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Management style and total quality management.

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CHAPTER ONE

1. BACKGROUND TO QUALITY IMPROVEMENT PROCESSES

Human Resource development and employment creation will be crucial to the transition to democracy for, without an improvement in living standards, the masses can be expected to generate a crisis of expectations that a future government would be unable to meet.

A number of major trends have been identified in the global and enterprise environments which will lead to dramatic changes in management strategies, approaches and techniques. (Aburdene, 1990; Charlton, 1992; Drucker, 1989; Koopman, 1991; Nasser, 1993.) These trends are :

- A growing demand for sustainable development ;
- Economic globalisation and integration ;
- The impact of technological development ;
- Structural adjustment and privatisation ;
- Emerging new work systems ;
- The move from traditional personnel practices to HR management ;
- Changes in leadership styles from bureaucracy to entrepreneurship.

The above trends are congruent with the essence of the quality improvement theories set out in Chapter Two, and there is a strong argument, that without the implementation of one or other quality improvement process, the trends mentioned above, will not be attainable.

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Mark Honey	a fellow student, and syndicate member, whose encouragement proved invaluable

DEDICATION

This research report is dedicated to my two sons,

Lewis Alan Cochius

and

Sean David Cochius.

DECLARATION

I declare that this research report is my own, unaided work. It is being submitted in partial fulfilment of the requirements for the degree of Master of Management (Human Resources) in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other University.



Dennis David Cochius

12th day of January, 1995

ABSTRACT

Many companies today are not achieving expected business results despite significant investment in Total Quality Management (TQM). Even some previous Malcolm Baldrige award winners are seen struggling. Some report that perhaps only 30% of companies using TQM methods have achieved demonstrative bottom line success, at least in the short run. That leaves the remaining 70% with results spreading from localised success stories, but little bottom line results, to a few with various symptoms of abject failure.

This is particularly disturbing as TQM was seen, both overseas and in South Africa, as the panacea for transforming a company into a "world class competitor".

This research report analyses a convenience sample of twenty eight companies that have introduced the TQM process, as well as two consulting companies specialising in TQM packages. It aims to establish to what extent change in management style has influenced the success or non-success of this process, together with identifying the changes in management style that are required to successfully introduce this intervention.

The research report concludes that the Quality Improvement Process, overall, is gaining momentum and support of major South African companies, and many have achieved positive bottom line results, but also that these results have, in many cases, fallen below expectations. The critical areas for effective implementation of TQM are identified and include top management commitment, the integration of TQM into the whole strategic business plan, the introduction of the process as a holistic part of the process, and not an add on, and the changes in management style required.

MANAGEMENT STYLE AND TOTAL QUALITY MANAGEMENT

Dennis David Cochius

**A research report submitted to the Faculty of Business Administration,
University of the Witwatersrand, Johannesburg,
in partial fulfilment of the requirements for the degree of
Master of Management (Human Resources)**

Johannesburg, January 1995

Causing quality through prevention requires resource allocation so that work is done right, and resources are not squandered on finding and fixing problems.

d. Absolute number four is that the performance standard is '*ZERO DEFECTS*'. The performance standard must be Zero Defects, not 'That's close enough'. 'That's close enough' says one will be satisfied with meeting requirements only some of the time. A Zero Defect performance standard means that one will be satisfied only when all the requirements for the work processes are met each and every time. It is in fact an attitude of mind.

e. Absolute number five is that the measurement of quality is '*PRICE OF NON-CONFORMANCE*'. The measurement of quality is the price of Non-Conformance, not indexes measuring quality as good or bad, up or down, better this year than last, or higher than the industry standard as this fails to give a picture of whether or not quality is improving. Measuring quality by calculating the price of waste - wasted time - effort, material - produces a minority

b. The Definition of Quality is '*CONFORMANCE TO REQUIREMENTS*'. Quality is defined as conformance to requirements, not 'Goodness'. Terms such as these - goodness, excellence, beautiful, exclusive - are subjective and vague. Crosby believes that when Quality is defined as 'Conformance to Requirements', subjectivity disappears.

Any product, service or process that conforms to it's requirements is a quality product, service or process. If requirements are not met, Non-Conformance results.

c. The third absolute is that the system of quality is '*PREVENTION*'. The system for causing quality is prevention, not appraisal. Detection that sorts bad from good at the end of the process does not promote improvement. Prevention occurs in design of a process. It involves communicating, planning, proofing and working to eliminate opportunities for Non-Conformance, from the start.

2.2 The Essence of the Quality Improvement Theories

2.2.1 Philip Crosby (1979)

The following is a summary of the process as postulated by Philip Crosby (Quality is Free 1979; Quality without Tears, 1984) :

i. The Crosby process, arguably the most popular in South Africa is based on certain very clearly defined parameters;

a. *The Five Absolutes* - The first absolute is that '*ALL WORK IS A PROCESS*' - Every job we do is a process, a series of actions that produce a result. Work processes can be analysed as many activities, each with customers and suppliers. The process produces an output that the customer expects to be right. Likewise, conforming inputs from suppliers are expected so that work processes can run efficiently. Understanding the work done as process with inputs, outputs, customers and suppliers is a fundamental concept of quality improvement;

CHAPTER TWO

2. REVIEW OF THE LITERATURE

In Chapter One, the demand for improved quality, customer service, and 'Zero Defect' products were clearly highlighted. The proposition to be tested is that these qualities can only be achieved with a concomitant fundamental paradigm shift in management style. This Literature Review endeavours to give credence to this proposition.

2.1 Introduction

The quality pioneers mentioned in Chapter One are promoting certain philosophies and principles as a way of life and part a the "holistic" way of doing business. A fundamental principle that permeates this complete Literature Review is that quality cannot be added onto, or inspected into a product, but rather that it has to be "built into" the product. (Crosby, 1979; ITISA, 1992; Zenger Miller, 1994; Wickens, 1987.)

The philosophies of the pioneers mentioned in Chapter One will be examined in some depth in order to see whether there are "common threads" that are required if *Total Quality Management* is to be effectively introduced.

- How does management get the workers to 'buy-in' to the process ?;

- What role does 'teamwork' play in the effective implementation of *Total Quality Management* ?;

- Why do companies introduce *Total Quality Management* interventions ?;

- What management style is most appropriate to bring about the change to effectively introduce *Total Quality Management* ?;
- What are the key contributing factors for success or failure ?;

- What are some of the difficulties that can be encountered in implementing an intervention of this nature ?

The research aims to provide answers to the following key questions :

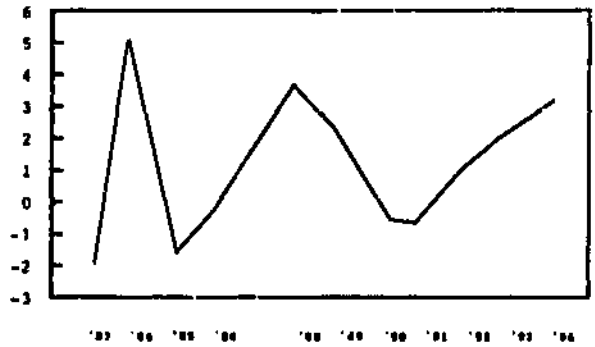
1. Is there a direct relationship between the styles of management propagated in the Literature Review to the successful implementation of *Total Quality Management*?

2. Is there a direct relationship between the unsuccessful implementation of *Total Quality Management* and the failure to change the company's management style as propagated by the authors in the Literature Review.

In addition, the following questions were probed :

- Is there a direct relationship between the successful implementation of *Total Quality Management* and the management styles as proposed by Grant, R.M., Shani, R. and Krishnan, R. (1994) : "Total Quality Management's Challenge to management Theory and Practice", *Sloan Management Review*, Winter, (pp. 25-34") ?;

- What is the impact of senior management, and in particular, the Chief Executive Officers' role in the successful implementation of *Total Quality Management* ?;



Source : BEPA, Dept Economics, Pretoria University

1.2 The Quality Pioneers

The philosophies of the recognised quality pioneers such as : Crosby, (1979), Deming, (1946), Juran, (1974), Ischikawa, (1985), and Feigendaum, (1983), will be examined in some detail as will the views of a number of South African authorities.
(Please see Annexure "E")

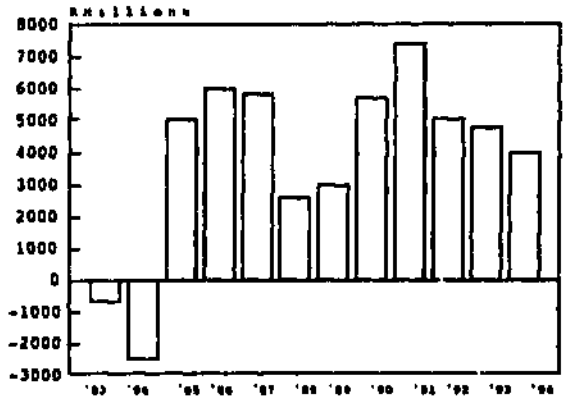
1.3 Objectives of the Research Report

The success stories of *Total Quality Management* are well known. (Grant, *et al* , 1994) Unfortunately, so are the disasters ! While many *Total Quality Management* interventions have achieved dramatic benefits, and tangible improvements in product and service quality, many quality improvement programmes ultimately fail apart.

The graph featured below indicates a diminishing trend in South Africa's balance of payments :

ECONOMIC TRENDS AND PROJECTIONS
1983 - 1994

BALANCE OF PAYMENTS
ON CURRENT ACCOUNT
(Current Prices)



Source : BEPA, Dept Economics, Pretoria University

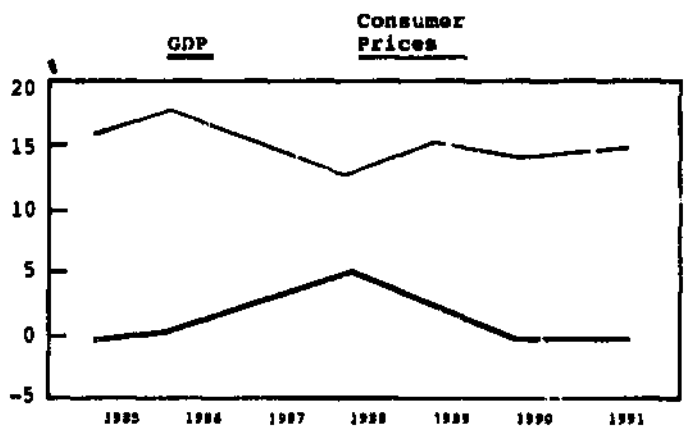
The next graph relates to the real growth rate and clearly indicates a highly volatile and oscillating situation, but with a growth rate not nearly sufficient to cater for the raised expectations of the community "post April 1994", particularly bearing in mind the huge amounts of revenue required for the Reconstruction and Development Programme that has been accepted as policy by the government.

One could well ask the question as to why an intervention such as *Total Quality Management* has been introduced in many South African companies. The following brief overview of the South African economy, provides us with some insight :

The following graph representing the GDP and CPI percentage changes from 1985 to 1991 clearly indicates the parlous state of the South African economy with the Consumer Price Index far outstripping the Gross Domestic Product.

GDP AND CPI

PERCENTAGE CHANGES 1985 - 1991



Source : SA Reserve Bank

Binedell, (1993) observes that, due to South Africa's isolation because of it's previous political policies, has fallen behind in respect of both technological information and modern management techniques and that it will take a major effort on the part of management to capture this lost ground.

Exacerbating South Africa's low productivity problem, is the fact that trade unions, have, over the past number of years, managed through the process of collective bargaining, to increase wages of semi-skilled and unskilled workers significantly. This has had the effect of increasing our unit cost considerably, thereby making us less competitive than our major trading partners (Central Statistical Service, 1992).
(Please see Annexure "C")

"*Total Quality Management*" was considered the panacea for America's productivity problems. However, while many companies reported significant improvements, many were disappointed in the results of the process while others are totally disillusioned (Newsweek : September 14, 1992).

Many South African companies have introduced *Total Quality Management* in one form or another, with varying degrees of success.

fourteen out of the fourteen countries ! The overall evaluation of South Africa was a dismal eight out of fourteen.
(Please see Annexures "A" and "B")

The above information is particularly relevant when one considers the view of Goldradt, (1992, p.13), on the question of the need for *Total Quality Management*:

> "I think that today there is consensus that this is the thing to do. It is not an overnight fashion, it is something serious and very much needed. But just look at how difficult it is to introduce into companies. The results are so painfully slow, and in many countries, this movement has already stagnated into - let's face it - just lip service."

It is clear, that if South Africa is going to be able to improve its competitiveness in terms of world competition, it is going to have to significantly improve its productivity. The problem that this Research Report will investigate will be whether *Total Quality Management* can be an effective intervention without a significant change in the management style, and if not, to identify the types of changes required to effectively introduce *Total Quality Management*.

1.1 Introduction

The last week in April, 1994 was a historic event, and a milestone in South Africa's History. In addition to introducing for the first time a democratic political dispensation into South Africa, it also exposed South Africa to international competition, which, previously, because of our pariah state in the international community, had not been an issue.

Sanctions could be considered a "double-edged-sword' in that whilst sanctions have severely impacted on the South African economy, "the down side"; the up side has been that international companies have not deemed it appropriate to enter the South African market. It is not inconceivable, now that the South African economy is opening up to the international community, that some major manufacturers could see a gap in the South African market to become involved. This would put severe pressure on South African companies in order to be competitive against these "world class competitors" (Koopman, 1993).

In terms of the most recent research carried out by Garelli, (1993), in a study of fourteen middle level economies (developing countries), South Africa, on the evaluation of it's *Human Capital*, rated a miserable

unanimous consensus that these changes in management style were necessary to effectively implement *Total Quality Management*.

2.2.3 The "*ITISA*" Process (1992)

The consultancy 'Interdependence and Transformation in South Africa' (*ITISA*), which was founded by A. Koopman, C. Nel, J. Nel and D. Pullen, have developed a Quality Management process that is designed to :

a. Understand the South African social-economic and political realities in order to determine the effects thereof on people relationships and performance within the business ;

b. Initiate a process of interaction and communication across the organisation, that will facilitate better understanding, cooperation and trust between diverse groups and functions ;

c. Initiate an understanding of the necessity and dynamics of change ;

the leading business schools and management consultancy companies.

Total Quality Management calls for systematic changes in management practices, including the redesign of work, the redefinition of management roles, the redesign of organisational structures, the learning of new skills by employees at all levels, and the re-orientation of organisational goals. Implementation of *Total Quality Management* therefore provides challenges, similar to those involved in the management of other revolutionary transitions. The authors argue that unless top managers become agents of change, redefining management roles and structures, and accepting their loss of power in the process, the intervention cannot be successful. They conclude (p.34) that : "*Western managers have traditionally prided themselves on being pragmatic, eclectic, and open-minded, but the conflicts between these philosophies suggest that managers and their companies will increasingly need to choose implicitly, if not explicitly, to which school they belong.*"

The above views were extensively probed with the interviewees (Annexure E), and there was

Table 2 : Emerging Management Paradigms : *TQM* and the Economic Model of the Firm

	TQM	Economic Model of the Firm
Organisational Goals	Serving customer needs by supplying goods and services of the highest possible quality.	Maximising profit (i.e., of shareholder wealth).
Individual Goals	Individuals motivated by economic, social, and psychological goals relating to personal fulfilment and social acceptance.	Individuals motivated only by economic goals : maximisation of income and minimisation of effort.
Time	Dynamic : innovation and continual improvement.	Static optimisation : maximising the present value of net cash flow by maximising revenue and minimising cost.
Co-ordination and Control	Employees are trustworthy and are experts in their jobs - hence emphasis on self-management. Employees are capable of co-ordinating on a voluntary basis.	Managers have the expertise to co-ordinate and direct subordinates. Agency problems necessitate monitoring of subordinates and applying incentives to align objectives.
Role of Information	Open and timely information flows are critical to self-management, horizontal co-ordination, and quest for continual improvement.	Information system matches hierarchical structure : key functions are to support managers' decision making and monitor subordinates.
Principles of Work Design	System-based optimisation with emphasis on dynamic performance.	Productivity maximisation by specialising on the basis of comparative advantage.
Firm Boundaries	Issues of supplier-customer relations, information flow, and dynamic co-ordination common to transactions within and between firms.	Clear distinction between markets and firms as governance mechanisms. Firm boundaries determined by transaction costs.

The authors conclude that *Total Quality Management* is a revolutionary philosophy that requires radical and pervasive change within the firm. *Total Quality Management's* origins and dissemination pattern are quite different from those of almost any other management innovation of the past half century, and it has bypassed

middle management and corporate staff, resulting in a flatter organisational structure. The authors continue that the only way to effectively introduce *Total Quality Management* is that, firstly, *Total Quality Management* focuses the entire company on customers; it gives the company one externally focused goal that all departments and functions can support.

Secondly, this customer focus provides not only an objective for the company, but also a mechanism that unifies processes.

Thirdly, quality management is more than unifying objective and mechanism. It is a philosophy. It is the companies *raison d'etre*, and it integrates the entire management of the company.

The authors go on to identify "emerging management paradigms; *Total Quality Management* and the economic model of the firm".

In addition to the decentralisation of operational decisions, *Total Quality Management* typically increases participation in higher-level decisions, and makes those in lower echelons. These two trends - self management and participative decision making - constitute a substantial change in managers roles. Traditionally, managers, by virtue of their training and experience, were responsible for gathering information, making decisions, and applying the incentives and sanctions needed to implement those decisions. Under *Total Quality Management* the authors argue managers priorities are re-ordered :

Their decision making and control functions contract, and their roles as consultants and coaches grow.

The authors continue that under *Total Quality Management*, shop floor teams become involved in communication and coordination with teams in other departments and units. Flows of information and communication become less vertical, more lateral. Within the formal structure, they attempt to widen managers span of control, which permits the removal of whole layers of

ferent from those of other management and organisational innovations that have swept through the business world during the postwar period, innovations such as management by objectives, time-based management, and the strategic management of core competencies. Four distinctive features of *Total Quality Management* stand out:

Table 1 : Development and Diffusion of *TQM* and other Management Methods

	TQM	Other Management Methods
Intellectual Origins	Statistical Theory : sampling and variance analysis.	The social sciences : *micro-economics*, psychology, and sociology in particular.
Sources of Innovation	Industrial engineers and physicists working in industry and government.	Leading business schools and management consulting companies.
National Origins	International : developed in the United States, transferred to Japan, subsequently diffused and extended within North America and Europe.	United States, then transferred internationally.
Dissemination Process	Populist : smaller companies and middle managers have played a prominent role.	Hierarchical : from leading industrial corporations to smaller, less prominent companies; and within companies from top management down.

The authors go on to state emphatically that the role of management needs to change significantly :

nies need to prepare themselves for organisation wide change - including top managements' relinquishing of power. Furthermore, *Total Quality Management* practices cannot be combined with strategic initiatives, such as corporate restructuring, that are based on conventional management theories. They conclude that the failure of one or both programmes is inevitable if this is done.

These authors argue (p.25): "The success stories of *Total Quality Management* are well known. They include such companies as Xerox, Allen-Bradley, Motorolla, Marriott, Harley-Davidson, Ford, and Hewlett-Packard. These companies committed themselves wholeheartedly to *Total Quality Management;* they made fundamental changes in their management practices and philosophies and improved product quality and company performance".

They go on to make the observation that *Total Quality Management* inevitably conflicts with established Western management practices.

They argue that *Total Quality Management* origins and pattern of diffusion are quite dif-

determine guidelines for recognising individuals and groups.

xiii. *'Quality Council'*

This is designed to bring together appropriate people to share Quality Management information on a regular basis.

xiv. *'Do it all over again'*

To make certain the Quality Improvement process never ends. It will be recalled that one of the absolutes of quality is Zero Defects. This means a never ending journey, hence step fourteen.

2.2.2 Grant, R.M.; Sharney, R.; Krishnan, R. (1994)

These authors argue that *Total Quality Management* is more than a fad or a buzz word. It is even more than a technique for controlling and motivating employees. They believe it is a challenge to conventional management techniques, and to the theories that underlie them. They conclude that *Total Quality Management* therefore, cannot simply be grafted onto existing management structures and systems. If its' benefits are to be fully realised, then compa-

ix. *'Zero Defects Day'*

This is designed to create an event that will let every individual realise, through a personal experience, that there has been a change in the way things are done at the company (a paradigm shift).

x. *'Goal Setting'*

This is designed to turn pledges and commitments into actions by encouraging individuals to establish improvement goals for themselves and their work groups.

xi. *'Error Cause Removal'*

To give every individual a method of communicating to management the situations that make it difficult to improve.

xii. *'Recognition'*

To appreciate those who participate and to grant some sort of recognition by reviewing current award programmes and evaluate the use, recognising both achievements and participation; and

v. *'Quality Awareness'*

To provide a method of raising the personal concern felt by all employees towards the conformance of the product or service and the quality reputation of the company.

vi. *'Corrective Action'*

This is a systematic method of resolving forever the problems identified through other action steps.

vii. *'Zero Defects Planning'*

To examine the various activities that must be conducted in preparation for formally launching Zero Defects (quality commitment event).

viii. *'Education'*

The Crosby process involves significant education and training ranging from the chief executive, right down to the lowest factory worker.

ii. *'Quality Improvement Team'*
must be established to run the Quality Improvement process. Crosby recommends that the Quality Improvement team comprise the manager of each department or major area of operation in the company and an administrator.

iii. *'Measurement'*
Crosby is of the view that measurement is essential to provide a display of current and potential Non-Conformances in a manner that permits objective evaluation and corrective action.

iv. *'Cost of Quality'*
The purpose of this step is to define the elements of the Cost of Quality and explain their use Management tool. Inevitably, the oduction of the *Total Quality Management* process is going to cost money and is a very time consuming process. This cost has to be identified and compared to the 'Cost of Non-Performance' to identify whether it is worth the expenditure.

figure that can be used to direct efforts to improve and measure the improvement. Crosby refers colloquially to this as '*PONC*'.

A. Crosby's "FOURTEEN STEPS" to Quality

Crosby identifies fourteen clearly discernable steps in the Quality Improvement process. These are as follows :

i. '*Management Commitment*'

The degree of Management commitment can be judged by management actions in :

a. Establishing and explaining the quality policy ;

b. Providing resources to support improvement effort ;

c. Demonstrate commitment ;

d. Participate in and support improvement.

Wickens further expanded all jobs as much as possible by developing the capabilities of all employees to the greatest extent compatible with efficiency and effectiveness. This resulted in a reduction in the number of job titles. He recalls that at the Ford Motor Corporation, they reduced from 516 different manual worker job titles to 52 in the 1985/86 negotiations with the trade unions !

A fundamental innovation that Wickens introduced was that the employees themselves validated the quality of their own work and did not pass on unacceptable quality to the next stage of the process. "Right first time" was the order of the day, rather than an, "if I don't get it right, it will get picked up" mind set.

