short term investment nor should it be viewed as an instant solution to organizational problems.

Commitment of organizational resources
Once management approval and general commitment have been obtained for a QM approach, the next phase is to determine the type of commitment that is required to launch the program. Because of the complexity and the far-reaching scope of QM, resources need to be allocated to enable all sectors of the organization to participate in this endeavour. One of the first priorities is the training of key management and staff personnel who are to become the in-house QM facilitators. The initial commitment of resources is thus to provide such training, as well as to allocate specific time to monitor QM projects.

The in-house QM facilitators will then be able to provide guidance to others in various aspects of the program through a series of implementation steps that are in line with the needs and priorities of the organization. The facilitators also need to monitor the skill levels of employees in their knowledge and use of quality tools to ensure that just-in-time training is provided as the need arises. This aspect is important to avoid frustration of people in dealing with unfamiliar situations and a subsequent decrease in enthusiasm for the project. The QM facilitators also need to monitor QM projects to avoid sub-optimisation within the organization as a whole.

Many QM programs fall out of favour with management because of the lack of such monitoring. Management is typically accustomed to having specific projects that are assigned in conjunction with specific organizational goals and objectives; follow up of progress is a key part of their work. QM is not different – each of the various aspects and implications must be treated as part of the business process because that is exactly what QM is! Few projects or programs can withstand the test of time in an organization without appropriate follow up. Not only is the focus gradually lost, but so is the original raison d’être. QM cannot survive in an
organization that does not commit to provide management training and time to monitor the ensuing improvement initiatives.

**Commitment of management time**

Mere approval by management to embark upon a QM approach is insufficient. There is a strong need to demonstrate leadership through active participation. In making quality-related decisions, management is sometimes perceived as subscribing to the adage “Don’t do as I do; do as I say!” Even the vague appearance of such an attitude becomes the death knell for any QM program. Management need to become active and visible sponsors of the QM program.

Successful implementation of a QM program must include a recalibration of organization-wide thinking as well as training in QA methods. The precepts of QM contain guidelines for operational management which, when applied in the appropriate manner and context, provide enhancements to internal processes and interactions that are oriented toward excellence in products and services. The training and time invested to implement a QM approach provide a payback in terms of improvements in efficiency as well as in product and service quality levels.

Excellence in thinking and high quality work methods are the combined long-term results that are generated by a solid QM program. These overall improvements will enable the organization as a whole to become more dynamic and responsive, as well as more competitive.

**Culture**

In order to assure success, the basic principles of quality management must permeate the entire organization. Cooperation, teamwork and partnering are examples that foster synergy among associates from various functions. Factual approach to decision making, respect for all individuals, encouragement for innovation, and emphasis on improvement not focus on blame for errors, are signs of a learning organization.

**Continuous improvement**

In order to embrace the idea of continuous improvement, the role of management is comprised of two distinct parts: providing the organization with the best crisis management in problem areas, as well as developing a staff that will actively seek opportunities to switch over to another mode of operation where problems are handled without much fanfare, and lessons learned are added to the corporate memory to avoid future repetition. Although crisis management provides the thrill of handling situations under stressful conditions and the bravado that is shared at the apparently successful conclusion of the issues at hand, the time and money invested in problem solving and root cause analysis is insignificant by comparison to the disruption costs associated with crisis management. Moreover, crisis management can divert attention from monitoring indicators of the key factors of success based on business strategies.

There is a subtle, yet important difference between the corrective and preventive action that characterizes a QA program and the continuous improvement that is essential for the success of QM. Both approaches seek positive changes. However, while QA is predicated upon the correction and prevention of problems, QM also includes actively seeking out opportunities for improvement by reviewing issues that may not appear problematic. It is said by some that the very essence and guiding spirit of QM is this thirst for improvement that goes beyond the focus on doing things right and embraces looking for ways of doing things better.

