LEADERSHIP TRANSFORMATION GROUP, LLC

Understanding Total Quality Management: Moving beyond "Quality Assurance" to Build in Quality Improvement throughout your Units and across your Organization

Defining Total Quality Management

Total Quality Management (TQM) is one of the most important management approaches to how to run organizations and improve services in the world today. Many managers and supervisors have utilized other valuable management technologies such as process management skills drawn from the re-engineering literature. This important work fits well within the broader framework of TQM and is not to be replaced. As re-engineering leaders have emphasized, the tools of process management, whether benchmarking, logging data, or tracking activities, fit easily within a total quality management system because the latter adds in the team-building relationships needed for long-term collaboration and problem solving that more technical approaches tend to de-emphasize.

We believe it will prove important here to work within the managerial/leadership framework of TQM so that you limit mistakes and avoid significant problems that otherwise could overwhelm future success. Your professional growth and improved marketability as a manager requires team-building skills and frameworks associated with the most sophisticated management technologies. TQM is such a framework.

What is TQM and why does it make such a difference? It is easiest to answer these questions with a brief history. TQM was created over fifty years ago by an American statistician named W. Edwards Deming. Dr. Deming was a professor at M.I.T and died in 1994. TQM places emphasis on the management of systems, improvement of quality as measured by customer satisfaction, and clear,

accessible empirical data (which process management emphasizes) to chart that satisfaction. All of this will be explained below.

Back in the late 1940's, TQM was totally ignored by American and Western European corporations who were quite satisfied with more traditional forms of management, especially the "management by objectives" school, which emphasized success as determined only by results. As long as results and profits were high as they were in the U.S. after World War II and throughout the 1960's, they saw no reason to change.

The one nation's corporate sector that did pay attention to TQM was Japan. With a ruined economy and a social system that they felt would be unsupportive of traditional American management practices, they embraced TQM in the late 1940's and 1950's. At the time their economy and its products were the laughing stock of the world. For a product like a transistor radio or toy to be labeled "Made in Japan" was a sign of inferior quality, standards, and performance.

By 1970 this was no longer the case throughout the world. Consumers wanted Japanese electronics, stereos, and VCRs. Their cars were the standard by which other automobiles were measured and all cars, except a few luxury European models, like BMW or Volvo, were found to be very inferior. In a span of 20 years their economic system went from the laughing stock of the world to being one of the most powerful on earth, ranking with the United States and Germany. (Present difficulties in the Japanese economy are a function of financial arrangements, not the management principles that guide Japan's businesses.)

 The reason for their success turned out to be much less complex than many Americans realized. The Japanese gave overwhelming credit to the management system created by Deming. In fact, their annual award for best corporate work is named after him! American corporations have been struggling ever since to catch up by trying to utilize TQM in their corporations. It has not been easy.

This curriculum will emphasize what TQM is and what Deming and others have found to be the critical roadblocks to its successful use in any business or social service agency.

What Is Quality?

To best understand what is meant by "quality" and what it is not, imagine two orchestras playing a Bach symphony. The first is an amateur group made up of dedicated, fairly talented amateurs who come together because of their love of the music. The other is a famous national orchestra filled with talented professionals at the height of their craft.

Each orchestra plays the same notes, expends the same amount of energy, and begins and ends pretty much at the same time. However, the performance of one far surpasses the other. Quality is the difference.

On another, product level, examine the reports on the 1975 Honda Accord and that of the U.S. Chevrolet Citation. Both cost the same. They each had the same specifications in terms of engine size, transmission ratios, and the like. But anyone in 1975 who drove the Honda and the Chevrolet knew immediately how much more superior the Honda was.

Looking across the different sectors of the organization assembled here today, notice the differences between your best Service Plan or equivalent activity in one of your units and one completed by a new caseworker. Each covers all the required markers for completion. They both have all the steps in place. But one shows an understanding of the family, and the issues requiring intervention. *That* is quality.

As experienced child welfare managers put it, quality is seen by all the invisible dots being connected with a child and his or her needs. *That* plan is far superior. The difference is quality.

The more important issue is how do you create such quality on a standard basis? After all, not everyone can recruit a nationally acclaimed symphony orchestra for the company!

Deming, who could be a very strong-willed man, emphasized a number of key points that any organization can adapt.