Teamworking and commitment is another fundamental approach adopted by Wickens. This reflected in the Nissan-AEU Agreement which includes the following general principles :

To promote mutual trust and cooperation between the company, it's employees and the union ;

monthly paid workers and did away with the "status" usually identified with monthly paid staff.

Wickens argues that "single status" is a desirable innovation because :

Firstly, it is morally right ;

Secondly, it can help change attitudes and make a contribution to providing a more equitable industrial relations climate ;

Thirdly, it is a necessary step towards a long term aim of co-determination and co-responsibility ;

Fourthly, in times of full employment, it aids recruitment and helps retain labour ;

Fifthly, it can help achieve flexibility among the workforce".

On the question of flexibility, Wickens introduced modular training in order to multi-skill his labour force with a corresponding higher rate of pay emerging.

2.2.5 Peter Wickens, (1987)

Peter Wickens, Director of Personnel of Nissan in the United Kingdom, believes in *FLEXIBILITY, QUALITY, TEAMWORK*. His basic philosophy is that you cannot inspect quality onto a product, you have to build quality INTO the product.

He goes on to identify the fundamental differences between the philosophy of the British worker and the Japanese worker.

Recognising the need for fundamental paradigm shifts in management attitudes at Nissan, he moved from a 'THEM AND US"...to just "US" mind set. He achieved this by integrating the labour force as a single entity doing away with the white-collar class and the blue-collar class. He argues that many traditional white-collar jobs using pen and paper have changed beyond all recognition with the introduction of the computer revolution.

He contends that as the tools of the trade are changing, so are the responsibilities of the employees. To this end he integrated the conditions of employment betw en hourly paid a n d

Table 4 : Paradigm Shifts Required

	Traditional Paradigm		New Paradigm
•	Management is the brains, employees are the hands.	•	The expert in a job is (or must become) the person doing the job.
•	Management directs, plans, and controls daily operations.	•	Management supports frontline teams that run daily operations.
•	Management's job is to solve operational problems.	•	Management ensures teams have the skills, tools, information, and support to solve operational problems.
•	Organisational performance is the cumulative effect of individual performance.	•	Organisational performance depends on systems, processes, and structure.
•	Errors are caught and corrected by specialists during or after production or delivery.	•	Errors are prevented by everyone during each step of the entire internal and external customer-supplier chain.
•	Crisp decision making is the mark of a good leader.	•	Building team ownership slows decision making but dramatically improves implementation.
•	Objectives, standards, measurements, and appraisals start at the top and cascade down the organisation.	•	Starting from the outside in, customers set the priorities and measures of effectiveness.
•	Accountability rests with "the chain of command" within each separate functional group.	•	Roles and responsibilities for managing cross-functional processes are established.

Table 3 : Achieving Cultural Change

Significant Components	*Service/Quality Programs*	*Cultural Change*
Process Delivery	Programs are given by various internal/external experts and specialists.	Cultural change is driven by line managers.
Building Employee Commitment	Inspirational messages, seminars, and slogans exhort improvement.	An environment of voluntarism is nurtured through management's leadership and support of intact, cross-functional, and process improvement teams.
Technology and Systems	Employees are expected to make better use of what exists.	What exists is re-engineered.
Managing People	Training "fixes" frontline employees and supervisors.	All hiring, promoting, performance management, measurement, and rewards are realigned.
Senior Management Involvement	Executives give their "blessing" and make guest	Executives visibly lead the continuous improvement process.
Roles and Responsibilities	Improvement responsibilities are given to a few selected people	Cultural change determines all strategies, structures, skills,and accountabilities.
Customer Expectations	Management tells employees what customers expect.	Teams uncover their customers' expectations and work to exceed them.
Planning	Fragments of trainig, inspiration, project improvements, education, etc., are separate from strategic planning.	Strategic planning, budgeting, and service/quality improvement planning are woven into one master plan managed by line managers.

The philosophy behind the process is :

- Help the organisation to compete more successfully;

- Eliminate errors and unnecessary delays;

- Develop work processes that are more efficient and less complex;

- Introduce work processes that are more responsive to customers changing needs; and

- Make the best possible use of organisational resources.

The process can best be summarised with the following two tables :

The process encompasses :

- Interpersonal skills
- Situation appraisal
  Problem solving
- Decision making
- Planned protection
- Inter-group relationships
- Inter-team relationships
- Leadership and team-building
- Customer orientation
- Constant innovation
- Commitment of people
- Providing vision and values
- Analytical management skills
- Fundamental organisation culture change

Fundamental to the process is the assessment of present (where the company is now), compared to the vision of the future (where the company wants to be). The difference is called the "performance gap", and the whole process is based on bridging that gap through the interventions mentioned above.

d. Having identified specific requirements for good people relationship and values and that is a basis for identifying shared value ;

e. Having evaluated the present status of the organisation against agreed requirements.

2.2.4 The Zenger Miller (Southern Africa) Quality Improvement Process (1994)

The Zenger Miller Quality Management Process is called "Managing for Excellence". There is a very strong employee/management co-operation dimension and this will emerge as the philosophy of the process is examined.

The process is based on the following basic issues :

- Strategy formulation
- Organisation restructuring
- Role clarification
- Objective setting
- Planning and resourcing
- Progress feedback
- Performance development
- Performance appraisal
- Rewards management

- Trust and respect are verbs, they require *ACTION*

- Unity and Diversity is achieved by building it into all decisions

(Note) :

Many of the constructs embraced in the *ITISA* process is based on the original concepts as postulated and implemented by Koopman in the 'Cash Build' initiative, which, when it is taken cognizance of that this occurred ten years ago, was a visionary and pioneering exercise.

The *ITISA* process focuses on '*TOTAL PRODUCTIVITY AND QUALITY' (TPQ)* and is based on the following :

a. Understanding the nature of a culture of Total Productivity and Quality ;

b. Understanding the needing for people driven growth as a basis for future success;

c. Understanding the interdependance of people performance and people relationships;

- Passion for Performance
- Personal Accountability
- Self-Driven Improvement
- Statistical Quality Controls

'Creating and keeping more customers through participative processes', entails :

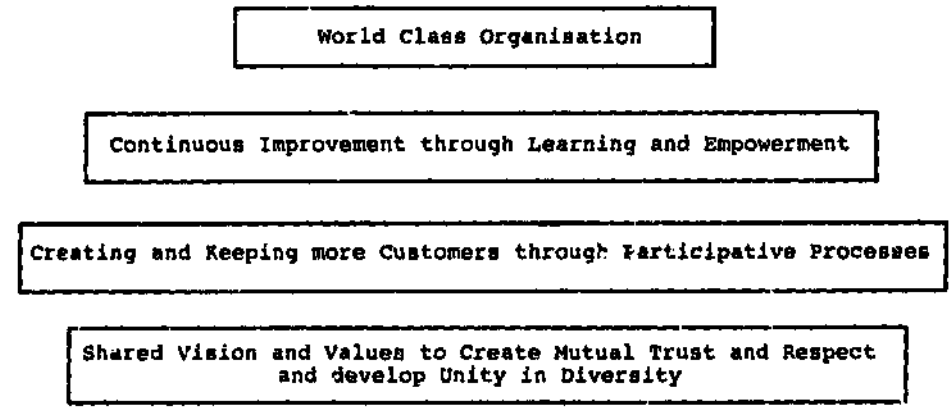
- Wealth Creation
- Leadership
- Team Work
- Continuous Improvement Teams
- Stake Holdership
- Work Place Democracy

'Shared Vision and Values to Create Mutual Trust and Respect and Develop Un .ty in Diversity', entails :

- Everyone participates in the development of the values

- Only an unfolding vision can cope with the dynamic environment

- Everyone is treated with total equality in the light of the values



At this time it would perhaps be appropriate to make the observation that while the '*CROSBY*" process focuses primarily on structures, training, measurement, and is very strong in these areas, the *ITISA* process focuses on 'Winning the hears and minds ot the people'.

The *ITISA* process defines 'World Class Organisation' as an organisation that has :

- Inclusive World View
- Inbuilt Quality
- Quality Circles / Councils
- Gain Sharing and Esops
- Work Creating Pipeline

'Continuous Improvement through Learning and Empowerment' encompasses :

d. Develop a basis of a common value system by:-

'understanding values' and the relationship to beha 'our - creating a common understanding of 'desired' value; what is meant by them, and what be aviours are involved ;

e. Utilise exercises during the workshop to identify some of the current problems and successes in the organisation, thereby developing an informal base for further action ;

f. Initiate evaluation of where the company is presently in terms of values ; and

g Initiate understanding of the need for participative processes, and to agree the required future process to achieve people-driven growth within the organisation.

The process can best be described as :

- Visions of the result you want to create; and
- A clear view of the reality you now have.

Fritz continues that the difference between what is wanted and what there is now, forms an important structure in the creative process, namely; that of structural tension. The formulation of vision and the identification of the current reality have to be realised. (There is a strong similarity between Fritz's argument and those postulated by Koopman, referred to earlier.)

Dekker argues that, institutionalisation requires that the opposite interests and, in fact, often diametrically opposed interests of the parties are acknowledged. Dekker identifies the structural tensions between the parties arising from the normative behaviour which unionism demands relating to democracy, whereas the normative behaviour which employers require relates to efficiency. Dekker refers to a normative consensus being a prerequisite.

Dekker continues that, various studies and the direct negative experience from imposed labour process systems which resulted from Or inter-

action will satisfy their different interests and establish coexistence.

He quotes the example of the time taken to build the car for President Nelson Mandela, namely ; four days with only nine faults. The equivalent German average is six days and fourteen faults, whereas the normal average in East London is said to be fourteen days and sixty eight faults ! On another occasion, when workers agreed to make up lost production subsequent to a dispute, they completed seventy cars a day, while the average is forty cars per day .!

Dekker traces the poor relationship habits acquired by both unions and management back to the 1980 decade and argues that it will require more than goodwill for this to be corrected. He quotes Fritz, a management psychologist, who draws a distinction between structural conflict and structural tension. Fritz points out that a basic principle in nature is that of conflict seeks resolution, but because of the complexity of situations, that resolution creates further tensions. He argues that the two components which form structural tension are :

models rather than on roles and functions, as well as external *loci* of control, are all examples of Africa's inclusivist Ubuntu-based value system.

This requires building values, the removal of trust barriers, gaining trust and respect through learning, flexible structures, separating all long/short term power positions, devolving authority and placing responsibility where it belongs, allowing job swopping, and the introduction of quality processes, the removal of motivational barriers, access to information, statistical control, space for growth, and finally, pragmatic humanism.

2.2.10 Loet Douwes Dekker, (1993)

Professor Dekker talks about resolving structural tension : a basis for co-determination in South Africa.

Dekker goes on to accept the inherency of industrial conflict and explores what prerequisites are required for the energy of managers and union leaders to be creatively channelled so that the output and outcome of their inter-

going to be needed if we would like to be part of the new liberatative world order.

After discussing various value systems, he focuses on reward/punishment versus rejection/recognition. Koopman uses the analogy of funerals and weddings where, in white society the norm is to send out invitations, therefore setting up a mutual exclusivity for attendance. This is in stark contrast to the black world where these events are major social "happenings" and invitations are considered "open".

He further declares that in terms of Western style management, the mere word, "management", implies power over relationships, whereas in the black community, the manager has to EARN the right to control his people.

He then goes on to argue, convincingly, for "Humanism in the work place", referring to social networking meaning "consent by the managed" and refers to this as "pragmatic humanism".

Koopman concludes that, respect for the elder, the extended family and inclination to focus on

2.2.9 Albert Koopman, (1993)

Koopman refers to "the divine will of Africa" and argues that since the existence of man, he has searched for the "best" form of organisation and moral code of conduct, and that the attainment of these has to do with his relationship on a day to day basis with his fellow man, and the interaction he has with him.

He continues that whites primarily have designed *exclusive* institutions which give *privacy to the individual, his development, self-fulfilment,* which serves to foster liberal democracy. Blacks on the other hand, believe that this is very much part of the societal fabric, and see the need for each individual to find his place in societal structure, to play his particular role in it, and to a large extent, *subordinate himself* to the societal needs. In other words, he desires organisations to be ***INCLUSIVE***.

Koopman continues that, with the colonisation of Africa, many systems were imported and imposed which are in direct conflict with the "natural way of doing things" in Africa and that an entirely new South African ethos is

In comparing this model to South African organisations, Christie observes that in the South African public sector, large bureaucratic forms of organisations predominate and very few, if any, follow the *INTEGRATED* organisation approach.

In conclusion, Christie postulates that, given the predominant social relationships within an organisations different development phases, this would suggest that prevailing relationships in South African organisations are of a dependent, or, at best, interdependent nature. Goal and task orientations predominate, while there is little evidence of a human side to South African enterprise. He argues further, that, in a country where antagonistic attitudes towards unions and authoritarian management style are most often the norm, it is perhaps appropriate for management to adopt a more "Africa" style of management as opposed to the traditional western style which is characterised by individualism and competitiveness !

The above concepts articulated by Christie, are congruent with the basic requirements for effective implementation of *Total Quality Management* as postulated by the previous authors.

- A *thinking* element ;
- A *feeling* element ;
- A *doing* or *acting* element ; and
- A *spiritual* element.

He argues further that we think with our brains, we feel with our hearts, and we act with our bodies.

The *thinking* element, in terms of an organisation, relates to it's goals. If this process is teleological in nature, then the body of it's organisation, namely ; the *acting* element relates to it's task orientation. He further argues that in a healthy person, there is a constant striving for a balance between *thinking, feeling* and *acting* in order to produce a well balanced individual.

Extending this analogy to organisations, a healthy organisation would require the same balancing of thinking, feeling and action, and, in this way, a more fulfilling relationship is developed, taking and giving as the need arises, recognising and accepting our mutual interdependence.

- The entrepreneurial corporation ;
- The mechanistic corporation; and
- The dynamic corporation.

The relevance of the above to *Total Quality Management* is the change in management style if the process is going to be effective.
Christie then goes on to articulate *Lievegoed's* three structurally distinct phases of an organisations development :

The *pioneering, differentiated* and *integrated* phases of development.

He proceeds to identify a human model of the organisation, and argues that it is useful to extend the developmental perspective into terms more directly human than biological, and that by doing so, a realistic conception of the South African Organisation is possible. How these concepts and those discussed below, impact on management style were explored in the Research Report.

Christie continues that the individual human being comprises four essential elements :

appropriate to establish at which "spirit stage" the company is at before introducing any intervention to change the culture of the organisation.

The above is congruent with Lessem, who makes a strong case for an "Afrocentric" approach to management and argues that the concept of "*UBUNTU*" is uniquely African, and as such, the practical application of "*UBUNTU*" provides for managerial relationships and practices that would promote harmony and higher productivity in African organisations. He goes on to identify value-centred leadership, the developing, industrial ecology and the learning community as fundamental South African constructs.

2.2.8 Peter Christie, (1993)

Christie believes that the heart has been torn out of South African businesses. He refers to the hypothesis formulated by Blake and Colleagues in "corporate Darwinism" as a six stage revolutionary process :

- The food gathering family ;
- The food producing village ;
- Commercialisation of the economy ;

- strongly connected with it's empirical and rational orientations, but also with it's arts, artifacts, stories and mythical beliefs, traditional represented in the "humanities".

It should be noted that this is congruent with Lovemore Mbigi (1993), who focuses strongly on "*creative pathways*" and "*paradigm pioneers*".

2.2.7 Lovemore Mbigi, (1993)

Mbigi argues that the total essence (spirit) of the company must be changed to become congruent with that of the society and the culture within which it operates. To this end, he identifies :

The rainmakers spirit ;
The hunters spirit ;
The divination spirit ;
The war spirit ;
The clan spirit ;
The wandering spirit ;
The avenging spirit' and
The witch spirit.

Lovemore goes on to argue that doing "cultural surveys' is a waste of time and that it is more

vacuum, but it has evolved firmly out of one particular cultural heritage, but ignored other cultural heritages.

Dividing the world into four clearly defined lineations :

World One	:	Western ;
World Two	:	Northern ;
World Three	:	Eastern ;
World Four	:	Southern.

He goes on to arque that the "Southern" dimension is more appropriate for South Africa as it evolves around "communal network" (indigenous African).

He continues in some detail analysing the various management styles of the Western (World One), Northern (World Two, Eastern (World Three) idealisms and rationalism.

Lessem then puts a strong case for a Fourth World dimension : (Southern Humanism - family business to socioeconomic network) as being the more appropriate management style for Africa. He refers to this as the "*humanistic way*" and argues that South Africa's full cultural heritage is bestowed not only with the modern fruits of American and European science and technology

To recognise that all employees, at whatever level, have a valued part to play in the success of the company ;

To seek actively the contributions of all employees in furtherance of these goals.

On the question of commitment, Wickens observes (p.96) ... "clocking in is regarded by many manual workers as being demeaning and is disliked particularly when they see it as part of the process by which they stopped pay for lateness".

2.2.6 Lessem's "towards the learning company" : Cultural Foundations, (1993)

Lessem postulates that the management style in South Africa does not accommodate South Africa's diversity and that the social, political and economic transformation of South Africa has not yet been accompanied by a purposeful differentiated and subsequently integrated approach to management.

Lessem's hypothesis is that the business enterprise in South Africa has not emerged in a

11. Eliminate work standards that prescribe numerical quotas.
12. Remove barriers that stand between the hourly paid worker and his right to pride of workmanship.

13. A very strong focus on education and retraining is required and must be vigorously enforced.

14. Create a paradigm shift in top management that will champion, everyday, the above thirteen points.

Deming felt very strongly that while quality is the responsibility of everyone, it must be driven from the top, and cascade down.

2.2.13 Armonde V. Feigenbaum, (1983)

Feigenbaum believed that the responsibility for quality does not rest with the special quality assurance or quality control department, but is a shared responsibility. He view was that the difference between *Total Quality Management* and other techniques, is that it provides a genuine effectiveness, so that in order to provide genuine

6. A strong emphasis is placed on modern on-the-job training techniques.

7. The fundamental role of foremen/supervisors must be changed to improve quality and productivity. Management must be prepared to take immediate action on reports from foreman/supervisors concerning barriers to quality, such as, inherent defects, machines not maintained, poor tools, undefined operational definitions.

8. Reduce the element of fear. (This is a fundamental problem with the introduction of any intervention such as *Total Quality Management*, in that workers are often fearful of possible consequences/ramifications.

9. Eliminate the barriers between departments. People must learn to work as a team to foresee problems with production that may be encountered with various materials and specifications.

10. Eliminate numerical goals, posters, and slogans for the workforce, asking for new levels of productivity without providing methods.

2. Change the philosophy of the company (paradigm shift). A company that wants to be a world class competitor cannot tolerate commonly accepted levels of delays, mistakes, defective materials, and defective workmanship.

3. Do away with quality inspection. Instead, ensure that quality is built in to the product. (This is very much the same philosophy of Peter Wicken of Nissan, set out in some detail earlier in the Chapter.)

4. Eliminate suppliers that cannot qualify with statistical evidence of quality. Stop the practice of awarding business on the basis of price, but rather insist on suppliers meeting certain quality criteria with price being a secondary consideration.

5. Look for and identify problems. It is one of managements prime functions to continually evaluate the system including design, incoming materials, composition of material, maintenance, improvement of machine, training, supervision, and retraining.

like any other type of process - it varies. Deming differentiated between common variation (random fluctuation) and special variation (resulting from some specific faults or malfunction in the process). The aim of quality improvement is to eliminate special variations.

Deming provides a holistic approach for management in which the organisation is used as an integrated entity. His fourteen improvement steps (Deming, 1982 and 1985) provide a framework for action, and give management the basis on which to formulate a plar in the absence of experience with a particular issue (this is congruent with the Crosby philosophy spelt out in some detail earlier in this Chapter.).

Deming's fourteen points can be summarised as follows :

1. Create constancy of purpose toward improvement of product and service with a view to becoming competitive and to stay in business. Fundamental in this process is top managements responsibility.

that objectives have been achieved.

iv. Act by making changes to the plan which are needed to better achieve customer satisfaction, and to continue what was successful.

2. The second Deming principle identifies the respective responsibilities of management and workers. Management must be able to distinguish between problems due to the workers and those inherent in the system. This can only occur provided management and the workers have the same goals and speak the same language, and if management involves the workers, using their insight into problems on the shop floor. (This is very similar to the Koopman philosophy, which envisages a "shared vision" and congruency between the objectives of management, the organisation, and labour.)

3. The third concept is that of measurement, and the use of statistics as a common language of the workplace. This implies that both management and workers understand some statistics. The process in the firm is

ity gurus, and is arguably the doyen of the concept. Deming's basic philosophy is that quality is the prerogative of management AND the workers who can and must make a meaningful contribution. For workers to be able to do this, they require proper support from management, and Deming's philosophy can be broken down into three key concepts :

1. The first concept is that of never-ending improvement (continuous improvement). For this to be possible, the firm needs to be committed to appropriate training and the removal of obstacles to quality. Deming identified a "cycle of improvement" based on the Shewhart Cycle, with the following steps :

   i. Collect data upon which a plan can be constructed for what needs to be accomplished in a given time frame. Determine what actions must be taken.

   ii. Carry out the actions that further the plan developed in step i.

   iii. Check results of actions to make sure

The authors conclude by identifying the changing role of senior managers :

- Accept training in how to manage for quality;

- Create and lead a quality council that guides and coordinates the process through which the company meets it's quality goals;

- Personally determine which quality goals should enter the business plan;

- Approve the methods of measurement of quality goals;

- Personally review progress against the goals;

- Participate in recognition ceremonies (this is very similar to Crosby's "Zero Defects Day";

- Approve revisions in the reward system.

2.2.12 Dr W Edward Deming, (1945)

Deming is probably the most famous of the qual-

immediately, where sheetmetal parts, which traditionally required an average flow time of 40 working days, were reduced to 4 days !

The authors also focus strongly on the formation of teams to solve problems, and of building employee trust. Another dimension is asking employees what they think, and promoting cooperative labour/management initiatives.

They go on to quote the results of a 1990 American Society for Quality Control-Gallup poll, where employees were asked to rate four ways to increase their sense of job satisfaction. 33% voted for "letting you do more to put your ideas into action", which outranked "pay you more" (27%), "recognise the efforts more" received 19%, and "listening to your ideas for improvement" received 17%.

The authors further talk about "engaging the frozen middle" (This is interesting as this is a common theme that emerges from an analysis of the interviews in Annexure E). The concept essentially involves improving the traditionally adversarial relationship between labour and management.

be flexible, job classification should be minimal, and employees should have versatile skills;

- Information should be shared amongst the members of the organisation;

- The implementation of a strategy is more important than it's formulation;

- Employees are active participants in the organisation, and they should therefore, share in it's fruits.