**Dealing with changes**

Any organization that seeks to have employees look for ways of doing things better needs to possess a culture that deals effectively with changes. Two fundamental roadblocks to such an approach are the so-called NIH syndrome ("Not Invented Here" – hence not good for us) and the old adage, “if it ain’t broke, don’t fix it” (sometimes stated as “we always did it this way!”). These ideas and the QM philosophy are not only diametrically opposite, but they are mutually exclusive – any attempt to implement QM in the presence of such ideas is futile.

As stated above, the QM approach is predicated upon seeking ways to do things better – hence dealing with change needs to become a way of life within an organization that wants to adopt that philosophy. The willingness of people within the organization to accept changes is an essential prerequisite for implementing QM; their degree of
eagerness to embrace changes determines the speed of progress toward that goal.

**Teamwork and mutual respect**

These two aspects of dealing with people include many areas within the organizational culture. Grouping the essential cultural issues under these two headings emphasizes the fact that QM provides the opportunity to benefit from the synergy resulting from various people working toward a common goal. The ability of an organization to turn the diversity among its employees into a complimentary strength is another indicator of the maturity level of its QM program.

Teamwork is predicated upon a clear understanding by each employee of the overall goals and objectives of the organization, as well as those pertaining to the specific projects and tasks assigned to that person. Clarity of purpose is essential for teamwork and avoids priority conflicts and differing goals that are obstacles to harmonious work. Good communication skills and various team-building techniques will enhance interpersonal relationships that are required to accomplish most tasks in a modern workplace. The internal customer concept within QM emphasizes this need to work together: the efficient way for everyone to focus on external customers is to satisfy the work requirements of each person with whom they deal within the organization and to treat them as links within the chain that leads to the external customer.

Mutual respect among employees is the other general aspect of the organizational culture that is paramount in importance for the successful implementation of QM. One of the key issues within the QM approach as stated above is the ability to seek opportunities for improvement as separate from problem correction – innovation is an essential aspect of this process. It is not realistic to expect anyone to have all their new ideas work out well – innovation and failure are close neighbours. Fear of ridicule and punishment are two roadblocks for innovation that must be totally absent in the corporate culture of any organization that hopes to adopt QM principles. Mistakes by any employee need to be treated as learning opportunities for every employee.

**Analytic approach**

Some managers embrace QM because they see the opportunity to “wave the magic wand of QM” over a situation with the belief that improvement will follow. Such people mistakenly associate QM with a “touchy-feely” motivational ploy, and later find it disappointing that much hard work and discipline are required to perform a situation analysis and to establish appropriate measurements as part of the assessment of a particular issue, much less to decide upon what should be done to improve it. Organizations that have implemented successful QM programs take an analytic approach toward all situations they face – whether they are people-oriented or technical in nature, problem solving or assessing opportunities for improvement, etc.

The QM approach requires that once the situation analysis and measurements have been established, reference guidelines obtained from benchmarking should be consulted. Such comparisons could be internal or external to the organization, or even generic in nature, transcending the industry as a whole to provide a wider scope of comparative data. Improvement projects need to be managed using specific, detailed plans with follow up by appropriate parties to ensure successful implementation, including validation of results compared to expectations.

**Cost**

The concept of QM is so complex that although it may be relatively easy to attract the interest of management, it is difficult to obtain commitment from management and it is even more difficult to retain their ongoing support for such an initiative within the organization. The current economic conditions make it necessary for all organizations to review and tightly control costs and expenditure; at such periods of time, management often has the tendency to put Quality on the back burner due to financial constraints. Ironically, those are the occasions which present the greatest opportunities for minimizing operational losses by the judicious pursuit of quality improvement projects.

**Value-added approach**

The approach to both quality and to financial control is to minimize inefficiencies and waste. Management can use the QM approach to instill a value-added attitude in employees and to have them review their own operations to evaluate what benefits are provided by them to customers. Using such a
value-added approach fits well into the customer-oriented focus of QM whereby daily priorities and activities throughout the operation are aligned with overall corporate goals to improve operational efficiency and current quality and customer service levels.

