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The Three Cs of Quality Management

Quality initiatives in recent years have used Quality Management (QM) to emphasize the integration of quality into all organizational activities. Quality Management includes everyone in an organization and all activities performed under the “quality” umbrella.

Quality Management is more than just a collection of quality related initiatives. It encompasses guidelines for operational management that enhance internal processes and interactions. The aim is to achieve overall organizational excellence. A well-planned and implemented QM initiative will lead to excellence in thinking and high quality work methods from the entire organization.

Quality Management drivers are grouped into three critical factors of success – specifically the three ‘Cs’ of success. They are:

- **Commitment:** Includes management leadership, company-wide scope, and involvement at all levels
- **Culture:** Social responsibility and company culture
- **Cost:** Quality cost approach

Commitment

Generally, the motivating factor for a QM initiative is external and the focus is on customer satisfaction. Studies reveal that although attracting initial management interest is a relatively simple task, obtaining and retaining long-term commitment is more challenging. There are two aspects of commitment:

1. *Commitment from top management:* This is one of the prime prerequisites for the successful implementation of any QM initiative. Management has to establish strategies that keep in mind the objectives of the organization. Unless QM initiatives are included in strategic plans and given official sanction, they will lose out to other business priorities.

Many well intentioned QM initiatives fail because they did not involve senior management early on in the initiative and hoped to convince them to participate later based on impressive initial successes. Unfortunately, results are not always seen early on, managers are not impressed and they do not subsequently buy into the QM process. The aim of QM initiatives is usually to enhance internal processes and activities. Therefore, it often takes considerable time to notice any tangible benefits. It is important to remember that QM initiatives are not instant solutions to organizational problems.

It is not enough for management to just approve the implementation of QM initiatives. Management should demonstrate leadership through active participation. Since QM initiatives are assigned in conjunction with specific organizational goals and objectives, regular follow-ups are crucial. Unfortunately, quality-related

decisions are often overlooked as management focuses on business decisions that are considered more important.

2. *Commitment of organizational resources:* Given the far-reaching scope of QM initiatives, it is crucial that all organizations receive adequate resources so that all employees can participate. As the QM project progresses, trained QM facilitators must identify training needs and ensure that they are supported. It is important to ensure that participants in QM projects do not get frustrated when unfamiliar situations arise. This dampens enthusiasm and leads to the eventual failure of the QM initiative. It has been observed that QM projects are often unable to withstand the test of time without appropriate monitoring and follow-up.

Culture

Organizational culture plays a vital role in the success of QM implementation. The culture should encourage making decisions based on facts and respecting all individuals while also encouraging innovation. Vital aspects of organizational culture include:

- *Continuous improvement:* Employees should be motivated to actively seek opportunities to solve problems using knowledge from previous experiences. QM initiatives actively seek improvement opportunities by reviewing even nonproblematic issues. This thirst for improvement, which looks for ways to do things better rather than focusing on doing things as before, is the essence of any QM initiative.
- *Change management:* Dealing with change should evolve into a way of life in any organization that plans to implement QM initiatives. Employees must be willing to accept changes and to take a different perspective. The pace of the implementation process is dependant on the organization's degree of eagerness to embrace change.
- *Teamwork and mutual respect:* QM initiatives provide an opportunity to benefit from the synergy caused by many people working towards a common goal. An organization's ability to effectively use its diverse employees to complement each other indicates the maturity of its QM initiatives.

In teamwork, each employee must have a clear understanding of the overall goals of the organization in addition to his specific projects and individual tasks. This clarity of purpose drives teamwork and helps the team avoid priority conflicts. The internal customer concept within QM accentuates the need to work together to achieve and exceed customer satisfaction levels.

Mutual respect among employees is paramount for a successful QM implementation. QM emphasises the need to separate improvement opportunities and problem correction. Innovation is the key here. It is not realistic to expect all new ideas to work well. Fears of ridicule or failure are obstacles to innovation that must be eliminated from the organizational culture before QM is adopted. Mistakes need to be treated as learning opportunities.

TenStep Supplemental Paper

- *Analytical approach:* Organizations that embark on QM initiatives should remember that waving a magic wand over a tough situation might not bring immediate solutions or improvement. Hard work and discipline are required to perform situational analysis and take steps towards improvement. Organizations that have successfully implemented QM initiatives say that their success is partially based on adopting an analytical approach in all situations, whether they are people-oriented or technical in nature. QM initiatives must be managed using specific, detailed plans with follow-ups by appropriate parties to ensure successful implementation and to validate actual results in comparison to expected results.

Cost

An interesting aspect of QM is that it is relatively easy to attract management interest initially, and even to obtain their approval for various projects. However, obtaining and sustaining management commitment and support throughout the project is a challenging task. Current economic trends have led organizations to tightly control costs and expenditures. During reviews, there is the tendency for QM initiatives to be pushed to the back seat due to financial constraints. Ironically, what is overlooked is that such occasions present the best opportunities to control operational costs! Vital aspects here include:

- *Value-added approach:* The basic approach to both quality and financial control is to minimize waste and inefficiencies. The QM approach helps to inspire employees to review their own activities to evaluate the benefits they provide customers. This approach aligns well with the customer-focus strategy, where the everyday activities of an organization are aligned with the overall corporate goals of improving operational efficiency and enhancing quality and customer service.
- *Justification of QM projects:* There have been misconceptions that QM is just a 'warm and fuzzy' approach to managing work. It is, however, an integral part of operations and requires justification like any other business project. Every QM project must be analyzed to establish its relevance with respect to organizational goals and priorities, and in terms of the potential return on investment. To ensure the success of QM initiatives, it is important that they withstand financial scrutiny. The investments will be in the form of training, resources and time, and the payback can be in the form of improvements in product/service and efficiency. The long-term benefits of a successful QM project include helping an organization become more responsive, dynamic, and competitive.