The authors go on to emphasise the importance of listening to the people who actually do the work, and they quote the example of many companies who have found that involving workers in the design of new facilities, etc., contributes positively to employee "buy-in". Companies such as Boeing, received 4500 recommendations from employees when they embarked on the construction of a new sheet-metal fabrication plant in Auburn, Washington. These original ideas were condensed to 142 recommendations, and every single one of them were implemented.

The recommendations began to pay off almost

jumping jester who always ends in an upright position. Another performer proves to be a gifted comedian, who is equally adept at fire-eating and scrambling at the top of a human pyramid. Everybody in the troop, it seems, is a musician, clown, aerialist, and stagehand. All of the performers are actively involved in design of their "work", as well as in the business side of the organisation".

The authors go on to examine in some detail the participative management style identified by Professor Tadao Kagono of Kabe University.

They argue that Japanese organisations have been successful because :

- Management relies on the wisdom of the people at the bottom of the organisation;

- Motivation and commitment of the majority are more important than the motivation and commitment of a few;

- To motivate the majority, jobs must be secure, and the differences in rewards minimised;

- To cope with change, the labour force should

in the American context on corporate governments.

Dekker concludes his analysis by talking of a "the company-in-society", and "the value of industrial democracy" where industrial relations has to do with basic values and when capital and labour enter the industrial relations system they have to accommodate aspects of the respective ideological preferences. Dekker refers to Ronnie Lessem's four World's of Management Model, and concludes that it is possible to argue for the collaborative based industry within the context of the nation of a social market, reinforced by the importance of humanism.

2.2.11 Bowles, J. and Hammond, J., (1991)

These authors, in their book "Beyond Quality", place a very strong emphasis on "the human side of quality". They use an interesting analogy of a small troop of Australian performers known as "Circus Oz". They observe (p.87) : "The Oz solution is empowered and involves people. One moment a performer is catching his mates as they fly through the air with the greatest of ease ; the next, he is a trampoline expert, a

ventions in the work place, such as "Taylorism" and "Fordism", has resulted in employers now understanding that workers should have some influence on management decisions.

Labour is now increasingly seen as a resource rather than a cost and hence it's co-optation is elicited. However, the need for democracy by unionism requires indirect participation through representatives, whereas the efficiency needed by employers, requires direct participation between the supervisor and the worker as individuals ; and for workers through "*team dynamics*".

This fact has been recognised for some time by many progressive companies, and, hence the constant searching for appropriate board representation by workers, i.e., searching for "suitable" black directors to be appointed. The issue has not been delineated as it is still clouded by the fears of nationalisation and command economy. Dekker does not pursue the nature of board representation in South Africa or the methodology or co-determination adopted in Western Germany or the principles developed

5. A fifth feature of qualitative studies is their attention to particulars.

6. A sixth feature of qualitative studies pertains to the criteria for judging their success. Qualitative research becomes believable because of its coherence, insight, and instrumental utility. "

3.1.3 Strengths and Weaknesses of the Methodology

The dynamism of the depth interview provides a face-to-face encounter with the informant where large amounts of expansive and contextual data may be obtained quickly. Because the interview establishes a personal relationship with the subject, it facilitates cooperation from the respondent. The methodology also allows the researcher to adjust lines of questioning and simplifies access for immediate follow-up. In addition, it provides the researcher access to subtle and important information contained in quality and tone of voice and body language.

While the dynamic nature of the process is one of the strengths of the methodology, it is also

2. Qualitative research [considers] the self as an instrument. The self is an instrument that engages the situation and makes sense of it. This is done most often without the aid of an observation schedule; it is not a matter of checking behaviours, but rather of perceiving their presence and interpreting their significance.

3. A third feature that makes the study qualitative is its interpretive character. Interpretive here has two meanings :

   a. Inquirers try to account for what they have given an account of.
   b. Qualitative inquirers aim beneath manifest behaviour to the meaning events have for those who experience them.

4. Qualitative studies display the use of expressive language and the presence of voice in the text.

that do not rigidly structure the direction of enquiry and learning within simplifying, a contextual, a priori definitions." (Jones, 1985a, p.46).

Schmitt and Klimoski (1991) contend that qualitative research interviews are by definition relatively unstructured. The researcher will have objectives for the interview, a list of potentially useful questions as well as an outline of the order in which these questions may be posed. In terms of these constraints, the interviews conducted for this research were supported by a standardised introduction. A set of broad questions were referred to as an aide-de-memoir to the researcher. The purpose of the interviews were to develop constructs and identify issues.

3.1.2 Features of Qualitative Studies

Eisner, (1991, p32-40) states :

" 1. Qualitative studies tend to be field focused. In education, those conducting qualitative research go out to schools, visit classrooms, and observe teachers.

3.1.1 Depth Interviewing

Brehm, (1994, p.55-57), succinctly sets out the features of Depth Interviewing:

"Depth interviewing has been described in the Literature as a conversation with a purpose (Schmitt and Klimoski, 1991; Walker, 1985; Marshall and Rossman, 1989; Jones, 1985a). According to these authors, depth interviews differ from structured interviews in that, while they do have a schedule of questions to be asked in each interview, the methodology is a dynamic process which allows for flexibility in permitting the researcher to "pursue productive and appropriate lines of enquire" (Schmitt and Klimoski, 1991, p.139).

Depth interviews seek the participant's perspective and explore this with appropriate questions arising from the interview context. This is in contrast to highly structured interviews with a fixed questionnaire schedule which, in setting a predetermined schedule of questions, focuses the interview on those areas that the researcher thinks are relevant and may ignore those which the respondent considers pertinent to the subject.

> "*Qualitative research methodologies seek to learn about the social world in ways*

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1 Nature of the Research

This research was qualitative in nature with the objective of establishing whether there was general consensus that a paradigm shift in management style was required in order to effectively introduce *Total Quality Management*.

The underlying basis for this research was to identify the type of management style that is required to effectively introduce *Total Quality Management*. According to Bryman, (*et al.*, 1988), the development of constructs derives from an exploration of the various meanings that people attribute and ascribe to these constructs. Consequently, the concepts which are developed are grounded in the respondents' own experiences of the objects and situations which pertain to these concepts.

This research, therefore, sought to elicit the experiences, views and perspectives of the sample through the use of depth interviews.

Crosby processes. Significant in this comparison is that all three authorities are in agreement that :

- Quality is managements responsibility;
- The quality effort demands an open, participative management style;
- There are no shortcuts to quality improvement;
- The improvement process is never-ending;
- Companies cannot produce greater precision in isolation, they must secure greater precision from suppliers.

It is significant that the above congruency highlights the need for significant change in management style, if *Total Quality Management* is going to be effectively introduced.

of recognised authorities, there are certain congruencies that permeate the principles of all the above quoted authorities.
These include :

- *Total Quality Management* is a holistic approach that has to be integrated into the very fabric of the corporate cultures;

- An analysis of the various "processes" while, maybe not saying so in as many words, clearly indicates a significant change in management style that is required in order to effectively implement these processes;

- A strong emphasis is placed on such aspects such as:
  - teamwork;
  - recognition;
  - accountability;
  - teambuilding;
  - building quality into a product, as opposed to inspecting quality onto a product;

- Attached as Annexure D is a summary of the main features of the Demming, Juran and

4. Conduct an analysis to discover the causes of the problems.

5. Determine the effect of the proposed changes on the people involved, and find ways to overcome resistance to these changes.

6. Take action to institute the changes, including training of all personnel involved.

7. Institute appropriate controls that will hold the new, improved quality level, but not restrict continued improvement - perhaps through another breakthrough sequence.

Juran's approach to quality, encompasses three basic aspects (the quality trilogy) of :

- Quality planning
- Quality control
- Quality improvement

2.2.16 Integration of the Literature Review with the propositions posed in Chapter Three

Notwithstanding the fact that the Literature Review covers a number of theories/propositions

Ischikawa is of the firm view that if there is no support and leadership from the top, then the introduction of TQC was a waste of time. Furthe more, policies must be clearly defined, including clarifying responsibility and authority. He was also of the view that while authority can be delegated, responsibility cannot.

2.2.15 Dr Joseph M. Juran (1974)

Juran's research convinced him that over 80% of quality defects are management control-able, and it is therefore, management, that most needs to change. (This is congruent with the propositions that this Research Report attempts to prove or disprove.)

The sequence of Juran's quality process is as follows :

1. Convince others that a breakthrough is needed.

2. Identify the vital two projects (involves Pareto analysis).

3. Organise for a breakthrough in knowledge.

- When QC is implemented, falsehood disappears from the company.

Ischikawa believed that in order to introduce *Total Quality Management* a paradigm shift in management philosophy is required :

- If TQC is implemented, countrywide, it can contribute to the improvement of a company's corporate health and character.

- QC is one of the major objectives of the company. It is it's new management philosophy.

- Set your eyes on long-term profits, and put quality first.

- Destroy sectionalism.

- TQC is management with facts.

- TQC is management based on respect of humanity.

- TQC is discipline that combines knowledge with action.

pany-wide quality control" (CWQC), to differentiate the Japanese approach to TQC, from the more specialised view attributed to Feigenbaum. Ischikawa also made a significant contribution by taking much of the mystery out of the statistical aspect of quality assurance. Conforming to the belief that without statistical analysis, there can be no quality control.

Ischikawa believed that there were certain basic characteristics of Japanese quality control, inter-alia :

- Quality control is to do what is to be done in all industries.

- Quality control which cannot show results, is not quality control.

- Quality control begins with education and ends with education.

- To implement TQC, one needs to carry out continuous education for everyone, from the President down, to shop floor workers.

- QC brings out the best in everyone.

effectiveness, control must start with identification of customer quality requirements and end only when the product has been placed in the hands of the customer who remains satisfied. He argued strongly, that better quality is cheaper in the long run (this is congruent with Crosby's concept of *PONC*). Feigenbaum developed the concept that quality comprises an "industrial cycle" which includes; marke[illegible]esign, purchasing, manufacturing, supervision and shop operations, inspection and testing, shipping, installation and service.

2.2.14 Kaoru Ischikawa, (1985)

Kaoru Ischikawa, who is Japan's leading quality authority, gives credit for a lot of his thinking to Deming and Juran. He developed the concept of quality control circles, and in addition, developed cause and effect charts, or "fishbone diagrams". Ischikawa is also recognised for his contribution in respect of the statistical aspect of quality assurance, believing that without statistical analysis, there can be no quality control.

In 1968, Ischikawa began using the term "com-

such a statement or proposition ;

Revisit the statement or proposition ;

Compare other details of the case against the revision ;

Review the statement or proposition again ;

Compare the revision to the facts of a second, third, or more cases (beyond the scope of the proposed Research Report) ; and

Repeat the process as many times as required.

By following the above analytical framework this Research Report is holistic in nature and by implication conducive to comparative studies. Furthermore, the analytical framework provides a structure for the layout and format of the Research Report.

structs against the following predetermined criteria, namely : to what extent is there consistency among the respondents on the sub-issues and definitions identified above; to what extent are there contradictions and divergent views on the sub-issues and definitions; to identify the underlying sources of these contradictions and divergent views on the sub-issues and definitions; to identify the underlying sources of these contradictions and divergent views; to determine the relationship between the sub-issues; and to identify the underlying issues and factors supporting or rejecting the research problems.

b. Explanatory

"The goal at this stage is to develop explicit theory that can be used to explain the empirical generalisations that evolve" (Ferreira and Puth, 1988, p.162). According to Yin (1984, p.108), the iteractive nature of the suggested process involves the following steps :

Make an initial theoretical statement or an initial proposition ;

Compare the findings of an initial case against

two levels, namely :

a. Exploratory

The data to emerge out of the depth interviews was analysed in the first instance by means of thematic analysis, the purpose of which is to reduce the accumulated data into manageable statements and to develop suggestive ideas for future quantitative research which can stand the rigours of statistical testing. The steps in the thematic analysis methodology followed were :

Transfer of the data onto a flip-chart

Build constructs by entering short sentences from the interview transcripts and secondary data sources

Summarise long descriptions without losing the content and meaning of the sentences

Add additional descriptive words to the original constructs where constructs are similar

Casual and association analysis of the con-

This question proved to be of great value to this researcher, as responses were sincere and spontaneous, resulting in the identification of a number of key issues in implementing *Total Quality Management*.

3.5 Analysis of Data

As the responses to the questions asked were not necessarily "mutually exclusive", a thematic analysis was applied.

According to Ferreira (1988, p.109), "A qualitative research strategy is inductive in that the researcher attempts to understand a situation without imposing pre-existing expectations on the setting. Qualitative research designs begin with specific observations and build towards general patterns. Categories or dimensions of analysis emerge as a researcher comes to make sense of and organises patterns that exist in the empirical world which he is studying. He then begins to focus on testing and elucidating what appears to be emerging. The qualitative researcher thus develops analytical, conceptual and categorical components of explanation from the data itself".

To this end, the accumulated data was analysed at

i. Whether the respondents in fact agreed with these views;

ii. The kinds of management style changes that had occurred in the various companies in order to develop a consensus in respect of the types of changes that were necessary to effectively introduce *Total Quality Management*;

iii. To prove or disprove the propositions.

3.4.7 **Are there any "Pearls of Wisdom" you would like to share, e.g., something that really worked for you, or something that you may have done differently, with the wisdom of hindsight?**

With this question, the researcher hoped to gain some insight from the respondents who had embarked on the *Total Quality Management* route, that could serve as guidelines for newcomers to the process.

While the above was not conclusive, it did form the framework for questions that were asked of the respondents.

3.4.6 The following quotation of Grant, R.M., *et al*, on pages 32-33, was read to them and they were asked to comment in some detail on these views:

"*Total Quality Management* is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. *Total Quality Management* is a challenge to conventional management techniques, and to the theories that underline them, therefore, it cannot simply be grafted onto the existing management structures and systems. If its benefits are to be fully realised, then companies need to prepare themselves for organisation-wide change, including top management's relinquishing of power. Furthermore, *Total Quality Management* practices cannot be combined with strategic initiatives, such as; corporate restructuring, that is based on conventional management theory. The failure of one or both programmes is inevitable."

With this question, the researcher attempted to identify the following :

3.4.4 Nothwithstanding the fact that a quality improvement process must be top management driven, it requires a lot of team spirit and team building, and "buying-in" by the workers. Would you agree with this observation, and, how did the management in your company obtain this commitment from the rank and file employees?

This question started to probe the change in management style required as proposed by proposition number one.

3.4.5 How effective has the introduction of the *Total Quality Management* process been in your organisation? Did it exceed your expectations, achieve your expectations, not achieve your objectives or make no difference whatsoever?

With this question, the researcher sought to determine whether there was indeed, a direct correlation between management style and the effective implementation of *Total Quality Management*.

3.4.2. **There appears to be general consensus that any quality improvement programme must be driven from the Chief Executive and his senior managers. How strongly would you agree with this?**

This question sought to establish how important it is for the process to be driven by the Chief Executive and senior manager, and to solicit the role that they played in the process. Without exception, all the authors cited in the Literature Review, emphasize the role of the CEO and Senior Managers in the process. This question sought to prove the efficiacy or otherwise, of these views.

3.4.3 **To what extent did the senior managers in your company get involved in the *Total Quality Management* process?**

With this question, the research sought to determine the extent of involvement of senior management in the process, and to evaluate how successful the process had been in order to draw certain conclusions.

2. There is a direct relationship between the unsuccessful implementation of *Total Quality Management* and the failure to change the company's management style as propagated by the authors in the Literature Review.

It was the intention of this research to test these propositions, and to develop a framework for the kinds of management changes that are required to effectively implement *Total Quality Management*.

3.4 Questions Posed to Respondents

Bearing in mind the constraints in respect of in-depth interviews as discussed in this Chapter, the questions which emanate from the above propositions and which this research sought to answer were :

3.4.1. What were the main reasons that made your company decide to implement a quality improvement process?

This question sought to establish whether there was congruency in the sample of companies as to why *Total Quality Management* interventions had been introduced.

presentative of a population. It takes the units as they arrive on the scene or as they are presented to the researcher by more happenstance. There is also no attempt to control bias. Depending on your purpose and your awareness of the credibility of this type of sampling, convenience sampling may be appropriate to some less demanding kinds of data collection."

Given the geographic spread of the "population", and the constraints regarding access, this researcher was obliged to use the "convenience" sampling process, while being acutely aware of the crudility of this type of sampling method.

3.2.4 Method of Data Collection

The method of data collection used was extensive, personal depth interviews with senior executives of the convenience sample of companies who have embarked on the *Total Quality Management* process.

3.3 Propositions

Arising out of the literature are two propositions. These are :

1. There is a direct relationship between the styles of management propagated in the Literature Review to the successful implementation of *Total Quality Management*.

base of the companies in South Africa that have introduced their respective systems of *Total Quality Management*. These total a population of some 350 companies.

3.2.2 Sample Size

The sample size used was twenty eight companies, many of which are "Blue Chip" companies, listed on the Johannesburg Stock Exchange. In addition, a senior executive of two consultancies offering *Total Quality Management* packages were interviewed to gain a slightly different perspective.

According to Leedy, (1989, p.205-209), "the larger the sample, the better" --- "sample size depends largely on the degree to which the sample population approximates the qualities and characteristics of the general population".

3.2.3 Sample Method

Leedy, (1989, p.200) observes: "Sampling can be divided into two major categories: *nonprobability sampling* and *probability sampling*. In nonprobability sampling, there is no way of forecasting, estimating, or guaranteeing that each element in the population will be represented in the sample. Nonprobability sampling can also be divided into two types: convenience, or accidental, sampling and quota sampling."

Leedy, (1989, p.200) continues: ". . . Convenience sampling makes no pretence of being re-

one of its liabilities in that it precludes (or certainly makes difficult) standardisation. Jones, (1985a), identifies other weaknesses o' the depth-interview including:

- Data is open to misinterpretation due to cultural differences ;

- It is dependent on the researcher's opportunity and characteristics and on the cooperation of a small group of key informants

- Data is subject to observer effects which may be obtrusive and reactiv ; and

- The process is highly dependent on the ability of the researcher to be resourceful, systematic and honest, and to control bias."

3.2 Outline of the Population and Sample

3.2.1 Population

Quality Management Associates (Proudfoot), "ITISA", and Zengler Miller, three leading consultancies offering *Total Quality Management* packages provided the researcher with a data

"*Total Quality Management* starts and never stops"

"Consultants must not be allowed to drive/hi-jack the process - the company knows what is best and must modify the package to meet it's culture/philosophy"

"*Total Quality Management* must be profit orientated FOR ALL STAKE HOLDERS"

"Biggest problem is getting people to understand the power and necessity of learning : We made the assumption that people want to be empowered without proper training"

"Have to get your sceptics and critics to buy-in"

"Must be an integrated part of the whole way a company does business"

"One does reach points of despair - but you must keep on making it a way of life"

"You have to change the paradigm, be very patient and persistent"

Nine respondents agreed with the larger part of the observation with the exception of "including top management's relinquishing of power".

These respondents believed that "at the end of the day, management must manage the company";

One respondent's reaction was that they did not see the need to change the company as dramatically as advocated by the three authors.

4.4.7 Question Seven

(Are there any "Pearls of Wisdom" you would like to share, e.g., something that really worked f r you, or something that you may have done differently, with the wisdom of hindsight?)

(As the responses to this question were rather diverse, no schedule of responses appears)

The respondents who answered this question, did so with enthusiasm and conviction, and as there are many "golden threads" of wisdom running through some of the responses, these are set out in some lengt :

One respondent reported that they had reduced the price of non-conformance by 35,2% or R20,7m in one year!

The remaining nineteen respondents were somewhat ambiguous as to the degree of success or otherwise.

This researchers' conclusion that as sixty three percent of the respondents were ambiguous as to the degree of success or otherwise of the *Total Quality Management* intervention, indicates that the effectiveness of the "measurement" appears to leave something to be desired.

4.4.6 Question Six

(The quotation from Grant, R.M., *et al*)

DEFINITELY AGREE	AGREE IN PRINCIPLE	AGREE WITH RESERVATIONS	DISAGREE
14	6	9	1
46,7%	20,0%	30,0%	3,3%

Fourteen respondents agreed with the quotation "definitely", "certainly", "totally" "wholeheartedly";

Six respondents "agreed in principle";

Another respondent indicated that they had achieved a forty seven percent increase in new business in 1993!, but acknowledged that it was difficult to determine how much of this could be ascribed to *Total Quality Management*;

One respondent indicated that the process had paid for itself beyond their wildest dreams, and in the first three years, they had reduced their cost of sales by four percent per annum;

One respondent indicated that they had achieved forty percent of their expectations, and in another two years, hoped to achieved seventy/ eighty percent;

One respondent indicated that they had reduced the cost of quality in their company by R3.5 million in the first nine months!

Four respondents indicated that they had certainly not met expectations;

One respondent indicated that they "have actually gone backwards a few steps due to the 'cultural wars' of the country we are living in";

It was middle management that were the problem area !

Two respondents indicated the importance of introducing self-directed work teams;

Two respondents indicated that the had had various results on different sites (these two respondents operated in the construction industry from a number of different areas).

4.4.5 Question Five

(How effective has the introduction of the *Total Quality Management* process been in your organisation? Did it exceed your expectations, achieve your expectations, not achieve your objectives or make no difference whatsoever?)

EXCEEDED EXPECTATIONS	ACHIEVED EXPECTATIONS	DID NOT ACHIEVE EXPECTATIONS	UNCERTAIN
5	1	5	19
16,7%	3,3%	16,7%	63,3%

One respondent indicated that they had increased volumes by twenty/thirty percent per annum over the past four years, despite the worst recession in that industry in thirty years;

driven, it requires a lot of team spirit and team building, and "buying-in" by the workers. Would you agree with this observation, and, how did the management in your company obtain this commitment from the rank and file employees?)

EXTENSIVE TRAINING	TRADE UNION INVOLVEMENT	SELF-DIRECTED WORK TEAMS	"OTHER"
16	4	2	8
53,3%	13,3%	6,7%	26,7%

The majority of respondents (sixteen) emphasised the need for training, training, and more training. One respondent indicated that in the first three years of introducing *Total Quality Management*, they had spent collectively twenty six thousand hours on training.

Four respondents emphasised the need to get Trade Union involvement at a very early stage;

Three respondents indicated that they had not yet achieved "buy-in" by the rank and file employees;

Three respondents indicated that getting workers to buy-in to the process was easy;

Seven respondents used the words "absolutely essential".

Four respondents used the words "definitely".

Five respondents indicated that they were "100% in agreement".

4.4.3 Question Three

(To what extent did the senior managers in your company get nvolved in the *Total Quality Management* process?)

VERY EXTENSIVELY	NOT AT ALL
29	1
96,7%	3,3%

Only one respondent indicated that the senior managers had not become involved! (and this company did not achieve it's expectations).
One respondent indicated that their senior managers had not only got involved, but, "made it happen".