Deming's 14 Points for Transformation

1. **Create constancy of purpose for improvement of your service.**
   Deming told the Japanese not to emphasize the outcome itself (be it profit, product, or service), but to emphasize improving each step of the way in the delivery of service or product. When the emphasis is on improving each step, Deming believed the result would be excellent services and products.

2. **Adopt the new philosophy on management throughout the agency.**
   Accepting sloppy work and carelessness just isn't acceptable with the new philosophy; seeking only excellence in service and its delivery is the only acceptable approach for management and staff. **This approach needs to be consistently practiced in each unit of the agency and in the company as a whole.**

3. **Cease dependence on unending oversight of everything your employees do**. Quality comes not from inspection and oversight of problems but from the improvement of systems and processes that get at problems forever. Management must emphasize the latter. This is why the tool of delegation is so important!

4. **End the practice of assuming the cheapest way is the best way**.
   While the company may be strapped for resources and needs to look for inexpensive ways to operate, assuming that the cheapest way is the only way can be a huge mistake in creating a quality-driven environment. For example, buying or leasing a cheap photo copy machine rather than a high-end model may seem sensible at first, but when it breaks down and needs constant servicing, a lot of good work may just come to a halt. Such short-term efficiencies can destroy overall improvement and prove far more expensive in the long run as well.

5. **Continuously improve the system of production and service.**
   Deming can be dramatic, which just underscores his point that improvement is not a one-time event. Management must always be on the lookout for ways to improve quality. This is why good communication skills matter so much.

6. **Institute training as a regular part of work life.**

Too often, workers in service agencies are given limited training and expected to perform well from then on. We know this is not true here, in that, your organization has a number of excellent training programs on hand. However, instructions may be incomplete or attendees may change. Many have reported a lack of time to orient new counselors before the training began. Shifting Population and changing service needs may make old ways of service delivery obsolete. Without consistent training, workers cannot do their jobs well, let alone at a quality level.

7. **Institute leadership**.
   The job of a manager is not to punish team members but to lead them. As we have emphasized throughout this training, "leading people" means helping people do a better job and recognizing, by objective methods, who is in need of help–and then providing that help. This is why the agency has committed time and money to this work.

8. **Drive out fear.**
   This is perhaps one of the biggest and most challenging areas for all managers and supervisors. A politicized environment where actions are under public scrutiny contributes greatly to fear. Many staff members are afraid to speak up or to ask questions, *even when they do not know what to do or even when they are doing something wrong.* They also may see mistakes that could save the organization much time, energy and resources but are afraid to raise the issues. The result is lost improvement, far greater inefficiency than acceptable, and frustration that saps morale needlessly. *Driving out fear must occur if quality is to be improved and services are to be better.*

9. **Break down barriers between staff areas.**
   This is one of the most important issues inside the organization. To a large degree, your work over the next three sessions will be spent on working out new ways of coordination, collaboration, and information sharing across divisions. It is important to learn quality tools that diminish tensions between vital departments so that they do not compete with each other, have goals that are in conflict, or ignore each other's needs. Such issues make it impossible for effective feedback and sharing, which are the hallmarks of quality improvement, to occur.

10. **Eliminate slogans, exhortation, and targets for the workforce.**

Slogans from executives never helped anybody do a good job. Let people put up their own slogans if they want to.

11. **Strive to eliminate *unnecessary* numerical quotas.**
   The company, of course, must have numbers and quotas within your unit regarding completion of state-mandated tasks and legal requirements. However, quotas alone take account of only numbers, not the quality of the work or the methods used to achieve those numbers. While funding and the law will always make some of those numbers very important, it is important that they be balanced with the emphasis on improvement of systems, not outcomes alone.

12. **Remove barriers of pride to workmanship.**
   As we have seen across the company, people are eager to do a good job and are distressed when they can't. As much as possible, remove defective equipment, misguided supervisors, and indifferent workers interfere with the quality work that brought them into the field in the first place.

13. **Institute a vigorous program of education and retraining.**
   While resources may limit this option, as much as possible your management team must educate and train your staff to the new elements of TQM, including its framework and its statistical tools for measuring improvement.

14. **Take action to affect the transformation.**
   Transformation has begun here in the company. This training was designed to be part of an overall plan committed to quality improvement, systems review, and time lines expectations for meeting high-level quality transformation. Obviously, you and the leadership skills that you bring to the agency is part of that transformation as well.