Justification of QM projects
Contrary to certain misconceptions about QM being a “warm and fuzzy” approach to managing people, it is an integral part of operations and requires justification as any other business project. Each QM project must be analyzed to establish its relevance to the organizational goals and priorities, as well as the potential return on the investment that is required for its implementation.

It must be clearly understood by management and employees alike that QM can and should withstand financial scrutiny as a worthwhile investment. Only then can the survival of QM be assured; otherwise, its demise is merely a matter of time. Cases of failed efforts at QM abound; it can be shown that the justification for the required investment in them has not been made. Management is required to justify all investments – including those related to QM projects!

Justification of a QM program
As stated earlier, the QM approach includes guidelines for operational management which, when applied in the appropriate manner and context, provide enhancements to internal processes and interactions that are oriented toward excellence in products and services. The implementation of QM requires an investment in terms of training and time; improvements in efficiency as well as in product and service quality levels provide the corresponding pay-back. Moreover, the combined long-term results of a successful QM program, excellence in thinking and high quality work methods, enable the organization as a whole to become more dynamic and responsive, as well as more competitive.

Conclusion
A common mistaken belief holds that QM is basically the same as QA except with a proactive approach. In reality, there is an even more fundamental shift in philosophy between the two: quality assurance is the assurance of quality; quality management is the quality of management.

Quality management is based on the recognition that management has social responsibilities to all stakeholders – owners, customers, employees, suppliers, and society – as well as that they need to have leadership ability to motivate others around them to share their holistic vision of the social contract to act accordingly. QM is more than a collection of QA techniques and comprises guidelines for operational management providing enhancements to internal processes and interactions that are oriented toward excellence in products and services. QM is not a short-term investment nor should it be viewed as an instant solution to organizational problems.

The concept of QM is so complex that although it may be relatively easy to attract their interest, it is difficult to obtain commitment from management and it is even more difficult to retain their ongoing support for such an initiative within the organization. QM cannot survive in an organization that does not commit to provide management training and time to monitor the ensuing improvement initiatives. Management need to become active and visible sponsors of the QM program.

Successful implementation of a QM program must include a recalibration of organization-wide thinking as well as training in QA methods. The very essence and guiding spirit of QM is a thirst for improvement that goes beyond the focus on doing things right and embraces looking for ways of doing things better – hence dealing with change needs to become a way of life within an organization that wants to adopt that philosophy. The willingness of people to accept changes is an essential prerequisite for implementing QM; their degree of eagerness to embrace changes determines the speed of progress toward that goal. QM provides the opportunity to benefit from the synergy resulting from various people working toward a common goal. The ability of an organization to turn the diversity among its employees into a complimentary strength through teamwork and mutual respect is another indicator of the maturity level of its QM program. Organizations that have implemented successful QM programs take an analytic approach toward all situations they face – whether they are people-oriented
or technical in nature, problem solving or assessing opportunities for improvement, etc.

The value-added approach fits well into the customer-oriented focus of QM whereby daily priorities and activities throughout the operation are aligned with overall corporate goals to improve operational efficiency and current quality and customer service levels. Each QM project must be analyzed to establish its relevance to the organizational goals and priorities, as well as the potential return on the investment that is required for its implementation. The precepts of QM contain guidelines for operational management which, when applied in the appropriate manner and context, provide enhancements to internal processes and interactions that are oriented toward excellence in products and services. The justification for the investment of training and time for QM is provided by the improvements in efficiency, product and service quality levels, as well as excellence in thinking and high quality work methods that will enable the organization as a whole to become more dynamic and responsive, as well as more competitive.

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Further reading


Commentary

A clear and helpful discussion from one of our best thinkers in quality management. Note the distinction between operational management of quality and strategic quality of management.
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