Question Four

4.4.4 **(Nothwithstanding the fact that a quality improvement process must be top management**

usually one or a combination of the above reasons why companies decided to introduce *Total Quality Management*.

An analysis of the above responses indicates that seventeen companies (57,7%), arguably, introduced *Total Quality Management* in order to satisfy customers, become world-class competitors, to gain the competitive edge and there is a certain congruency in these reasons.

4.4.2 Question Two

(Must be driven by the Chief Executive Officer)

STRONGLY AGREE	DISAGREE
29	1
96,7%	3,3%

With only one exception, ALL the respondents agreed strongly with this view.

The one dissenting respondent indicated "Yes and No":

This respondent was of the view that the process actually needs to be driven from the top AND the bottom.

Four respondents replied that as subsidiaries of multinational companies, they had been required to implement *Total Quality Management*;

Three respondents indicated that new Chief Executive Officers had taken up employment with their companies, who had had previous experience in other companies of *Total Quality Management* and were excited about the achievements;

Three respondents indicated that they were customers driven organisations;

Two respondents indicated that it was to meet their "vision";

One respondent indicated that they did not believe that they have "introduced" *Total Quality Management*, but that it is an integral part of their business;

One respondent had seen it working very well at one of their suppliers, and decided to go down that route;

The last two respondents, namely; from the consultancies approached, indicated that it was

4.4 Summary of the Analysis of the Respondents Response to the Questions Posed

4.4.1 Question One

(Why did your company elect to introduce *Total Quality Management*?)

Improve Bottom Line	5	16,7%
Improve Market Share	5	16,7%
Become World-Class Competitors	4	13,3%
Corporate Policy	4	13,3%
Driven by CEO's	3	10,0%
Customer Driven	3	10,0%
Corporate Vision	2	6,7%
Combination of Reasons	2	6,7%
Integral Part of Business	1	3,3%
Supplier Driven	1	3,3%

Five respondents indicated it was to improve the bottom line and lower working costs;

Four respondents replied that it was to survive in today's market place and become world class competitors;

Five respondents replied that it was to provide a quality service to improve market share and give them a competitive edge;

The following table provides a breakdown of the sample in terms of the types of organisations from which it was drawn.

Table 6 : Organisational Affiliation of Sample

RACE	TOTAL
SERVICE INDUSTRY	3
CONSULTANCY/BUSINESS SERVICE	2
MANUFACTURING	25
TOTAL	30

4.3 Analysis of Respondents Transcripts

Each transcript was analysed in depth, in an attempt to ascertain common "themes" permeating therefrom in respect of the questions posed.

Using the methodology outlined in Chapter Three (flip charts) similarities/overlapping were identified and then combined in order to reduce the number of variables. Care was taken in this process not to distort or give exaggerated meanings to certain of the constructs.

CHAPTER FOUR

4. SUMMARY OF RESEARCH RESULTS

4.1 Introduction

This Chapter presents a summary of the research results through the application of the methodology outlined in Chapter Three. The results are discussed and interpreted in Chapter Five.

4.2 Sample Demographics

A total of 30 respondents were interviewed for this research. The racial and gender breakdown of the sample is detailed below :

Table 5 : Gender and Racial Characteristics of Sample

RACE	SEX		TOTAL
	MALE	FEMALE	
ASIAN	-	-	-
BLACK	-	-	-
COLOURED	-	-	-
WHITE	26	4	30
TOTAL	26	4	30

Professor Tadao Kagono of Kabe University. These authors argue that Japanese organisations have been successful because they focus on motivation and commitment of the majority as being more important than the motivation and commitment of a few; management relies on the wisdom of the people at the bottom of the organisation and to cope with change, the labour force should be flexible, and employees should have versitile skills.

These authors also focus strongly on the formation of teams to solve problems and of building employee trust.

This is totally congruent with the propositions posed and researched.

Deming's, (1945), second principle, was identifying the respective responsibilities of management and workers and that this can only occur, provided management and the workers have the same goals and speak the same language. This view is congruent with Koopman, (1993), of a "shared vision" and congruency between the objectives of management and the organisation and labour.

South Africa's management style for generations. Again, this result is congruent with the Literature Review, in the sense that it is one of the propositions of this Research Report that a paradigm shift in management style is required in order to effectively introduce *Total Quality Management*.

This question was the most pertinent in respect of the propositions posed, and is in fact germane to the whole research report. Grant, *et al*, (1994), believed that *Total Quality Management* "is a challenge to conventional management techniques, and to the theories that underly them". The respondents reaction to the concept of "including top management's relinquishing of power" is interesting. All the authors in the Literature Review in one way or another support this philosophy, namely; that employees have to be empowered and accept accountability for their own performance. Koopman's, (1993), view that the mere word "management", implies power over relationships, whereas in the black community, the manager has to EARN the right to control his people.

Bowles, *et al*, (1991), focuses on the "participative management" style identified by

ticularly that of Crosby, who claimed that upwards of 37% of a companies expenditure revolves around the "price of non-conformance".

Deming, (1945), also placed a high priority on measurement, as did Ischikawa, (1985), and Juran, (1974), who believed that over 80% of quality defects are management controllable.

5.2.6 Changes in Management Style required to Effectively introduce Total Quality Management

Question Six was perhaps the most probing of all, namely; the quotation from Grant, *et al*.

There was an overwhelming agreement "in principle" with this view. The one area where there was a lot of confusion and disagreement, was on the question of "including top management's relinquishing of power". Ten respondents had difficulty with this philosophy and indicated that it could be considered to be tantamount to a dereliction of duty. It is this researchers view that this can be traced back to the traditional "paternalistic" method of management in South Africa, coupled with the "ek is baas, en jy is klaas" philosophy that has characterised

cope with change, the labour force should be flexible, job classification should be minimal, and employees should have versitile skills", are some of the issues highlighted by Bowles, *et al*, (1991). Juran, (1974), was convinced that : "over 80% of quality defects are management controllable, and it is therefore management that most needs to change". This is congruent with the views expressed by a number of respondents on the necessity for buy-in of middle management."

5.2.5 Degree of Effectiveness of the Intervention

Question Five sought to establish the effectiveness of the introduction of *Total Quality Management*.

This was one of the most problematic of the areas probed. Those companies that indicated success, proclaimed HUGE advantages. Some phenomenal figures were quoted, such as a 47% increase in their business in one year, and savings beyond "their wildest dreams".

These results are totally congruent with the views expressed in the Literature Review, par-

A significant element to emerge in this area was the question of the buy-in of middle management. This was perceived by many respondents as a major problem area that had to be addressed with sensitivity, in that it was this class of employee who feared they had the most to lose, and asked the question "what's in it for me".

The response by the overwhelming majority of respondents to this question, is consistent with the authors views articulated in the Literature Review. Every author reviewed in the Literature, emphasises the need for the co-operation and buying-in of workers into the process if the intervention is to be successful. The commitment of workers is emphasised throughout the Literature Review, as is the need to train employees to accept responsibility, accountability and be responsible for their own performance. Wickens, (1987), is particularly strong on this point, as is Christie, (1993), Bowles, et al. (1991), all emphasised very strongly the role of workers in effectively introducing *Total Quality Management*. "Motivation and commitment of the majority are more important than the motivation and commitment of a few" - "to

They continue that managers "decision making and control functions contract, and their roles as consultants and coaches grow".

According to Zenger Miller, (1994), the senior managers role in *Total Quality Management* is one of the "paradigm shifts" required. The traditional paradigm of "management directs, plans, and controls value operations to the new paradigm "management supports frontline teams that run daily operations" is congruent with the majority of the respondents responses.

5.2.4 Obtaining Workers "Buy-In" to the Process

The fourth question, namely; that of the buying-in of workers and obtaining their commitment was overwhelmingly supported by the respondents with a specific emphasis on training and more training. All the literature reviewed, concurs with this sentiment.

Another significant input here, was the early involvement of the Trade Unions, and the fact that where the Union had not become involved, certain resistance had been experienced.

5.2.3 Extent of Involvement in Process by Senior Managers

On the question as to what extent senior managers in the companies had got involved in the implementation of *Total Quality Management*, only one respondent indicated that this had not happened.

This again is in complete agreement with the literature reviewed, where every author indicates the necessity for senior management to become intimately involved in the process.

Crosby, (1979), ITISA (1993), emphasised the need for training of senior managers in order to effectively introduce *Total Quality Management*. Grant, *et al*, (1994), states emphatically "that the role of management needs to change significantly - constitute a substantial change in managers roles... Traditionally, managers by virtue of their training and experience, were responsible for gathering information, making decisions, and applying the incentives and sanctions needed to implement those decisions. Under *Total Quality Management*, the authors argue managements priorities are reordered".

5.2.2 Chief Executive Officers Role in the Process

Question Two, which related to the intervention having to be driven by the Chief Executive Officer, was, with the exception of two respondents, unanimous. One of the respondents indicated that the response was "yes and no". The twenty eight respondents who answered in the affirmative, are in complete agreement with the literature reviewed, namely: that the process has to be top driven, and cascade downwards.

Crosby, (1979), Grant, *et al*, (1994), ITISA (1992), Zenger Miller (1994), Koopman (1993), all emphasised the role of the Chief Executive Officer in the successful implementation of *Total Quality Management*.

Responses by the respondents, such as "the CEO must walk the talk", is congruent with the views of the authors reviewed. Deming, (1945), took this concept one step further in clearly identifying the respective responsibilities of management and workers.

What is significant, is the fact that many South African companies today realise that they cannot just "do business as usual". The environment within which they are operating has changed significantly - it is therefore incumbent upon organisations to change to meet the expectations of the external environment in which they operate.

The respondents response to this question were, by and large, congruent with the authors in the Literature Review. Crosby, (1979), focuses on conformance to customer requirements, while, ITISA's, (1992), whole philosophy is based on "world-class performance". The question of measurement is an important aspect as far as Deming, (1945) is concerned, and in this regard, the question of improving the bottom line is compatible with this view. Ischikawa, (1985), stated that "quality control that cannot show results, is not quality control". This is clearly compatible with the respondents who indicated that the purpose for introducing *Total Quality Management* was to improve the bottom line.

the introduction of *Total Quality Management* ranging from bottom line and lower working costs, to becoming world class competitors. Furthermore, a strong emphasis was placed on quality service in order to improve market share and give companies a competitive edge. A minority of companies indicated that this concept had been imposed on them because of being subsidiaries of multinationals.

Other respondents indicated that new Chief Executive Officers who had come on board, had had previous experience of this intervention and believed it was desirable. Only three companies indicated that they were customer driven organisations, while two respondents indicated that it was to meet their vision.

There is a strong argument that these reasons are reasonably congruent, and that from a thematic point of view, there is a certain synthesis.

It is this researchers considered opinion, that, no company would invest the sums of money involved, unless they saw distinct, tangible advantages to be gained therefrom.

CHAPTER FIVE

5. INTERPRETATION OF THE RESEARCH RESULTS

5.1 Introduction

This research set out to answer two questions/propositions as stated in Chapter Two.

In addition, the questions posed in Chapter One which really are tantamount to sub-issues, were evaluated in terms of the research questions and in view of the literature set out in Chapter Two.

5.2 Total Quality Management in Perspective

5.2.1 Reasons for Introducing *Total Quality Management*

The first question posed to the respondents, sought to elicit the reasons for introducing *Total Quality Management*. It had been hoped that a specific reason, or reasons could be identified.

In terms of the respondents response, this was inconclusive. A variety of reasons emerged for

"The chief executive officer must drive hard and never allow compromise"

"Have to keep it simple"

"Chief executive offer and senior managers must `walk the talk'"

"Don't force it onto the various strategic business units. The various MD's must WANT to do it"

Management is in it's infancy in South Africa, it is a process that is growing, and will continue to do so.

As a corollary to this observation, so is the fact that South African companies still have a long way to go to change their paradigms and management style to be conducive to the effective implementation of an intervention of this nature which empowers people, gives accountability and recognition at the level where it belongs, the workers.

to it's success.

Clearly, an area for further research would be to explore how the rank and file employees perceive *Total Quality Management* to have enhanced their empowerment, accountability, job satisfaction, and reward.

A further area of research, could also be the interviewing of customers of companies that have introduced *Total Quality Management*, to ascertain from them, their perceptions of how effective this intervention has been, and whether these companies conform to customer requirements first time, every time.

6 5 Conclusion

Notwithstanding the fact that depth interviews are very time consuming and the interpretation of the results problematic, this researcher is of the view that a great depth of information is obtained using this methodology. During interviews, certain propositions can be probed and explored, whereas, with a "cold" questionnaire, sent through the post, this advantage is dissipated.

It is this researcher's firm conviction, that, given the high degree of success achieved by many of the respondents, that, notwithstanding the fact that *Total Quality*

A distinct limitation therefore, is that grass root employees have not been interviewed to establish their perceptions of the management changes that have occurred which, in terms of managements perspective, could be significant, while at grass root levels, little or no change could be perceived.

Finally, another limitation was, that given the large number of "products" available through various consultancies, (e.g., the Crosby Process), a convenience sample could include various different "products", with different results.

6.4 Areas for future Research

As has been previously stated in this Research Report, the single most significant weakness, from this researcher's point of view, is that the rank and file employees were not interviewed.

It is all well and fine to interview management and to get their perspectives of how successful or unsuccessful this intervention of *Total Quality Management* has been. Given the fact, and this is in no way impinging on the integrity of the respondents, that management has spent a great deal of money and time on this intervention, it could be argued, that there would be a certain bias, as

A further limitation is the fact that, many companies, having spent a great deal of money on this process, could be reluctant to be absolutely honest in their assessment of the effectiveness of *Total Quality Management*, as they could perceive this to be a reflection on their management style and culture, contributing to the failure, or otherwise or this intervention.

Another limitation is the fact the senior managers of the companies interviewed came from a variety of sectors in the manufacturing and service industries. Given the fact that there are unique demands on specific industries, this precluded an effective analysis on an industry basis.

An additional limitation is the fact that the sample size comprised of thirty companies. This is relatively small in relation to the number of companies that have introduced *Total Quality Management* and could result in a "skewed" impression.

The fact that only managers were interviewed in the research also created a further limitation in that management will have a certain perspective as to how effective the *Total Quality Management* process in their company has been. It could be argued that they will tend to want to create the impression that it has been successful, whereas as grass root level, a totally different impression might be gained.

- The degree of success varies significantly from company to company, but the overall perception is that it is more than worth the time and effort and costs involved;

- The change in management style required to effectively introduce *Total Quality Management*, though not being too specific, clearly emerged from the respondents during the interviews;

- Those companies who were successful, were HIGHLY SUCCESSFUL, and felt that the efforts had been well worth while;

- Employees appeared to buy-in to the process far more quickly and more intensely than had been anticipated by management;

6.3 Limitations of Research

As *Total Quality Management* is in it's infancy in South Africa relative to the United States, and, more particularly Japan, companies will not have had sufficient time to really establish how successful or unsuccessful the process has been. This clearly is one of the limitations of this research.

- Too difficult to measure;

- Workforce too unsophisticated and insufficiently educated;

- Resistance by workers/staff;

- No need for it;

- Poor relationship and communication between management and workers;

- Workers unable to influence productivity;

- Resistance by Unions; and

- Management unwilling to share benefits with workforce.

- *Total Quality Management* has to be driven from the top down, but requires buy-in from the rank and file employees;

- The Literature Review, while comprehensive and significant, contains many common denominators and features which clearly indicate a requirement for a dramatic change in management style;

research can form the basis of giving guidance to companies wishing to embark on this process, notwithstanding the fact that there is room for further research in this regard.

A possible unique feature of this Research Report is the inclusion in the Literature Review of the views of a number of South African commentators in this regard, as opposed to relying exclusively on overseas authors.

6.2 Summary of Key Issues

Key issues and results of this study can be summarised as follows :

- There are a variety of reasons why companies implement *Total Quality Management*;

- However, there is a certain synergy (i.e., common objectives that can be enumerated);

It is interesting to contrast the above with the reasons indicated for NOT introducing *Totol Quality Management* in terms of a recent survey conducted by the Steel and Engineering Industries Federation of South Africa (Seifsa) (Productivity SA, September/October 1994, Volume 20, No. 4) :

CHAPTER SIX

6. CONCLUSIONS AND RECOMMENDATIONS

6.1 Discussion of Research Objectives

The objectives of this Research Report were to establish the extent to which South African companies have introduced *Total Quality Management* and the effectiveness of this intervention by answering a set of questions discussed in Chapter Four. Integral to this whole research was the change in management style that was required to effectively introduce an intervention such as *Total Quality Management*. This research was furthermore aimed at providing guidelines and recommendations to Chief Executive Officers and senior managers with a view to assisting them in improving the success of the quality intervention process.

The research was limited to thirty companies due to the constraints in time, in respect of depth interviews, which require significant effort on the part of the researcher in terms of interviewing and transcribing and interpreting the responses.

It is the considered view of the researcher that these aims and objectives have been achieved, and that this

least with sufficient credibility to validate the proposition.

A natural corrolory to the above, is that the second propostion has also been proved, namely; that where there has not been a fundemental change in management style, *Total Quality Management* cannot be effectively introduced.

In fact, it is this researchers conclusion that the respondents answers to this question encapsulate and reinforce the views raised in the previous six questions.

5.3 Conclusion

Irrespective of whether one considers the Crosby philosophy (1979), Deming, (1945), Juran, (1974), *et al*, it is axiomatic that every one of the authors reviewed saw certain distinct advantages to any company in implementing *Total Quality Management* or a similar intervention.

Fundemental to the implement of *Total Quality Management* or any similar intervention, is the question of a fundemental paradigm shift in the way that the company manages its operation. The literature reviewed clearly indicated the necessity for significant and far reaching changes in management style.

In comparing the responses from the respondents in respect of the questions asked, there is a strong consistancy that there is a direct correlation between the successful implementation of *Total Quality Management* provided there has been a concomitant change in management style. Accordingly, it is submitted that the first proposition has been proved, while perhaps not conclusively, at

of Southern Africa c.c. strongly supported this proposition. This is particularly noteworthy as *Total Quality Management* market a specific product, but even they are coming to acknowledge that their "product" has to be modified to align itself with the culture and management style of the respective companies where this process is introduced.

The other issues to emerge under this question posed, clearly support the theme of the Literature Review, namely; the integration of the concept into the way the company does business; changing of paradigms, and being patient and persistent; must be driven by the Chief Executive Officer, who must never allow compromise, and the concept a "holistic" approach to the process of *Total Quality Management*.

The essence of the quality improvement theories as expounded by such authorities as Crosby, (1979), Grant, *et al*, (1994), ITIS's, (1992), Wickens, (1987), together with all the other authors, emphasise the need for the *Total Quality Management* process to be *INTEGRATED* into the total strategy of the company, thereby emphasising the holistic approach.

5.2.7 Other Relevant Issues that emerged

The last question probed, namely; that of "pearls of wisdom", that have worked for the respondent companies, reinforces the theory base established in the Literature Review.

Quotes such as "*Total Quality Management* starts and never stops", is congruent with Crosby's fourteen steps, where step number fourteen is "start all over again".

An interesting theme to emerge from this question was the fact that many companies felt that to implement a "package" as marketed by many consultants, was inappropriate, and that these "packages" should be modified, taking cognizance of a companies culture and specific requirements.

This researcher could find nothing specific in the literature reviewed to support this proposition, but it came across so strongly, as to warrant giving credence to the concept.

It is interesting to note, that the two respondents interviewed from *Total Quality Management* (Proudfoot), and Quality Advisory Group

MONDAY - 26 SEPTEMBER 1994

INTERVIEW WITH MR ALLAN WEGENER

PROJECT MANAGER - P G BISON

Question

"Allan, would you like to give me some background / main reasons why your company decided to implement the TQM process, because I think you were one of the first South African companies to go down this route?"

Response

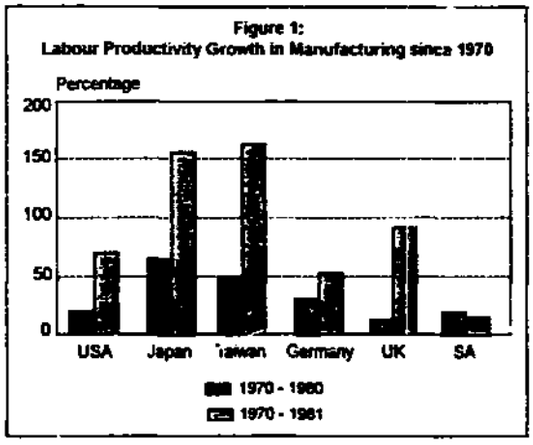
"We have called it TPQ (Total Productivity and Quality) and I think you have to go back in history about seven years when TPQ was first started. TPQ was at that stage really just what we called 'the soft issues' - the human side of things / human relationships / the black white barriers / the gap, and that was designed in those days to try and get rid of that and that wasn't equally successful around the company - we've got five operating facilities, some were more conservative and others were more progressive, and it did not work well all over. A lot of people, especially from the technical side, the quality management side, were dissapointed because it was only soft issues - human relationships basically. That's how we started. I think it was in 1987/88, somewhere around there. I was part of the

ANNEXURE D

DEMING, JURAN, CROSBY
A COMPARISON

	DEMING	JURAN	CROSBY
BACKGROUND	▪ Statistician ▪ Author ▪ American ▪ Father of the 3rd Industrial Revolution ▪ Deming Prize ▪ Helped Japan	▪ American ▪ Engineer ▪ Lawyer ▪ Author ▪ Helped Japan	▪ American ▪ Quality specialist ▪ Hands-on experience ▪ ITT ▪ Author
TIMESCALES	▪ 30 years for USA to get to where Japan is now	▪ Significant progress in 3-5 years	▪ Attitude change won't be achieved in this generation
QUALITY DEFINITION	▪ Whatever the customer needs and wants	▪ Fitness for use ▪ Conformance to specifications	▪ Zero defects ▪ Absolute perfection ▪ Conformance to require-ments
PHILOSOPHY	▪ Productivity improves as variability increases	▪ Need to manage for quality ▪ HR and systems	▪ Prevention rather than detection ▪ Right first time
METHOD	▪ Use of SPC and customer research	▪ Project by project ▪ Massive training ▪ Quality Circles	▪ Use of groups
SUPPLIERS	▪ Single sourcing (selected on basis of SPC	▪ Make part of team ▪ Multi-sourcing of key supplies	▪ Rating of suppliers ▪ Need to communicate requirements
KNOCKS	▪ Motivation programs ▪ Multi-sourcing ▪ Mass inspection	▪ Improvement in general is no good - must be project by project ▪ Single sourcing	▪ SPC ▪ Acceptance of inherent level of faults ▪ Quality audits of suppliers
BEST KNOWN FOR	▪ 14 points ▪ New way to view an organisation ▪ Deming Chain ▪ Use of SPC	▪ 10 Steps ▪ Quality Trilogy - Improvement, Control, Planning	▪ 14 Steps ▪ 'Quality is Free' ▪ Cost of Quality measure ▪ Zero Defects
ALL IN AGREEMENT	▪ Quality is management's responsibility ▪ The Quality effort demands an open, participative management style ▪ There are no short cuts to Quality improvement ▪ The improvement process is never-ending ▪ Companies cannot produce greater precision in isolation : they must secure greater precision from suppliers		

ANNEXURE C


Figure 1:
Labour Productivity Growth in Manufacturing since 1970
Percentage
200
150
100
50
0
USA
Japan
Taiwan
Germany
UK
SA
1970 - 1980
1970 - 1981

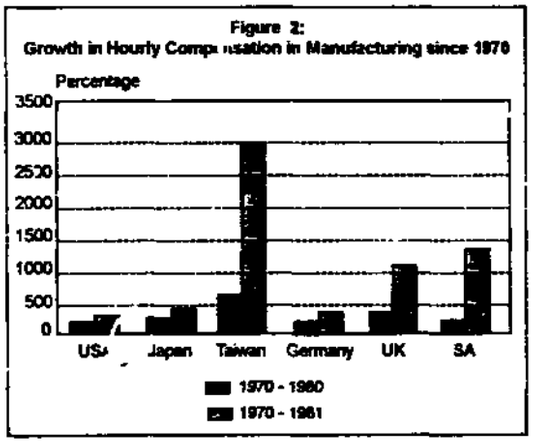

Figure 2:
Growth in Hourly Compensation in Manufacturing since 1970
Percentage
3500
3000
2500
2000
1500
1000
500
0
USA
Japan
Taiwan
Germany
UK
SA
1970 - 1980
1970 - 1981


Figure 3:
Growth in Unit Labour Cost in Manufacturing since 1970
Percentage
1200
1000
800
600
400
200
0
USA
Japan
Taiwan
Germany
UK
SA
1970 - 1980
1970 - 1981

ANNEXURE B

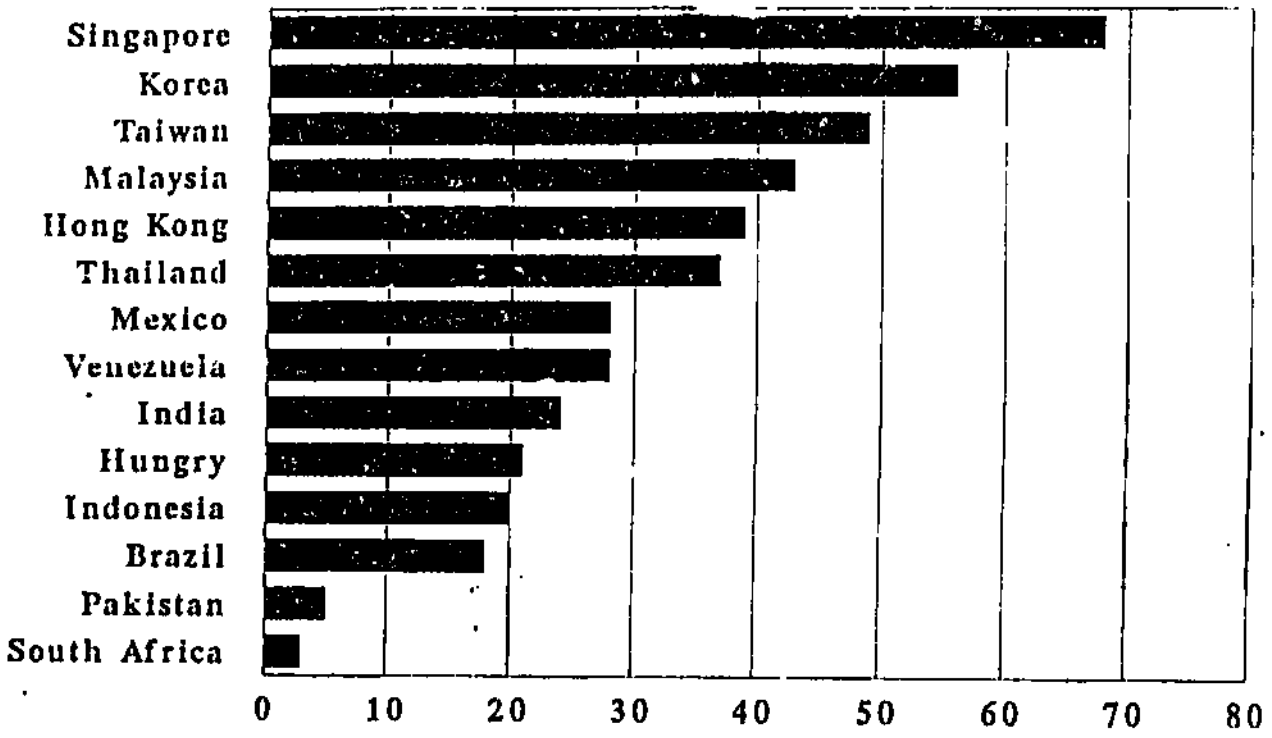
WORLD ECONOMIC FORUM

STUDY OF 14 MIDDLE LEVEL ECONOMICS

Science / Tech	**5/14**
Banking System	**4/14**
Infrastructure	**7/14**
Government Effectiveness	**10/14**
Internationalisation	**12/14**
Economy	**12/14**
Human Capital	**14/14**
Violence	**14/14**
TOTAL	**8/14**

ANNEXURE A

Factors of Competitiveness
People



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don't buy into it, and that after counselling that they are still not prepared to buy into it, then they have to go to another company."

Closing Comments

During the interview, the interviewee made it very clear that if a company is going to successfully introduce TQM, then it must change every single company policy to make them congruent with the TQM philosophy. He quoted the example of a manager's authority to sign a cheque for R1000.00 and pointed out that this is useless in terms of "employee empowerment".

He concluded that TQM means "*TOTAL*" and this extends down to no late coming at meetings, etc. In fact it must permeate the very fabric of the organisation.

An interesting comment was made in conclusion, namely, that the sales and marketing customers are in fact the factory and not the recipients of the products. They are in fact the customers of the factory.

have a manager who is in an important or critical situation in terms of the company and he refuses to buy into this, for the reason that you have articulated, that he fears for his job or he sees this as a threat. How do you handle that kind of situation ?"

Response

"I think it has to be from the boss man, it has to be a one on one situation where he has to interview the person and find out why there is a resistance to this change and if he's a barrier to this whole change process and the only one, then I would say that it's a case of either he takes it or leaves it. But if there is a lot of others that are resisting the change then there's a problem somewhere else. If one person stands out as a resistance then he is the problem, if lots of people stand out as a barrier, then there's another problem which is probably the driving force or the implementation or the understanding thereof or something else. I would find out which of these is the situation, and take action. But at the end of the day, if people don't want to fit in with the democracy, they will have to leave the company."

Question

"Thats exactly the comment that your CEO made at our conference, he made it very clear that if people

philosophy is that it's constant improvement. That defines two things immediately. Number 1 - it never stops, and Number 2 - you have to have management that accepts that we are never going to stay the same. In other words you have to have management that says 'we are going to change and keep changing' because you can't improve if you stay the same. The other mistake that's made is that the question isn't answered and maybe it's not even asked either 'what's in it for me?'. Managers will see change as a threat to their own position. And it is a threat because one of the requirements for TQM is people get out of their ivory towers and get onto the shop floor and find out what's going on. But nobody ever tells management what's in it for them. It's always what's in it for the company and empowerment for the workers, but management doesnt know why they should do it."

Question

"Is there a certain backlash there ?"

Response

"Yes. So I think those are the two thing, the understanding of what it's all about and what's in it for me."

Question

"One last question. What happens, let's say that you

Response

"Absolutely, and I think just as an illustration, some companies like Ford for instance, have forced their suppliers to go the Total Quality route so that their suppliers understand what Ford expects from them and as consequence of that, the supply has improved by leaps and bounds."

Question

Allan thank you very much, I think you have given me some good information. Are there any other comments or observations you would like to make which you think might be useful in identifying how to implement this process effectively ?"

Response

"I think many of the mistakes which are made with TQM is that you get consultants or CEO's coming in and saying 'this is what we are going to do', and these are two big problems which I have experienced, one is that people don't understand what it is. People think it's something you do for the project and then that's it and at the end of two years you can forget about it. TQM starts, but it never actually stops. It's an ongoing process. If you look at the Crosby system - he has the fourteen steps and the fourteenth step is that you start the whole process all over again. It's an ongoing philosophy. The driving

Question

"These authors then go on to make the following statement :

> TQM envisages a convergence of the long term interests of employees, shareholders and customers."

So they are saying it's a holistic concept, you cannot look at it in isolation. Would you agree with that observation ?"

Response

"Yes, the ground philosophy of TQM is that everything is geared towards the customer and "total" is actually the operative word there. It's TOTAL quality management and that s the quality to your customer and the quality you receive into your process from whatever source, whether it's raw materials or stationery, whatever, and the process being the whole company. You have to integrate all of those and a lot of quality consultants will tell you what you have to do is make your supplier part of your process and your customer part of your process."

Question

"Yes I am aware of that, that's a very important thing. So it becomes a holistic intervention - not just an ad hoc thing."

What these authors are saying is is that there is a fundemental change required in the way the company is managed. How would you like to respond to that observation ?"

Response

"I agree with it totally. What I think one of the things that is happening in the PG Bison Group at the moment is that we are doing other things as well, and I think the business re-engineering or the change in the organisation has to be done on a project management basis. It is a huge project and there are lots of little micro projects involved and they all have to dove-tail, they all have to integrate and have to support one another. If you have one or two who are going against the philosophy of TQM (TQM is basically a philosophy, rather than a hard and fast rule or technique), everything must support it, and if you have something that is going against it, it is a very good excuse for people to say no - people get confused. So I believe the implementation of TQM should be done on a project management approach, at a high level, that project managers should be at a high level even with CEO if possible, and everything else should be done with TQM in mind. If there is something that doesn't support TQM, then it shouldn't be done."

sites - have not understood it and pushed it and pulled the team together, and I have seen it's particularly difficult where there is inter-departmental rivalry - a lot of power play, politics, etc., it's very difficult to implement TQM, because you need team work. All those departments have to work together."

Question

"We now come the very crux of the matter and I would like to just read a quote to you and ask you if you agree with this. This is quote that appeared in the Sloan Management Review where 3 gurus of TQM made the following comment :

> *TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisation-wide change including top managements relinquishing of power. Furthermore, TQM practices cannot be combined with strategic initiatives such as corporate restructurings that are based on conventional management theory. The failure of one or both programs is inevitable.*

Question

"And how long do you think it's going to take you to achieve 70/80%."

Response

"Over 2 years."

Question

"That is definitely a long term period."

Response

"Definitely."

Question

"Notwithstanding the fact that a quality improvement process must be top management driven, it requires a lot of team spirit and team building. How did management in your Company obtain this commitment from the rank and file employees ?"

Response

"I don't believe it has got the commitment totally. Piet Retief has been a team commitment. At other sites, there hasn't been, I think mainly because of the what we call Operations Directors at those sites, these are the General Managers if you like, at those

of TQM in your organisation - What do you attribute it to ?"

Response

"I think this is a bit limited, we are not that successful yet, but I think that where we have had a success, is where there was at a site being a realisation of what TQM is and what it can do for you, and then the commitment of the management team at that site to drive it. And I'm talking particularly about Piet Retief. They have seen it as a team effort that is necessary and what it can bring to them and they are pushing it very strongly and I believe it's becoming very successful there."

Question

"On a scale 0 - 10, how effective would you say overall the implementation has been in your organisation ?"

Response

"It differs from site to site - overall it's hard to say. On an average I would probably say, considering the effort we have put in and at what stage we should be at, I would say we are at probably about 40% at the moment."

Question

"How would you rate this in terms of the implementation of the TQM process in your company ? Have you had that kind of commitment from the top?"

Response

"I think we have a taste of commitment, I don't believe - the commitment is one thing, but the driving is another thing - which is also required. My opinion is that the Chief Executive Officer or MD or whoever the head of the company might be, must ensure that the process is happening. In other words, not so much as to be committed, he has to make sure it happens. In other words, he has to have a meeting say once a month and find out what is the progress."

Question

"So you have a report back meeting where that is an item on management's agenda ?"

Response

"We should have that, but we don't. I am working towards that."

Question

"Tell me Allan, what in your opinion, are the key contributing factors for the successful implementation

one, and then commitment from the workforce, and then start empowering the workforce in the right way. Empowerment - people think you just flatten structures and you give people decision making ability, but that is not true. What you really should do is first give them the tools to be empowered and then allow them to be empowered.

Question

"There seems to be general consensus that any quality improvement programme must be driven from the Chief Executive and his Senior Managers. Would you agree with this sentiment ?"

Response

"Absolutely, there is no doubt about that, it has to come from the top and cascade down. It has to be, number one; have a commitment and understanding from the top. That's often a failure with TQM effor- is the lack of understanding of what it actually . d that it is a very long process, it's not a quick fix, and it's a lot of resources required. And that's why it has to come from the top, because they have to commit their resources. *Resources both in terms of time for training and in terms of money.* And also, it cannot be an add on, it's got to be 'this is now part of your job'. Everything has to focus towards it.

Group then. I was one of those who was dissapointed. It did not tackle TQM, it did not tackle the hard issues. The TQM as we call it TPQ was resurrected about one and a half years ago. It was more of a focus on the hard issues, that is, structures, measurements, the quality tools, self-empowered work teams, that type of thing. Self-empowered work teams and all that type of thing is part of the soft issues, which is part of TPQ/TQM. It is not a stand-alone thing. It's one of the sub-sets of TQM and I believe now we are starting on the right track, I don't think the previous start was a good one, I don't think it brought the company anything from a productivity point of view, in my opinion. It was never measured.

Question

"Which particular quality improvement process did you actually implement ? From what I hear you say, I think it was the IITSA that you actually started. And they focused very much on winning the hearts and minds of the people, and have you now changed direction as far as that is concerned ?"

Response

"Yes, we have gone for the traditional TQM, when I say traditional, there are lots of different approaches, but basically, what you do is, you have to get commitment from management, that's number

Response

"Entirely, we started our quality exercise here from the top, and in fact it hasn't really reached the bottom yet after 3 years, as we take the time to make sure it is understood by the upper levels.

Question

"Now following on that, notwithstanding the fact that it has got to be driven from the top, clearly one must have the employees buy-in to the process in terms of team work, commitment. How did your Company go about getting the co-operation of the rank and file employees to buy-in to the process ?"

Response

"It starts by top management defining a vision for the Company, and then spreading that vision, and if the vision is exciting enough, and all levels see something in it for themselves, in terms of their future growth and way of life, then you get a degree of buy-in on that vision only, and then you have to establish a set of values, which will drive the decision making processes, and you have to ensure that those values are acceptable to the people, and we went through a process of surveying all levels in the Company to find out what they would regard as values, and we took that into account when we drew up the corporate values. So now you have a vision, a set of

WEDNESDAY - 28 SEPTEMBER 1994

INTERVIEW WITH MR KEITH McKECHNIE

CORPORATE MANAGER QUALITY - 3M COMPANY

Question

"Mr McKechnie can you outline the main reasons that made 3M decide to introduce the Quality Improvement Process."

Response

"Well I guess it's motivated by survival in today's competitive market places."

Question

"Do you see the need for your Company to become a world class competitor in order to survive ?"

Response

"That's right, especially in the new, changed political scene. If we are going to compete with the rest of Africa and locally, then we have to be pro-active in ensuring that we have quality systems, products, and services."

Question

"Do you see, that quality improvement programs must be driven from the CEO, and Senior Managers down ? Would you agree with that ?"

Response

"I think we are in the South African context and for what it's worth there is such a gulf between theory and practice. We know and we have known for ages what some of the right ways are to go, yet we continually implement things, we implement programmes and they fail and employees become used to the flavour of the month intervention, and often it is managements fault that these interventions don't bear fruit because it's leapt into without any thought to the total dynamics that are involved and what the company is trying to achieve and the factors that come into play."

down there, and this culture trying to enforce and impose itself on what is below it, in a very forceful and direct manner, which for me is being shortsighted, because they seldom try to look at the culture which is predominant."

Question

"This is very much in terms of Koopman when he talks about shared values. Will the labour force buy into the goals and objectives of management."

Response

"If you at your, and I just think of our supervisory level, those whites that are in it are basically from an Afrikaans backgrounds and I hate to make a generalisation, but steeped in a very authoritarian way of doing things. Dealing with subordinates who predominantly come from a background of consensus is the way forward, it's the rock on which your quality process is going to flounder because you haven't got consensus to start off with."

Question

"Iain, thank you very much for your time, are there any other passing comments which you would like to make or closing remarks your would like to make in terms of what we have discussed ?"

through that process as well as we could have."

Question

"I want to just bounce something off you. Peter Christie and Lessem have a view that what we are doing in South Africa - we are managing in an incorrect manner, in the sense that we are imposing a Drucker/ Covy/Peters management style - that what we are trying to do in South Africa, we are imposing an American kind of management style which is highly competitive, highly individualistic and highly goal orientated onto a labour force which is predominantly community based and a different value system. And what Lessem and even Lovemore Mbigi are calling for is an Afro-centric kind of management style. What is your reaction to that kind of proposition ?"

Response

"I think they certainly do have a point, that Eurocentric management style has been dominant for so many years and that so often companies require (maybe not in a conscious way sometimes) that they require new recruits, and they conform to what is commonly called business practice. We are dealing with companies who have a normal triangle and you have that being management. That's very crude, but most of management being white and a totally different culture operating here and another culture operating

statement whole-heartedly that it's something that cannot be injected into the system without some form of change occurring in terms of the systems, the structure, management style, that will support the philosophy that you are trying to give birth to. I am not convinced that we did enough, I am not convinced that the changes that did occur supported the whole implementation."

Question

"So you agree then with the hypothesis that if there is not fundemental management change, then the process will flounder ?"

Response

"Most definitely. One has to qualify a statement in terms of what Carlton is and what the Company has been in the past and if you look at the management structure and the dynamics of the top management team, they have been together for a long time, they certainly have a lot of hardwon in terms of their approach, and I think to some extent you still need today, in fact we have just had it, in terms of re-organisation, you need people to relinquish power as you were saying, and you need to reward if you are going to measure people, if you want something from people you must measure on it and you must reward them on it. And I am not convinced that we thought

consensus among all of the authorities on TQM that a significant change in management style is required in order to successfully implement TQM. If I could just read you from an article in the Sloan Management Review. There are 3 gurus that wrote this article and they basically say the following:

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisation-wide change including top managements relinquishing of power. Furthermore, TQM practices cannot be combined with strategic initiatives such as corporate restructurings that are based on conventional management theory. The failure of one or both programmes is inevitable.*

'What would be your reaction to that comment ?' and then the second part of that question is 'what specific management changes have taken place at your company which you think has lead to the process being reasonably effective'?"

Response

"Let me answer the first one. I agree with the

93, but training in isolation as far as I am concerned. The newcomers have been introduced to the concepts of TQM, but there has been no measurement of quality in the work place, no real measurement - when I say no real measurement, I mean it in a sense of a very committed way, that we are committed to quality, therefore the initial spark and enthusiasm about making sure that everything that you do adheres to the quality philosophy has disappeared."

Question

"So you believe a little bit of momentum has been lost ?"

Response

"I would say quite a bit of momentum, but things have also changed. We have had to - because of what we have put people through was fairly basic - and a lot of focus is now on the customer and delighting the customer, a lot of focus on participative leadership, and I think there has been a maturing, as well as the fact that our business - the circumstances, the environment in which we operate - has changed somewhat We are no longer making a huge profit. Our profit has decreased every year over the last 3-4 years."

Question

"We now come the real crux of the matter. There is

and that it was another management driven programme. In essence, it wasn't sold properly to the Union."

Question

"So would you say that from your point of view and the Company's, that early Union involvement is imperative."

Response

"Most definitely. The whole thing about participative management, they have the prerogative to take initiatives, but they need to get the buy-in and the participation, at the very least, consult with the major stakeholders within the Company."

Question

"Tell me Iain, how effective do you believe TQM has been in your organisation - did it exceed your expectations, achieve your expectations, or not achieve your expectations, or make no difference whatsoever?"

Response

"I can only comment from the time that I have been here, because I obviously wasn't around when it was going full bore, and they went at it hammer and tong for about 2-3 years. They were pretty happy with it at that stage. Since I have been here (beginning of January 1993), training has been done up until mid-

Question

"Notwithstanding the fact that a quality improvement process must be top management driven, it requires a lot of team spirit and team building. How did management in your Company obtain this commitment from the rank and file of the employees?"

Response

"That's an interesting question. I think one needs to outline how the process evolved. It was launched at Head Office and then at various other locations. We had then, Cape Town, Head Office, Roodekop, the Distribution Centre, Enstra Mill, Wadeville Mill, well there were 2 of them at that stage, so that's 6 and then Durban is 7. I won't count PE because they only have about 7 people. So you are looking at 7 locations. It was a bit of a roadshow. The guys went to the location, had a meeting for all the employees, the thing was officially launched and it was then a process of training and actually making it work within that location in terms of training and setting up project teams was committed to. Unfortunately, we didn't, one can say with hindsight, involve the Union as much as we could have and we had a backlash at Enstra. A lot of effort went into preparing the meeting, we cleared away part of the Production floor and we had a number of Union members boycott it, because they felt that they had not been consulted

productivity."

Question

"There is a general consensus, Iain, that any quality improvement program has to be driven from the CEO and his Senior Managers down. Would you agree with that comment ?"

Response

"I think in any type of intervention you need the CEO's backing as a starter. I think that is how I would qualify it."

Question

"I know your CEO personally and he's almost a crusader on this, he goes around the country preaching on TQM. How would you rate this in terms of the implementation of TQM in your company, in other words, that the CEO plays a meaningful role?"

Response

"Yes, out of 10 definitely within the top list above the 75% quarter, as you say yourself, he's put his backbone into it and he certainly drove the process to begin with."

TUESDAY - 27 SEPTEMBER 1994

INTERVIEW WITH MR IAIN HOWSE

HUMAN RESOURCES SPECIALIST

PERSONAL DEPARTMENT, HEAD OFFICE,

CARLTON PAPER SA (PTY) LTD

Question

"Could you please indicate the main reasons that made your company decide to implement the Total Quality improvement process, because to the best of my knowledge your company is one of the very first / one of the pioneers."

Response

"I think if I am correct in what I have heard and I need to qualify that up front. The reasoning / rationale for it was that we were not happy with the production process. We have very old equipment that has been in place for a very long time and people have said it needs to be replaced. That scenario has been with us for years, and on more than one occasion in our history, people have said, "look, it's not necessarily the equipment, but it is the way we do business and the way we manufacture that needs to be improved. It's perhaps 40% the equipment and 60% the people, and TQM was introduced as an intervention to improve the way we manufactured and the mode we did business as a whole to improve

Question

"And then those companies that you indicated have not been that successful, I would assume that the converse would apply, that they have stuck to their traditional methods of management, highly autocratic, non-recognition, non-people empowerment. How would you respond to that observation ?"

Response

"Very much so, we did it right anyway, we are quality anyway, so we just carried on as usual. The work was high quality, so the workers must change."

Question

"Charles, thank you very much, that has been very useful. Perhaps you would like to just give us some passing observations or pearls of wisdom from your 4 years of involvement in TQM and coming from an operational background, perhaps you might just give us an overview of what management changes you believe are necessary to successfully implement TQM."

Response

"At this stage, probably what we have come to accept is that TQM, I believe, TQM must be profit orientated. To say change the culture, that's the thing to do now, because we must treat people right and that sort of thing, doesn't have a lot of power. If we want to

Question

"Charles, to what to you attribute the resistance to change by management ?"

Response

"Fear of losing control. Fear of the unknown. The fact that we a very successful company at the moment, so why change. They find that very secure Managing Directors are very reluctant to change. They are on a winning formula, so why change."

Question

"You have indicated that some of the companies have been highly successful, could you perhaps articulate, just briefly, some of the fundemental managing changes that have taken place in those companies that have effectively introduced TQM. What changes did they bring about in their management style ?"

Response

"The visible and noticeable changes in Managing Directors style in participation, listening to input, empowering people, insisting that managers negotiate and deal with the shop floor people. They have moved away from an autocratic to a more democratic management style. Actually an acknowledgement on their own part is that they need to change."

Question

"I want to read to you a quote from the Sloan Management Review, and then we could perhaps explore your perception of why some companies have done very well and why some have not done well. These 3 gurus who are quite famous on TQM have made the following comment:

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.*

How would you respond to that ? Would you agree with that observation ?"

Response

"Definitely, I think one of the factors that inhibits quality is the resistance to change, especially at management level. You find workers actually buy-in quite readily, but management is reluctant to change the structure and to empower employees."

Question

"Now having agreed on that, I think there is also general consensus that you have to get the staff, the rank and file employees, to buy-in to the process in terms of team building, commitment. How did Unitrans go about getting this commitment from their employees?"

Response

"It varies from each of the Companies, but we will come to that. Generally speaking, it was a training thing initially, top down training. More participative teams, that is, in contracts, depot manager and team leaders from the work force. The more that was done, the more progress was made on the team building side.

Question

"You are in charge of the TQM process in 10 operating companies. On average, across the board, would you say that the TQM process has met your expectations, exceeded your expectations or come below your expectations ?"

Response

"On average, I think it has possibly not met our expectations. Some companies have done very well, but I believe we could have done a lot better."

THURSDAY - 29 SEPTEMBER 1994

INTERVIEW WITH MR CHARLES HOWES

GROUP QUALITY CONTROL MANAGER - UNITRANS LTD (H/O)

Question

"Charles, would you please indicate what the main reasons were for Unitrans deciding to implement the TQM process."

Response

"I think it was a recognition that you have to provide a quality service, so we have to get closer to our staff, and if our staff could contribute significantly towards improvement, it would give us a competitive edge. It wasn't seen as the costs initially, it was seen as service. The belief that better service would actually improve our market share."

Question

"Charles, there is general consensus that TQM has got to be driven from the CEO, and Senior Managers down ? Would you agree with that ?"

Response

"Definitely."

3M world, we run our businesses under the umbrella of Q90's, and we measure our progress every year in the 7 categories of that. We are not so much interested in the score that comes out of that process, but what we are looking for are areas of weakness, and then the following year, we address those weaknesses as far as we can, and then meet again the next year and re-score ourselves, and re-define out areas of weaknesses. So throughout the Company we have this process of continuous improvement throughout all 7 of Q90's categories, and pinging upon those 7 categories are things like, TQM, and ISO 9000, and bench marking, and all of those other things, none of them are an end themselves, they are simply means to an end. The end is, in our case, is to exceed the customers' expectations at the end of the day. Everything is addressed to that. A major part of our activities is continuous on-going customer surveys to ensure that we are continously improving our rating amongst our customers."

Question

"So it depends entirely on the people and the management style of the company ?"

Response

"That's right, it's no good going through these exercises unless you have a will to actually change, and that's why over and above TQM you need a company philosophy. You need some way of constantly monitoring your progress, and you need a process which allows you to apply whatever philosophies you want to implement to all parts of the business. It's general in a company like this, in the past we only concentrated on manufacturing, quality was something that rested in manufacturing, and we have had to get those principles applied down throughout the organisation, through costing, purchasing, human resources, and particularly in customer service."

Question

"So it's a holistic approach, you cannot view it as an ad hoc or an add on ?"

Response

"It has to be holistic, so to that end we took the Malcolm Walridge National Award, which is an award system in the United States, we took their criteria and renamed it Q90 in our Company, and through the

Question

"Keith, thank you very much. This has been very useful. Perhaps there are some passing comments you might like to make, and you have obviously have vast experience in this particular portfolio, is there anything that you could perhaps share with us as this is academic research, and it will appear in the library and will be useful to people who want to introduce quality management, the lessons that have been learnt, that you could maybe share with people who want to go down that route ?"

Question

"There are a lot of popular things that are in fashion at the moment, and people are diving into, hoping that it will turn their company around, and solve their problems. There have been a lot of seminars on things like 'bench marking' recently, and people are grabbing this, and are going to rush out and start a bench marking exercise, or they are going to rush out and start doing statistical process control. We believe here, that all of these things are really a waste of time unless you have the structures, and the attitudes, to allow change to happen. Bench marking on it's own is not going to anything for you if the people are not willing to implement the required changes."

management - the messenger wasn't shot for bringing the bad news, we set up a number of task forces, we got into some training programs dealing with process re-engineering, problem-solving."

Question

"So you let people actually accept accountability for their own actions ?"

Response

"Yes, this people found very difficult to do initially, they kept running to the new MD asking him what they should do. He addressed a meeting in South America which I was at, after his first year here, and he said the biggest problem he had when he came here was that there was such a lot of delegation upwards, everything arrived on his desk, and his biggest problem in that first year was to stop that, and to get it dealt with - to reverse the process - get it dealt with at lower levels. People have operated for 7 years under the old system and it took them over a year to change their style at the level below, and then of course this cascaded further down in the Company. I did a survey recently of middle-management and asked them how empowered they felt they were, and I got a very good rating on a scale 0-10, and it came out at about 8.2 as I recall."

decision making process. It must be driven from the top. The indicators of success must be defined by the customer and not by yourself. So TQM to me is no big deal. It's just another tool. We need something bigger than that."

Question

"This is what I am trying to get to Keith. Would you like to indicate specific changes in management style that have occurred in 3M in order to reach the 70% success rate, which is very good. What change, what management styles changed - did it become more democratic, did it become more employee orientated, recognition of employees - what in your view were some of the reasons for the success ?"

Response

"We were fortunate here in that co-inciding with our initial thrust of this quality journey, we also had a change in CEO of the Company and we went from a very autocratic style down to a very laid-back democratic style of CEO and that facilitated this thing, from my point of view, it brought about a lot of changes in the Company, but particularly as it impacted quality, this was very fortunate that we had this new style introduced, and it was a style which empowered people to get on with the job rather than checking everything that was done. It became a very friendly style of

Question

This brings me now to the real crux of my research, and I would like you to respond to this. I would like to read to you an extract of an article by 3 gurus, which was published in the Sloan Management Review:

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisation-wide change including top managements relinquishing of power.*

Would you agree with that comment?"

Response

"Yes, in general. It depends on how you define TQM and what TQM means to you. TQM to me is simply another tool in developing the core of a system. I rate it as a tool along with with things like ISO 9000, and Statistical Process Control and quality function deployment, and vision and mission - it's just another tool, it's not an end in itself. It depends on how complicated you want to make TQM. To me TQM is just a basic little thing to get a message over that you should involve all employees in the

values that people at all levels accept, and then you define your mission, and you carry on from there so that people know what the culture is, what they are a part of, and in that way we seem to have got some buy-in at all levels."

Question

"Keith, one of the problems with quality is that in many companies it's been very successful, and in some companies it's exceeded expectations, and in others it's not come up to expectations and in some companies it has been a total flop. How successful would you say it's been in this Company on a scale of 0-10?"

Response

"I would say we are probably currently at a level of about 7."

Question

"As high as that ! That's very good. How long did this take to achieve ?"

Response

"Well generally it has been part of 3M's objectives, but I guess we really got serious about it 3-4 years ago when we introduced an umbrella philosophy, an umbrella process called Q90."

about where you are going to, shared vision, shared values about how you are going to behave, and strategies and performance management that actually drive you towards that vision."

Question

"You have raised a very interesting point which brings me to the next question. We have agreed that it has got to be top management driven, but you mentioned shared values, which means that you have to get your rank and file employees to buy-in to the process. How did your organisation go about achieving that ? How did you get them to commit themselves, because people normally resist change of whatever nature ?"

Response

"We appointed some indepentant consultants/ facilitators, and asked them to help us set up sessions with all staff of different levels, different functions, at various meetings over time, in order for them to input into what was right with the company, what was wrong with the company, what sort of company would they like to see, and therefore identifying the behaviours that we had to start, maintain or stop that would drive us, that would create the sort of organisation that we were looking for."

FRIDAY - 30 SEPTEMBER 1994

INTERVIEW WITH MR JEFF SPINKS

GENERAL MANAGER - EMPLOYEE BENEFITS

SOUTHERN LIFE ASSOCIATION LIMITED

Question

"Mr Spinks, could you please articulate the main reasons why Southern Life decided to go down this TQM route."

Response

"We realised that if we want to achieve our vision, which we described, we have a set of values and we have to bridge the gap between where we are now and where we would like to be. And it's helped us understand the steps that we have to go through to develop an organisation that will actually achieve the strategies."

Question

"There is a general consensus amongst most gurus, that any TQM process must be driven from the CEO and his senior managers, and cascade down. How would you respond to that ?"

Response

"100% agreement. What you are looking for is a common purpose in the organisation, a common vision

have top management sit down and plan how it's going to suit the culture of the company you are working in at that time, every company is different. It didn't work for us to bring it straight from QMA and bring it into the company. We were terribly mislead, and it has cost us a lot of money and a lot of time, and if we knew then what we know now, we would have done it differently. What we have done is, we have moulded what we've learnt and changed it to suit Schindler, our company, our people, our culture, and we have taken it from there onwards, and we've made a lot of mistakes, and we have actually changed the structure to suite ourselves, and a lot of companies I have spoken to, agree with me totally. Our Head Office and Switzerland have done the same thing, we have actually changed, and I am not running any other organisation down, any quality organisation, or any consulting organisation down at all, what they are all trying to do is very good, but it cannot be taken straight from their books and put into the company, you have to change it to suit your company and people. And that's what we are doing now."

Response

"Yes I would, but I would also like to say we made a fundemental mistake in training as well. We did'nt support it with back-up programs like team-building, problem solving exercises, how to measure, what to measure, who to measure. You have to as soon as certain training programs have been completed, people have to get involved immediately after, and use it in their daily jobs, and if they don't use it, they forget. And that's what we did not realise had to be done. What has happened now is, is that there is such a big gap between the actual training now, that we have to go back over and redo our training, probably in a different way."

Question

"*Are there any concluding comments that you would like to make, or anything that you would like to contribute to this academic reaserch ?*"

Response

"Yes, I would never advise anyone to take any, whether it be Crosby or Duran, or any kind of TQM package and just think that by putting that in the company it's going to work - it's not. I think that you have to take a lot or a bit of all the different gurus, you have to bring that into the company, then you have to

make the mistakes that we made the first time around. Our management have realised the importance of TQM and the necessity of this. Without TQM, you are not going to survive, and that's the bottom line. It's the way you implement, and you have to let go of the reins very, very slowly on both sides, so that people start feeling easy with it. Management gets scared, because of giving responsibility to someone else, and the line managers get scared because now they've been given something that they are not quite used to, so both sides have to have very gentle facilitation, coaching and guiding into the way it's done. It just cannot happen overnight."

Question

"So what I think I hear you saying is that this is a very long term process, a holistic approach."

Response

"Very much so."

Question

"My experience has been, and I implemented TQM at a very large company of 3500 employees, is that training is fundemental to the whole process. You have to develop your team work, you have put instructors that facilitate empowerment, recognition and all those kinds of things. Would you agree with that ?"

grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.

Firstly, do you agree with those observations, and secondly, what change in management style have you perceived at Schindler, that has complemented the process ?"

Response

"Yes, to answer your first question, I agree with the statement. Change in management style, yes, there has to be a definite change in management style, they have to let go of the reins slightly, but through experience as the TQM co-ordinator over 18 months, you cannot just let go of reins just like that, you have to train your people to take on responsibility which management is now going to be passing down the line, and I think that is what we have learnt to, because what we did do initially was we gave responsibility to people and asked them to input the process to the QRT as they wished, and it wasn't a success, so we had to retrace out steps back, we had to reapproach this whole strategy very differently, and that's what we did. And we changed our whole company structure to suit the company in order to not

Question

"Have you got the trade union involved at all in this process ?"

"I had a meeting with some other people and one of the reasons that they found that the process had not been that successful was because they had not consulted with the unions, and in fact they had union resistance, and they are now having to retrace their steps and go back and start again."

Response

"Our shop-stewards are involved, our human resources side, what we have done with all the departments, is that we have told our customers and suppliers, we have informed everyone of our TQM process and, so yes, the shop-stewards and the unions are involved, definitely."

Question

"Carol, I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be*

better ideas on time and where we want to get to in that time."

Question

"We have already established the fact that the consensus is that it must cascade from top management down is a pre-requisite, but fundemental to TQM is the rank and file of the employees buying-in to the process, and the commitment, rather than compliance. How would you say you people went about getting the employees to buy-in to the concept and the process - what strategy did you use ?"

Response

"You see that's the problem we have to this very day, we haven't got buy-in yet, or should I say a better word is ownership, each person taking ownership, and therefore, showing commitment to it. So we haven't reached there yet, we are still working on that. We thought it would be an easy thing for everyone just as soon as you say 'you can now have responsibility you never had before', but people are very scared to suddenly to be given something that they've never had before, and they look at that as a challenge, they look at it as 'what is this all about?', the whole process is looked at as a flavour of the month, so it wasn't as easy as we thought. But we are actually working on that."

Question

"There is a general consensus that any TQM process must be driven from the CEO and his senior managers, and cascade down. How would you respond to that ?"

Response

"For sure. The only way to go."

Question

"How well have you succeeded in your TQM process so far, would you say that you have exceeded your expectations ?"

Response

"No ! I think TQM in any company in any country is a miracle because of the cultural wars of the country you are living in, and it is very, very difficult to get people to change, and it's their attitude that you have to change. An attitude that they have been brought up with and the culture of the company, so we thought it would be easy, because to me and a lot of people, TQM is common sense. We were obviously off mark to take that as being an easy thing to change, but no it is not. It is very difficult because it's intangible. No we haven't reached our expectations yet, we have actually gone back a few steps, a couple of points, but I believe that is normal and natural and I believe now we are on a better track and have

THURSDAY - 29 SEPTEMBER 1994

INTERVIEW WITH MS CAROL TAIT

TQM CO-ORDINATOR OF SCHINDLER LIFTS (PTY) LTD

Question

"Carol would you please explain the main reason why your Company decided to implement the TQM process."

Response

Well basically, we are an international company and our model company is in Switzerland, and it was an international decision, not a prudent South African decision, so it was a Swiss decision that they wanted all their companies throughout the world to implement the TQM process, simply because their objective is to become the No.1 service company in the world. That is a very large objective, and they want all their companies obviously to do the same."

Question

"How long have you been going down this route ?"

Response

"Since January 1991. That is when all our Directors were trained, but the actual line managers down the Company never got involved until June 1992."

Question

"Charles, in the one interview I had with the gentleman from Carlton Paper, he indicated that fundemental to this whole process is a revision of all the corporate company human resources policies, to bring it into line with empowerment and recognition. Would you agree with that observation ? For example, he quoted the example of a person who had the right to sign a cheque for R1000. That is not empowerment ! You have to change that policy to give the man more freedom to exercise his discretion."

Response

"It's the policies, the procedures, the systems that need to be changed objectively. People will not change if the policies, procedures, systems of all the human resources, the wages, everthing, have to change in line with what you are trying to achieve, and there is a big resistant to change them."

treat people right, we want to give customer service in order to make a profit. And the only way to get true management commitment is to say, 'we are going to use this process to make a profit, and everybody is going to share in that profit. Not just profit for the shareholders, but profit for everyone across the board. You have got to have that commitment, and that's the only way you get it. And the need to actually have to change the processes. There has been a belief that people can actually change what we do by asking people to do things better. To me that doesn't work, in fact if you want the output to be different, you have to change the way you do the job and there is a great reluctancy to change the way you do the job. I believe strongly that if you don't change the way you do the job, the output will be much the same, because if some people don't do the job right, don't want to do the job, they basically want to do a good job, but it goes wrong, and it goes wrong because of the way the job is structured. You need to change the way the job is done. I believe that after 3 years, now, Unitrans is actually coming to grips that the need to change the job and at the same time empower the people to do the job."

exercise going. That was really all we ended up doing in the last year or 2 when I was there.

Question

"Are there any concluding comments, pearls of wisdom that you could share with us as this is academic research and this document will be lodged in the Wits Business School library. Is there any advice with a vision of hindsight having gone down this road, things that you might have done differently?"

Response

"I would say that senior management has to be totally committed, rather than to pay lip service to it. They must show in all they do that they are committed. They must say specific things, presentations, that they must actually be something that they are seen to do, and they must not cut corners. They must lead by example.'

Question

"I think this is the one area of weakness in my research, is that I am talking to the senior managers and not to the rank and file, and I think there is an opportunity there for further research, because I'm sure if you go and speak those people, there may be a totally different perception as to how well it has been implemented."

Question

"So to pursue that a little further, Andre, do you believe TQM has got to become an integrated part of the whole way the company is run, and not an add on, people must see it as normal work ?"

Response

"Yes, it must be part of the process, part of your everyday job, not just something you remember because it's on your desk, and you quickly just spend half an hour on it. It must be part of everything that you do."

Question

"Andre, do you think one of the reasons that that happened was because management didn't significantly change the way it managed, in other words, the question of recognition, empowerment, self-directed work/ project teams, do you believe management did not go down that route ?"

Response

"In the area I worked, we found that some of the aspects - 2 or 3 of the 14 steps - kept being pushed and worked on, the others seemed to be ignored. There was quite a bit done in our area on recognition, and there was an attempt to keep the cost of quality

underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.

Firstly, Andre, would you agree with that observation, and, secondly, what kind of change in management practice was introduced at Old Mutual to effectively implement TQM ?"

Response

"I don't believe enough was done. I found that early on in the division I worked for, there was a senior manager who was apppointed as a quality awareness officer, and his job was to market quality, to push it to make sure it happened. As long as he was doing it, there seemed to be a lot of emphasis on quality. When he was moved to another job, everything seemed to slow down and eventually disappear. I then moved to another division in Jhb, and quality was around for a while, but it was always seen as something extra. The idea was that you had a meeting. you talked quality first, and then you do other issues. People always saw it as something special, not as part of their job, and after a while, we stopped even talking about it, and eventually it disappeared off the scene."

of the initiative, and how long had they been at it at that time ?"

Response

"When I left Old Mutual, it had been around for about 5-6 years, and my perception was that it was fairly successfull in the administrative areas where the work processes are fairly uniform and standardised. I came from a consulting and marketing area where I don' believe it was that successful. In your consulting and marketing field there is no clear description in what you actually do for a client. When a client wants something, you jump and you do it. It's not easy to always distinguish between what the inputs and outputs are - there is no clear process, and we found it very difficult in that environment to practice the detail and quality process. I found it difficult to measure how effective the process was."

Question

"Andre, I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that*

Question

"Having said that, what did Old Mutual do in order to get the rank and file employees to buy-in to the process, because clearly, one needs commitment from these people if the process is going to work ?"

Response

"There was an attempt to show that senior management was committed. There was a big signing process, the Chairman and all the General Managers signed in front of the staff at Mutual Park, and then quality was kept quite high on all agendas, newsletters, presentations, and all the senior executives and managers were encouraged to push it down the organisation."

Question

"So there was quite a lot of marketing done ?"

Response

"Definitely, yes."

Question

"In your view, how effective do you think the process was, in terms of meeting expectations, exceeding expectations, or coming below expectations, in terms

FRIDAY - 30 SEPTEMBER 1994

INTERVIEW WITH MR ANDRE PIENAAR

DIRECTOR - ALEXANDER FORBES

(This interview is based on what Andre did at his previous employer, OLD MUTUAL)

Question

"Andre, what was the motivating factor in Old Mutual deciding to implement a TQM intervention?"

Response

"If I remember correctly, the Old Mutual Chairman was on the Board of another company, it could have been Shell, and they had implemented quality and he got excited about what they had done, and some senior Old Mutual personnel were sent to the USA to have a look at the whole quality process. The Crosby process."

Question

"There is a general consensus amongst most gurus, that any TQM process must be driven from the CEO and his senior managers, and cascade down. Would you agree with that observation ?"

Response

"Definitely."

Question

"What I think I heard you saying is that, if management acts in a manner that is contrary to it's stated values and missions, it can torpedo the whole thing, because then the people at grass root levels turn around and say, 'these guys are talking with a forked tongue, they are telling us to do things in one way, and yet they politely go or doing things in the old way. Would that be a valid observation ?"

Response

"Yes, it's one of the threats to the situation. I am not quite sure how you would deal with it, except where you notice behaviour that is inconsistant, you deal with it there and then. Another way is, again, educating the managers of what is really trying to be done, that there is a better way. In our company at the moment, I understand - I am not involved in it - we are thinking of changing our disciplinary grievance procedure to be a disciplinary only procedure, which means that an employee can challenge a manager, in a disciplinary sense, for failing to behave in a propper manner. So what would normally be described as a grievance by the employee is now all the same thing. It can go upwards, sideways or downwards in the organisation, the disciplinary can be lodged in any of those directions."

Response

"I think the biggest challenge is to get people to understand the power and necessity of learning. To a lot of people, things like shared vision and values, are nice to have academically, unrelated to the business type of issues, and there needs to be a common understanding that this is actually potentially powerful stuff.

One mistake that we made some years ago was to assume that people want to be empowered. We did'nt understand empowerment ourselves well enough, and we just allowed teams to encourage them, and allowed them to set their own goals and monitor their own standards, and what happened often was that the standards fell, people felt free to do what they liked when they liked, but we were'nt measuring the business closely enough.

The third element is that if we have vision and values and we have strategies that will drive us from where we are now to where we want to be, those will only happen if the culture of the organisation is consistant with those values. So it's really the holistic management of all those things that I think will move the organisation effectively towards it's vision."

to the customer, our team structures, generally, are based on customer focus teams, as we call them, we seek to give those teams the information to enable them to manage their areas better, and therefore the training to help them do their work better and to understand business better. We are in that process at the moment, I think it's largely a process of information sharing, of encouraging people to take ownership and to reward them appropriately. The latest movement we have on the reward side, is to introduce a divisional bonus pool that is based on the relative profitability of the individual teams, and there is a mechanism for creating a pool that is shared amongst the people who have actually created it. We are in the process, at this very moment, of actually sharing the idea with our people."

Question

"Are there any concluding comments, pearls of wisdom that you could share with us as this is academic research and this document will be lodged in the Wits Business School library. Is there any advice with a vision of hindsight having gone down this road, things that you might have done differently?"

He quotes the example of the time taken to build the car for President Nelson Mandela, namely ; four days with only nine faults. The equivalent German average is six days and fourteen faults, whereas the normal average in East London is said to be fourteen days and sixty eight faults ! On another occasion, when workers agreed to make up lost production subsequent to a dispute, they completed seventy cars a day, while the average is forty cars per day !!

Dekker traces the poor relationship habits acquired by both unions and management back to the 1980 decade and argues that it will require more than goodwill for this to be corrected. He quotes Fritz, a management psychologist, who draws a distinction between structural conflict and structural tension. Fritz points out that a basic principle in nature is that of conflict seeks resolution, but because of the complexity of situations, that resolution creates further tensions. He argues that the two components which form structural tension are :

Question

"Jeff, I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.*
>
> *Could I ask you two questions ? Firstly, how strongly would you agree with that observation, and secondly, what kind of changes in management practices and management style, have you implemented here in order to make it work ?"*

Response

"In principle, I would agree with it. I think one of the dilemas is that in developing a learning organisation, in developing empowerment of people, and so on, there is a lot of learning that has to go amongst managers, and some of that learning can be

Question

"Jeff, how long have you been involved in the process, and how effectively do you think you have achieved your objectives - would you say that you have exceeded your expectations, come up to expectations, or not met your expectations - what would your reaction to that be ?"

Response

"I don't believe that we have obtained the full benefit of what we have attempted to do. We started about 18 months ago. The process was fairly intensive in that we involved everyone in determining our behaviours, determining the things that we had to do and stop doing. Having determined the values, now the question is how do you change the policies, practices, behaviours in a concrete way in the organisation that actually support your long term in intentions, and that is the process we are going through at the moment."

Question

"So you would agree then that this is not a quick fix, it's a long and on-going process ?"

Response

"Yes, definitely."

Question

"There is general consensus by all the authorities on any sort of intervention of this nature that it has got to be driven by the CEO and his senior managers and cascade downwards, would you agree with that observation ?"

Response

"Yes totally. If you don't have that commitment, and that drive from the top, it's going to fail, because everybody looks up and they all blame the guy at the top if it doesn't succeed."

Question

"Having said that, I believe there is also general consensus that in order for any TQM intervention to be successful, you have to get the buy-in of the rank and file of the employees, including the trade union, could you please indicated how your company went about getting this buy-in from the average employee, because often these things are perceived as being just another way to increase profits, and there is a lot of resistance to that kind of change. What did you do to enable the people to buy-in and commit themselves to the process ?"

TUESDAY - 4 OCTOBER 1994

INTERVIEW WITH DR MALCOLM SEARLE

CHAIRMAN, SOUTH AFRICAN CYANAMID (PTY) LTD

Question

"Dr Searle, could you please indicate why your company chose to go down the TQM route, what were the motivating factors ?"

Response

"It all started probably more than 3 years ago, when Pat Moffat (my predecessor) was chairman of the company and we felt that we had to change the culture of the company, progress and do something different to improve, and we had done 'Toward Excellence' the whole program and it failed for various reasons which I won't go into. There was a lot of sceptisism in the company and it was really driven by the manufacturing division, we have our Witbank plant which comprises 70-80% of the business, of our total turnover, and there was a feeling from them that we could improve. I should mention that Mr Moffatt, he was a chemical engineer, metallurgist, and it was a hard drive to lower costs. That was the driving factor."

this, and it is really a long term process. There were a couple of guys, who with hindsight we should have included initially - who from their actions and the word they spread around the company you could hear that they weren't really interested in it. But without getting senior management of that calibre to buy-in to it, you are not going to succeed.

Question

"To what extent did you solicit the co-operation or the buy-in by the Union ?"

Response

"Up front, it was handled by QMA themselves, we have about 220 blacks, and also have the green areas on the shop floor, we have 5 different unions, so it was quite an issue, but we got QMA to come and address them without our presence and they bought into it straight away. Probably because of their hunger to develop and move along. We got their co-operation right down the line, but we did it up front. It wasn't something that was forced down on them."

that decision right up front, it could be gift vouchers or something the person would want. People are paid to do a job, and to offer financial incentives, everbody would be on the band wagon nominating everybody else for recognition, but I think it's one area which we have recognised has not gone as well as it should. People were being nominated for ridiculous things and being turned down, it caused issues. We had a recognition committee who scrutinised each nomination. It is a problematic area."

Question

"Jim, having gone down this route for some two and a half years now and been very successful, are there any concluding comments, general observations, things you might have done differently, with the vision of hindsight, any pearls of wisdom that you could share with us ?"

Response

"One of the key areas which we learnt by mistake, was that you have to enlist on your initial QIT, the sceptics and the cynics, and you have to work with them to buy-in to it. If you adopt the attitude that you can do without them, and drop them along the way, that didn't really work too well because there were, certainly before we set up the QIT, you can pick out the guys who are committed to a type of thing like

Response

"Well, with having set up the QIT with goal setting and measurement teams, etc., we then set up sub-committees within each 14 steps leaders of sometimes, 3-4, sometimes as many as 6-8 people on each sub-committee. They were there to formulaise and give some structure to that particular step. What we did in addition to that, is that we set up what we call step representatives. This is the middle and lower level of employee, who were not on the sub-committees, and not on the QIT's, but within departments, we enlisted employees to be step representatives of individual steps and the actual step leader would meet with them on a regular basis to infiltrate the department through them. Not only through the manager, but through the actual step leaders, to try and engender a sense of belonging and to get some movement and action within departments. To get them to buy-in to it. It has worked to a large degree. On the recognition side, we have a recognition team with the usual forms and boards up, and peers nominated. We have a beacon of quality, which the corrective action teams, which only once they have been successful and have been measured, the names of the corrective action teams are put onto it on a regular basis as they complete their tasks. Recognition is a big issue. Recognition does not necessarily have to take the form of monetary incentive, in fact we would not do that. We made

organisational-wide change including top managements relinquishing of power.

Firstly, would you agree with that observation, and, secondly, what specific changes in management style can you recall being introduced at Ingersoll-Rand to effectively implement TQM, which you have obviously succeeded in doing?"

Response

"Firstly, I would agree whole heartedly with that comment. The change in management style, as I mentioned, was largely due those changing MD's, from an autocratic type of management, to a team orientated empowered employees style of management. But you have to improve communication across the board, from the bottom up and the top down. If you don't improve your communication and people are not comfortable with each other, it just wouldn't work."

Question

"The Crosby process recommends such things as recognition, empowerment, team work, self-directed teams, how did you specifically go about empowering your teams, recognising extra-ordinary performance, in other words, what specifically did you people do?"

the QRPM course at Crosby. We then set up the QIT in October/November/December 1992, and I was appointed as the TQM co-ordinator. From then, firstly we identified the ponc. We had major loss figures. Our initial cost of quality was reduced by between R3.5 million over the first 6-9 months, which was a significant improvement as far as we were concerned, and we are in fact getting an award for it at the National Quality Awards in Pretoria on 9 November. It has since flattened off because, we tended to tackle the big numbers first, which is obvious, those are the major areas. It has since become a lot more difficult because of incremental changes. People have become more conscious of it."

Question

"I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for

process, and get commitment from them. How did you go about getting their commitment and them to buy-in to the process ?"

Response

"That largely stems from the culture of the country, because the history of our country and company, people were obviously told what to do, with the result that these people are very willing to grab, they will grasp at anything to learn. Very, very willing, but it was installed through team work and empowerment, people were encouraged to start working as teams, there was an attempt to flatten the organisation, to take away all the figure-heads, and to get people to start communicating with each other, which we found was very difficult. The communication problem was initially very difficult."

Question

"Jim, two questions here. How long have you been going down this road, and how effective do you think you have been-Did you achieve your expectations, exceed your expectations, or how would you evaluate in terms of where you wanted to be and where you are now ?"

Response

"Having gone down the Crosby route, we started in July/August 1992, where we sent a couple of guys on

way, through QMA."

Question

I'm very glad you mentioned the question of management style. My whole research is based on the change in management that is needed, but we will come back to that point. There is general consensus by all the authorities on any sort of intervention of this nature that it has got to be driven by the CEO and his senior managers. Would you agree with that observation ?"

Response

"Whole heartedly. Our MD championed the whole thing and he has driven it from the top, he's a hands on more people orientated type of person than our previous MD, with the result that the people initially, it was like a breath of fresh air for them really. With the top structure of the company, yes, they have to be committed to it. I, myself, am not convinced that all of them are not just paying lip service, while they say they are committed, they are not really what you would call 'walking the talk'."

Question

"Notwithstanding the fact that it has got to be implemented and driven by the senior management, particularly the CEO, you obviously have to get your employees, the rank and file workers to buy-in to the

TUESDAY - 4 OCTOBER 1994

INTERVIEW WITH MR JIM WILSON, MANAGER,

MATERIAL HANDLING AND DISTRIBUTION DIVISION,

INGERSOLL-RAND

Question

"Jim, perhaps you would like to start off by telling me why your company decided to introduce a process such as TQM."

Response

"It started initially, when we had a change of Managing Director. Our previous MD was of retiral age and we were in the process of going through looking for a new MD. Most companies weed out the local stuff, and eventually, they sent a guy from Canada, who had been the MD in Canada for 15 years, and he took the opportunity to come and join us. He was on a temporary basis / or a 5 year plan. He was exposed to TQM in the USA and Canada, with the result that when he got here, he took a look around for 6 months and he could see that because of the management style that we had had in the past, it was very very autocratic, right from the top down, very top heavy, and it really wasn't working and because of the business pressures and the changing political scenes, he got us involved in TQM from grass roots, and we also went the Crosby

what we were doing."

Question

"Did you perhaps do any customer audits, to see what the customer felt as far as the service they were getting ?"

Response

"The only audited that I can remember, was a questionnaire that went to senior executives of our clients which was more to determine what their needs and requirements were, rather then to audit what we were doing for them."

Response

"What I saw in the administration areas, where work processes are more neatly defined and standardised from section to section, it is much easier to apply quality, because you can clearly identify your work inputs and outputs and building check lists, a way of doing things to avoid errors. There we did find there were some huge savings, often millions of rand, but as I said earlier on, it is more difficult in a consulting environment, where there is nothing clear about what you do."

Question

"*But surely there are ways of measuring that, for example, customer satisfaction, referrals, repeat business, surely that would be an indicator of how effective you are complying with your customers requirements ?*"

Response

"Yes, if you go to the trouble to negotiate requirements with your customer, I can't remember us doing much of that. Where areas where quality was useful, we drew up check lists to ensure that when we were setting up presentations that everything got done. So there were areas where we were able to use the tools that picked up quality, to improve the effectiveness of

realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.

Firstly, would you agree with that observation, and, secondly, what fundemental organisational change did you make in your management style to make the implementation of TQM as successful as you perceive it to be at Boart ?"

Response

"I certainly agree with that statement, and as I mentioned, the fundemental change was bringing in the green areas and bringing in them a far more participative culture. Our Zambian executives described the culture previously as a fear culture and now as a participative culture, similarly in Canada, and in South Africa, it's become infinitely more team based, and people having an influence over their work processes, over their problems, and also sharing in our opportunities for improvement. , So I would say it's a change from quite a financially driven and autocratic culture, to an infinitely more participative culture."

Question

"Carol, how did you handle such things as expounded by Crosby, such as empowerment, recognition, accountability - what change in management style took

Response

"Well, as I say it's a mixture, because we have many companies within our group. But the 3 previously mentioned companies have really exceeded our expectations. In other cases there have been limited successes, but in general, we are very, very happy with the TQM process. It has exceeded our expectations, it came at the right time, more by luck than by good planning, that when we were introducing TQM it went through a major worldwide recession in our market, and we really believe that if we hadn't TQM, we would probably not be here. Therefore it has been a major reason for our survival. Our competitors have suffered heavy losses, and we have survived, because of the TQM culture change."

Question

"I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully*

Question

"I am intrigued by a concept that you have introduced that has not been introduced at any other interview which I have had. You have introduced the Crosby system as marketed by QMA, but in addition, you have introduced, very heavily, the concept of green areas. In other words, you have not used it as an individual intervention, you've modified it to meet the needs of your company."

Response

"Absolutely. We used the Crosby material by the book to start with, and then we decided it was total overkill, and limited in certain ways, so we developed our own quality thing, and we adapted it to meet your requirements of your labour force. We really believed that the green area implementation works well. Green areas without the quality training doesn't work, and quality without green areas we don't believe works, but it must also be married to the strategic goals of the company."

Question

"Carol, you have indicated that as far as Boart SA is concerned, it's been highly successful, would you say that it's met your expectations, not met your expectations or exceeded your expectations ?"

Response

"I think one of the success that we've had at Boart, is that after the extensive training, that we used the green area concept to make it work. And I think this is one of the reasons why it doesn't work in many companies, is that they don't have an implementation strategy after the training. Our green areas work very effectively. We have green areas at every level in the organisation, from shop floor right up to executive level in the 3 successful companies. Where people meet on a daily basis, sometimes weekly, and we train them in the techniques of the four absolutes and the problem solving. But then we give them the time and place to talk about problems and opportunites, and without that it doesn't work. So with that power we've got to the rank and file involved by actually encouraging them to talk openly about their problems, for example, in Zambia there was very much a fear culture, when scrap was produced, people were hauled over the coals, now the culture was changed to saying, 'please talk about the past, but more importantly, let's talk about ways in which we can prevent it.' So by encouraging communication about problems, as well as new opportunities for doing things, we have also in some companies given them a slice of the action in terms of productivity bonuses."

Question

"There is general consensus by all the authorities on any sort of intervention of this nature that it has got to be driven by the CEO and his senior managers and cascade downwards, would you agree with that observation ?"

Response

"100%. We have spread TQM throughout many companies in Boart and we have 3 outstanding examples where it has really succeeded well, our companies in SA, Canada, and surprisingly in Zambia. And in those 3 particular cases, each time the MD or the CEO has been nothing short of fanatical about quality, and that is why it has worked and we have introduced it in other companies and it has been partial successful, but those 3 companies it was a major turn-around."

Question

"Accepting that it has to be top-down-driven, it is inevitable that you have to get your rank and file workers to buy-in to the process, and to become committed, instead of just seeing it as the flavour of the month. What did you do at Boart in order to get the ordinary worker to buy-in to the process ?"

TUESDAY - 4 OCTOBER 1994

INTERVIEW WITH MS CAROL SISMEY

STRATEGIC PROJECTS MANAGER, BOART INTERNATIONAL

Question

"Carol, could you please tell me the prime reasons why Boart decided to go down the TQM route ?"

Response

"The prime reasons were that we had seen it work in one of suppliers in Canada, a company called Atlas Field, which had been an absolutely useless lie, suddenly over a period of 2 years moved from a positon where the deliveries were late, the product was lousy, and the prices were high, to a position where the prices were fair, the deliveries were fantastic and the product quality had improved dramatically. So a group of our technical managers went to visit them and said, 'what did you do ?' and they said, 'well we followed Crosby QIP.' The technical guys brought it back to SA and we contacted QMA here and decided to do it, both in SA and in Ireland. We had seen it work. The other reason was QMA appealed to us on the financial basis, looking at ponc and looking at the measurements of ponc, and we are a financially driven company and that appealed."

community orientated and more sociently based, and their views are we need to develop an Afro-centric management style which is more compatible with the philosophy and the culture of the work force. Lovemore Mbigi calls it 'Ubuntu'. How would you respond to that ?"

Response

"We've certainly gone into the whole "Ubuntu" with QMA and we believe it has a lot of merit. We haven't done anthing right now as we should have, because of what the company is going through, but we certainly believe it is something we should be looking at. Why particularly ground work preparation is important is because we have had green areas, concept and this was allowed to die, because we didn't have the union behind us, they just refused to participate. They would arrive at the meetings and then not participate. Again, we would have to go into it very, very thoroughly, prepare the groundwork, and get the union on our side, we have the CWIU who are fairly militant, so that is vital, otherwise, again, you'll start it, and if it dies within six months, you'll have everybody in the company say, 'We told you so.'"

Response

"I think what we started off with, how we got the buy-in, how we introduced it to the company is critical. You cannot be perceived as just brining it in from top down and this is the way we are now going to do it. I think preparing the ground work is quite difficult because you have a lot of sceptics and cynics in any company. We had them within our group, because we had had the introduction of the 'Toward Excellence' and everyone was on a high, and that was allowed, for reasons I won't go into, to die. People said, 'here we come again, another flavour of the month, we've tried toward excellence, we've have management by objectives, we've had one minute management, we've had all these, and then they fall away - now what's new about this ?' So I think that's very important."

Question

"One of the subjects we did in this course is a subject called African Management. There is a growing school of thought by SA authors, such as, Peter Christie, Albert Koopman, Christo Nel, on management styles, that what we have done in SA is try to impose a Eurocentric management style, a-la Tom Peter, etc., and we tried to impose a highly individualistic, highly competitive dog-eat-dog type of management style onto a SA labour force which is predominantly

Response

"I would agree with that. But in our instance, we have not achieved that by any means."

Question

"And yet you have been relatively successful in the implentation ?"

Response

"Yes, in the manufacturing segments, very, we haven't had the same success in our marketing divisions."

Question

"So would it be fair comment then, to say that as you go down this route and as you make additional management style changes, your expectations would be that you are going to be even more successful in achieving your objectives ?"

Response

"Yes"

Question

"Thank you, would you like to share with us any pearls of wisdom which with the vision of hindsight you have acquired, any advice, any specific things you would like to say in closing as to how to implement TQM in an effective manner ?"

Response

"That is a very difficult question, and if you start with empowerment, we have certainly attempted, although I wouldn't say that we have been 100% successful in giving decisions down a couple of levels, there I don't believe we have sufficiently empowered people yet. Remember this is a process and does not happen over night. I won't go into all the excuses, but we do have a few excuses right now like the company is being torn asunder, if you like. How we changed, we haven't changed our structure significantly, we believe we are more participative, more open, there are cross-functional teams which we have put together, because we are four different marketing divisions, so in that we we have achieved quite a lot, but not, certainly, getting back to the empowerment, have we achieved much there. No, we have not restructured the company in many ways dramatically."

Question

"Would you agree though with the comments made by these people that you need to make major changes in management style, and change company policies. Any company policy that is restrictive or that does not give employees accountability has to be changed in order to effectively implement this kind process ?"

Response

"I think we have certainly down at Witbank, they were the motivating factor and they have achieved really tangible improvements. It probably hasn't met everybodys expectations, they expected a magic wand and the whole company would be different in a short period of time. But yes, I believe that we did achieve quite a lot."

Question

"I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.
Firstly, would you agree with that observation, and, secondly, what specific changes in management style can you recall being introduced at Cyanamid to effectively implement TQM ?"

Response

"We started at the top, we started with all the directors and senior management. We all went through the course at QMA. We then embarked on a briefing session with various consultants from QMA and got all the groups together, the different marketing divisions together, and we went through this with them, of how you can be a first/world class company, we gave them a taste of what we were aiming at. So it was done, we had some resistance from the union, they saw it as all aimed at increasing productivity, we did have problems with them. We did have problems with previously when we tried to introduce the green areas concept, but yet we did go about it systematically trying to get the buy-in of all the people of the company. At that stage about 500. We were critisised afterwards that we didn't do enough, but I believe that we really did quite a bit.

Question

"In terms of your company's expectations as to what you were going to achieve, price of non-conformance, cost of quality, how long have you been on this process and in terms of meeting the expectations, not meeting the expectations or exceeding the expectations, how successful do you believe that you have been in the implementation of the process ?"

by declaring it, you are going to go for least cost management, that's one way of doing it, but you have to give them some tangible system, so we looked Deming, Juran and Crosby and we found that the Crosby system was the most suitable."

Question

"So you wanted to become more cost effective and more an international player ?"

Response

"Yes, we had to look at our total cost structure, and we decided to go Crosby, as he addresses the soft issues. SA being a very emotional country with the diversity of management, of people, we saw that the best route to go. We believe in top down. We also believe in our process, developed since 1980, we believe in an autocratic enforcement of the process, but a democratic participation of the people."

Question

"There is general consensus by all the authorities that any sort of intervention of this nature has got to be driven by the CEO and his senior managers and cascade downwards, would you agree with that observation ?"

TUESDAY - 4 OCTOBER 1994

INTERVIEW WITH ED VAN DEN HEEVER

SALES SERVICES MANAGER, ENTERPRISE FOODS (PTY) LTD

***Note: Ed van den Heever indicated to me that Enterprise Foods have taken "recognition" issue to the extent of extending it to their customers and in fact are awarding 2 of their customers excellence in quality awards for their service to their customers.**

Question

"Could you perhaps tell me why your company decided to go down this quality road ?"

Response

"We it was really forced on us when we saw overheads climbing and volumes dropping and the graph gap got so big after awhile that we decided to do something, and it's not just a case of increased prices, because Enterprise at that stage, like today, was the market leader in pricing, so the question was asked, 'what can we do ?', and then the end result after a lot of research and an overseas visit came down to one thing, we have to become a least cost producer. Least cost producing cuts into the bone and marrow of the company, it's values, it's cultures, and just

Question

"In summing up, could I ask you if you have any pearls of wisdom that you would like to share as to lessons learnt, or anything that you would have done differently, or that for anybody who is going to go down this route ?"

Response

"I don't think there are any secrets. The only thing is that you have to be committed to it. You have to keep on working on it. When you start with TQM theres a lot of enthusiasm initially, but after a short period of time, you start losing enthusiasm because things don't happen as quickly as you thought it would happen, so the only advice I can give is to keep on going, keep on pushing. It's hard work, a lot of effort, attention to detail and other than than, I would say it is very important to pay attention to the employees and to listen to them as to what they have to say and pick up their ideas and try to make use of them. That worked well for us."

indicated, is the question of recognition. Some companies recognise performance in having a quality person of the month, and there seems to be a resistance against rewarding in terms of monetary terms, and yet some companies I have spoken to have a bonus based on team performance, and they reward the team rather than the individual. How have you tackled that particular problem of recognition and reward ?"

Response

"In line with the TQM approach, we started to record the quality improvement process by costing, and one element of that is recognition, and we have, for that reason, started to implement a formal recognition systems, about two-two and a half years ago, and in there we have a mixture, for instance, housekeeping, we give a good housekeeping award. Individual recognition based on the improvement proposals that come in / action proposals, and there is a small committee that sits down and judges and allocates points according to the improvement, and we hand out a cheque, but sometimes like a T-shirt. In many cases we hand out a T-shirt to the whole group. I don't say it's perfect, but you at least see some benefits coming out it. The other thing we do is we publish these in our company newsletter, with pictures and photographs, and that is received well by the employees."

management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.

Firstly, would you agree with that observation, and, secondly, what change in management style did CBI implement to reach the success level that you have reached ?"

Response

"In principle, I agree with this statement. Unless the management style is changed from an autocratic style to a more team effort approach and getting people involved and passing responsibility onto the different levels, it will not work. CBI never really had such an autocratic style in the organisation. Another aspect that helped is that about 4-5 years ago, our MD had handed over to a new gentleman who had a different style anyway, and so it suited TQM to a large degree. Therefore we did not have to make any significant changes in that style, and that's why it worked for us, but in principle the statement is correct."

Question

"One of the biggest problems that my research has

achieved your expectations, where would you say you are ?"

Response

"I would say we are not quite there yet, on the other hand, we don't have any illusions. It will take a long time to get to the point where we want to be, and where we want to be is on the same level as world class companies. It takes anything between 3-7 years, and we are now intensively in the 4th year, and we need another 2 years or so before we really get to that level. It is hard, hard work, and go into detail and step by step eliminate the barriers. *My personal view is that one of the main reasons why companies do not meet their expectations is that they [illegible] it as a quick fix, they come in boots and all for a couple of years, and then it doesn't work and then they back off, they're disappointed because the system doesn't work."*

Question

"I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional*

benefit are for the workforce, in fact, long term stability, job security, etc. That was received very well by the unions and passed on to the workforce. Another thing we did over the last few years, was to train the whole workforce, in quality, starting with definition of quality, why we do it again, explaining to them our export drives, intentions, and that convinced the workforce that they should be on this road with us together."

Question

"What I think I hear you saying is that one of the key elements of success is communication ?"

Response

"Absolutely. They must fully understand the motives behind it. Otherwise you have no commitment."

Question

"Overseas, TQM has come in for a lot of flack, in that it was seen as the panacea for the problems of the western nations, particularly trying to compete with Japan, but some years down the track now, many companies are disillusioned. Many companies did not achieve their expectations, some companies exceeded their expectations, and some companies met their expectations. In terms of your companies experience, would you say you exeeded your expectations, you

Question

"There is general consensus by all the authorities on any sort of intervention of this nature that it has got to be driven by the CEO and his senior managers and cascade downwards, would you agree with that observation ?"

Response

"Absolutely. It is absolutely essential. Unless the workforce sees a clear commitment starting with the CEO, MD, executive directors, it will not be successful. We have seen in our company, only once we had started to set clear signals by the management team it became effective."

Question

"There is a view that although it has to start at the top, you have to get commitment and buy-in from the workforce, from the layman who is working in your factory. How did your company go about achieving this ?"

Response

"Two things, one factor that you should not forget is the union, and when we started on our road to quality 3-4 years ago intensively, and you achieve total quality, and we got the unions in and we discussed with them what we were trying to achieve and what the

TUESDAY - 4 OCTOBER 1994

INTERVIEW WITH WOLFGANG WEBER

DIRECTOR, ENGINEERING & QUALITY CONTROL,

CIRCUIT BREAKERS INDUSTRIES LTD

Question

"Mr Weber, I see from your brochure outside, that you have been involved ir this process since 1989, or even earlier. Could you perhaps tell me why your company decided to go down this quality road ?"

Response

"Well in fact, CBI started much earlier than that, we have been complying with the SABS quality management sy.tem approval since 1987, and in the meantime, all our factories comply with the ISO 9000 standards, but lately we have dramatically increased our effort in TQM and getting our quality up to scratch to compare with National standards because we planned about 4 years ago to extensively market our products overseas, especially in the western world, and there, quality is a pre-condition, it is not even discussed anymore, unless you have a certain quality level, you can just forget about it. So that was one triggering factor to improve our quality dramatically. The other one is to save costs."

eat-dog, highly disciplined environment and we are trying to impose that kind of management . :yle onto a SA labour force which is predominantly community orientated and more sociently based, and their views are we need to develop an Afro-centric management style which is more compctible with the philosophy and the culture of the work force. Lovemore Mbigi calls it 'Ubuntu'. How would you respond to that ?"

Response

"I guess that my answer has come aboit by the fact that we are an international compa.y, and I don't really believe an Afro-centric view will help us. I really believe that not only in Boart, that all companies in SA have to be global players, have to be competitive by world standards, either exporting or fighting the foreign competition that comes in here. In terms of the community orientation, I think that by bringing in the green areas, or by extensive use of teams, you can buy-in to that, but we have found that by moving the team flavour overseas works well, so I believe that we should pick and choose. Take bits from the western management, as well as the good things from the African continent, but I don't think there should be an Afro-centric thing, because then I think SA will become Africa orientated and not globally orientated."

Response

"We certainly think that TQM must be an integrated part of the whole way a company does business. In the beginning we made a mistake in saying, 'Here was TQM and there was the business'. We learnt that TQM must be linked to the strategic business goals. 'What do you want to achieve with your customers, your competitors, what are the problem areas in your business ?', so it must be linked to the strategic business goals, it must be an integrated part. We also learnt to develop own training packages which must be simple and user friendly and intense, implementation of quality is a crucial factor, as mentioned with green areas, it is absolutely vital, and it must be driven by the CEO. If you don't have the CEO's fanatical involvement, you can forget it. It' just a waste of time."

Question

"One of the subjects we did in this course is a subject called African Management. There is a growing school of thought by SA authors, such as, Peter Christie, Albert Koopman, Christo Nel, Lovemore Mbigi, that we are making a fundemental mistake in the way we are managing in this country. What we are doing is we are looking at the Euro-centric model a-la Tom Peters, etc., and what we are doing, is these people are all working in a highly competitive highly dog-

place to facilitate that ?"

Response

"Back to green the areas that have been a catalyst in our team involvement, but we do have recognition systems which are both team based and individual based, and we have a quality champion of the month, which is a peer nomination system, and it is assessed by a recognition policy, and here at Head Office, we have some corporate kind of recognition once a year, but each company will have it's own recognition system, so that's what we have done on recognition. The recognition has largely not been monetarily based, although some companies have used a productivity bonus, or a share of the savings. I think in all 3 companies where it succeeded, another factor which lead to success was that all 3 companies were going through market survival issues. I think that that is another area which leads to a paradigm shift in management thinking - do something different or go under."

Question

"In summing up, could I ask you if you have any pearls of wisdom that you would like to share as to lessons learnt, or anything that you would have done differently, or that for anybody who is going to go down this route ?"

management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.

Firstly, would you agree with that statement, and, secondly, what kind of management changes did Nampak introduce, in order to effectively introduce TQM ?"

Response

"First, I agree with the statement. TQM is a way a life. Either you are, or you are not involved with it. You eat it, sleep it, breathe it, talk it. From the Switchboard lady right down to the guy who sweeps the floor. As far as changes in management go, a vast change in attitude. Things like empowerment, actually empowering your staff and subordinates to make a decision, so although it is top driven, you aren't holding onto the reigns. Taking that power away from the people on the floor. You're allowing them make decisions and be accountable. You're allowing them to offer suggestions and improvements, team building and teamwork. Our own team concept is a very, very big thing. Nampak is busy at the moment with the creation of teams and working teams. The results from that are phenomenal. It's almost like

with with the bolts and braces approach. We went in hard in every department. But we have done it through the involvement of the shop floor, and the policies and work instruction, how we draw them up and what they want done, or what they want changed. We have had meetings with them regarding policy. We also put up all our monthly results on the printing machines. Quality monthly reports are actually now going up onto each printing machine. They guys are getting actively involved, they are beginning to see what's happening through graphs and figures, and they are getting feedback on their participation. As I say people resist change. It was a case of, 'you know management systems, it's going to probably be in for a couple months/weeks, and then they will forget about it'. But, it's a long hard slog, we have to be tough, set the rules down and stay involved with the people, once they've got empowerment and rights. What are your inputs, what do you want changed, what do you want done, and it basically comes from them."

Question

"I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional*

Question

"Mike, there is a view that the only way TQM can work is if it is driven from the top down, from the CEO and senior managers, would you agree with that comment ?"

Response

"That is absolutely true. If you have quality management systems, or philosophies are not driven by the senior management and staff, it has to be driven by the top and supported by your production personnel. Any process that is driven by one person alone, is never going to work. It takes a bit longer to complete involvement of senior management and shop floor personnel, but to try and drive TQM any other way, it all collapses."

Question

"For TQM to work you need the commitment of your rank and file workers. How did Nampak get the rank and file employees to buy into the system, because people normally resist change of any nature ?"

Response

"Initially it was very hard. We had a crisis, we had to do something urgently to get us brought to life, because our name in the market place was bad, our returns were high, we basically could not produce a box without a problem creeping in. We started off

THURSDAY - 6 OCTOBER 1994

INTERVIEW WITH MR MIKE GOUWS

QUALITY CONTROL MANAGER, NAMPAK LIMITED

Question

"Mike, would you like to tell me why Nampak decided to go down the TQM route - what was your motivation?"

Response

"Basically, you have your various areas of production, your total/relative maintenance, total quality, they all fit in, they are all crucial to business. The philosophy on quality over the years has changed. Initially, quality was 'a pain in the butt', and it didn't really count, it was mainly there because you had to have it. When the company took the decision to go through TQM, you have to make a product right first time, you don't want rehandling and reworking on products, and the decision was made in conjuction with planned maintenance was taken on first, then the quality management just became TQM. The decision was made and ISO 9002 is about 25% complete at the moment. We finished the various production systems. Everything was finished off, in process and finished for inspection. So it was total control process right through the plant, from the moment finishing sets up, during the run of the machine.

ware-with-all to ensure that these people comprehend what he is talking about. And he is held accountable. That is a critical one. Another thing that is super-critical, is that TQM and what it stands for, and we like to call it 'the return on quality' approach. We have moved away from the traditional Crosby approach of just cost of quality, a-la ponc, we have now said, 'we are moving away whereby we have blended and developed a new cost of quality item consisting of poncs, traditional in-efficiencies, and business opportunities. We have expanded beyond the horizon, so we have a blend of the two, and those are expressed in terms of money, targets, objects and goals, and we managed this as part of the steering committee on a bi-monthly basis in this company. In fact it takes us six hours every two months to tell the CEO what we have achieved, and what we have done in quality in that reporting period."

financial monthly packages. It is ingrained as part of the system. Everybody needs to talk the same language. Education. But, in training a company to understand what it's all about, it is no use bringing the profit from inside and getting outside companies to empower a company's people. We took Patterson D1, D3 level, all that band of level of management and we made them quality instructors, they went back into their own cost centres and taught their own people about quality. This allowed them to customise, to take this thing and give it their own colour, their own design, blend it in with their own values. That was our major success story at Enterprise."

Question (comment)

"This is my 12th interview, and that is the first time this point has arisen. I think it is a very valuable issue, and I think it is a very important issue that you give the supervisors/managers, ownership of the process to their own people."

Response

"It is the only way it can work, otherwise it's them and us, it's an outsider, this empowered them to take this same message - we are extremely serious about the cost of quality in our silo approach to the structure of the company, that it goes right down to the floor, and every manager has the know-how and

and recognition then automatically follows onto that. We look at the 14 steps (management issues), the armour of management in Enterprise. You need to raise the awaireness of issues. You need to look at the cost, the impact, you need to look at measurement, and you need to reward. Those things are management issues and not attached to TQM at this stage of our lives."

Question

"In conclusion, could I ask you if you have any pearls of wisdom that you would like to share as to lessons learnt, or anything that you would have done differently, for anybody who is going to go down this route ?"

Response

"We have reached many points of despair in the process. But we revitalised it continually, by various projects, iniatives, etc. The CEO needs to be aware that TQM could die on him, so he needs to revitalise it, keep it going, make it a way of life. The formal side of quality management within the company must be embedded. Quality has to be a substantial issue that must be measured in your monthly packages of reporting, accountability. You cannot just talk quality and not measure it as part of your financial system. Enterprise today, measures it's cost of quality as part of it's

have to give processes to process owners. Of course within agreed requirements decision making level and accountability, so we did that. So we allowed everybody to manage their process, and that today is done from the top down to the bottom. To answer the first question, the latter part of process ownership, then of course presented us with a situation. If I want process owners to take ownership of their own processes, we need to allow democracy to come into the work place, within certain guidelines. That then from the CEO was enhanced and he said, 'you have to soften up, you have to get away from control, you have to get to lead and training. Training what process is and then go back and lead. Look at the constraints of industry and ask yourself the question as a senior manager "how can you enhance this process without interfering with the individuals process".' That's brought us to a blend of autocracy and democracy. The cultures, the corporate object is enforced autocratically, it's not up for question, but the process itself, around quality steering committees, quality improvement teams, green areas, participative teams, are all democratically developed with managements partaking in them. For that to work, we need to acknowledge the awareness of what we are in business for, world class operators, world class visions, and we then empower the people through measurement techniques to measure their processes,

Crosby had to offer us, and we said to ourselves, 'acknowledging that the value cultures and behaviours of our company consists of 95% of the traditional management and styles, and TQM the other 5%. So we used the 14 issues of Crosby, developed them, everybody understands them today, then we slowly sloped the 2 systems over each other to form one management structure. So we totally integrated TQM, and TQM today is spoken in the passages, it is not just advertising on our walls, we believe in it, and I have just had a meeting, where quality issues outside the framework of formal management were discussed, which will enhance the company's success by miles."

Question

"One of the things that quality management focuses on in terms of Crosby, is the question of recognition, empowerment, accountability. How did you integrate those kinds of concepts into the traditionally autocratic management style, which is characterised our paternalistic way of doing management in this country for a long time ?"

Response

"Allow me the latter part first. We got away from the "gat skop en donner" attitude. Autocratic management by acknowledging the process of the individual. If we want to be a TQM company, then we

main opposition until 6 six months ago.

Question

"I now come to the crux of my matter, I have an article here which was published in the Sloan Management Review, and I would like to read to you a comment that these 3 authors make :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.*

Firstly, would you agree with that observation, and, secondly, what change in management style did Enterprise Foods introduce to make this process so effective ?"

Response

"First of all, any TQM process, if it is not totally integrated with the day to day management structure of the company it is doomed to fail. So what we have done we have looked at our traditional, the formal management structure, and we looked at the protocol

Question

"That's going right down to A and B bands?"

Response

"Right down to the Tea Girl. We invested in the first 3 years 26 000 man hours of TQM quality training, at a figure which exceeds millions. We made sure that everybody understood the language. Especially what the 4 absolutes are all about and what the purpose of TQM is."

Question

"You've been down this process for sometime, would you say that you have achieved your expectations, exceeded your expectations, or did not meet your expectations in terms of what you hoped to achieve with this process ?"

Response

"We acknowledged the financial investment which has been substantial, we have and were able in the first 3 years to reduce our cost of quality by 4% of sales per year. We have subsequently gone onto a 3% and a 2% return of sales in subsequent years. It has paid for itself beyond our wildest dreams. It has empowered us, in this process, as Enterprise Foods, to consolidate, buy-out, Hearty Meat, and subsequently, the latest acquisition, Renown Meat, which was our

Response

"Two sides to it. Firstly, not up for question is CEO commitment. Secondly, executive participation. The CEO and executives need to believe in the process, because if they don't, you'll get faction fighting and diversity will take it from there. Two critical issues in our process from '88 right up until today, every CEO that we have had, and every executive that we have had, support the process as part of their management style."

Question

"Given the fact that it is top-down-driven, how did you get your rank and file employees to buy-in to the system, because clearly this process cannot work without employee commitment, employee involvement ?"

Response

"Taking the protocol, as I said, 'top down', we looked at the total structure of the company, we started with our CEO and we put him through the executive college first. Then we went to the exeuctives, then we went down to the Patterson level of D1, D3, then we went down from the Patterson D1 to C4 with QES. There we ignored what QMA had told industry. We went for a different package called 'Quality Work Group Education'. We exposed C2 down to B1 to this and lastly, we used Indaba to do our total labour force."

Response

"A bit of a difficult question to answer off the top of my head, but I must question the final sentence of that statement, where it says something about 'management relinquishing power'. I think one must understand that at the end of the day, management must manage the company. Not relinquish control of managing the company, otherwise there will be no company. But in terms of TQM, perhaps Jaque can help .."

"I agree that TQM is not just something that you introduce today. The word is actually "culture change". The program must be to enhance a new culture change and the whole structure must be around that to get this culture change throughout, from the top to the bottom. It is not an overnight process The emphasis shifts. Our journey started out with what was then SABS 0157, we then went the Crosby route. Subsequently, through our international connections, we have adopted different process. There is a link between all of them, and then what you do in getting those processes into position and keeping them there is to find different ways of doing it. Right now, I would guess that the focus on what we are doing is the use of corrective action teams working actively in routine production meetings, management meetings, deals with quality aspects and measurement. There is

dramatically across all of our operations. I would be a lier if I didn't say we haven't had problems. We've certainly have had problems, we have lost market share in some of the areas, and I believe we lost market share because we actually had not identified the customers needs, and weren't doing the quality of job to satisfy."

Question

"I would like to quote to from 3 authors who wrote an article on TQM in the Sloan Management Review, and then I would like to ask you 2 questions relating to their comments. They say as follows :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements' relinquishing of power.*

Firstly, would you agree with that comment, secondly, what specific changes in management style did you introduce to effect TQM ?"

Question

"You have indicated that you started this process in the mid 80's. Many companies overseas have been disillusioned with the in-effectiveness of TQM, how would you rate your company in terms of it's achieving it's expectations, exceeding it's expectations, or not coming up to expectation ?"

Response

"I would say that we, in the market place, in the broadest sense, in SA, we, by all surveys that have been conducted, are clearly the market leader, in other words, we have in excess of 35-40% market share. We are the market leader. This means, we are the top for all of our competition, and our competitors approach is, invariably, price related. We are not in the business of pricing ourselves into the market, we are in the business of generating an attractive return on investments. That being the case to retain market share, we have had to sell these concepts. To get these concepts into position, we have had to identify our customer needs, and ensure that we satisfy them. The only way we have been able to satisfy them is through the identification of the needs, and delivery against those needs. If we hadn't been able to do that, we certainly wouldn't be the market leader, and our share of the market would have shrunk

of quality, he responds directly to me, and it is through him, to a large extent, that I am able to make things happen around the company."

Question

"The next question then, is, nothwithstanding the fact that it has got to be top-down driven, you have to get your employees to buy-in to the process. What did Anikem do in order to persuade the workers to accept this new way of working ?"

Response

"As I said earlier on, we started off on our quality journey because the customer started asking questions, and we are essentially a customer driven company, and one of the cultures we try and inculcate is, the importance of satisfying customer needs. Now those might be internal or external customers, but the end result is satisfying the external customer needs. We worked very hard through the quality policy, which we have, and education programmes, which we have taken down to the lowest level in or organisation, generally through programmes conducted by Jaque Marais, assisted where necessary by myself, on an on-going basis. We work steadily at getting the culture entrenched, and keeping it entrenched, and we re-inforce that by a tremendouse amount of measurement that is taking place in the company in approved open forums."

THURSDAY - 6 OCTOBER 1994

INTERVIEW WITH MR HECTAR McIVOR

GENERAL MANAGER, AND JAQUE MARAIS,

QUALITY MANAGER, ANIKEM (PTY) LTD

Question

"Mr McIvor, would you please articulate the main reasons that influened your company to go down the TQM route ?"

Response

"Very simply, customer driven. That was the request that was made of us by one of our major customers then, and it soon became apparent to us after that one customer, in the mid 80's, that a number of customers started following."

Question

"There is general consensus that for any TQM intervention to be successful, it has to be driven by the CEO and his senior team and cascade down. Would you agree with that observation ?"

Response

"Absolutely. I think if it is to succeed, it simply has to be that way. There are no compromises. As an additive to that, Jaque Marais, who is the manager

terms of quality and as a pilot study and see it through. We tried to launch everything at once, and if you look at the end of the day, we have not achieved the results. People see it as a disaster."

Question

"Would you ascribe that to the fact that things like, people, empowerment, recognition, reward, accountability, was not implemented in tandem with the systems ? You share the view then that unless there is a fundemental management shift, it is fruitless ?"

Response

"That is correct, you have to change the paradigm. If you don't change your paradigm, you are wasting your time."

Question

"Is there anything that you would like to comment on, any pearls of wisdom you might like to share, general observations that you might like to make ?"

Response

"Nothing, thank you."

Response

"Absolutely."

Question

"I would like to quote to from 3 authors who wrote an article on TQM in the Sloan Management Review, and then I would like to ask you 2 questions relating to their comments. They say as follows :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements relinquishing of power.*

Firstly, would you agree with that comment, secondly, what specific changes in management style did Air Liquide introduce to effect TQM ?"

Response

"Firstly, I would agree with the statement. Secondly, we had embarked upon an international philosophy of decentralisation, of empowering people, empowering managers, but I believe we didn't equip the people in the correct way. We did not isolate the situation in

through the quality college, and we have actually involved a common education system. It has been difficult because, people are very sceptical of the system, they have been, and they still are. They can see quality in terms of ISO standards, it's something they can believe is totally measurable, because, you end up at the end of the day with this type of thing, but that's how we have actually done it. It hasn't been totally successful."

Question

"Well, that is my next question. Firstly, how long have you been down this road, and do you believe that you have achieved your expectations, not come up to expectations, where would you say you are down the road ?"

Response

"Down the road, we have been 2 years. We have not met expectations. I think people thought that we were really going to turn it around, in terms of the CEO and teams, but we didn't turn it around."

Question (Comment)

"My experience has been that this is a long haul, PG Bisson, they have been down this route for 8 years and they are still no where near it. Anybody who sees it as a quick fix is going to be disillusioned."

agree with that observation ?"

Response

"Absolutely, I think more importantly that the CEO has to be seen to be implementing TQM systems and policies and not paying lip-service to it, I'm open with you, that tended not to happen."

Question

"The next question then, is, that of getting the employees to buy-in. Clearly, and you and I are both familiar with the Crosby system, there is a lot of team work involved, a lot of people accepting accountability and responsibility for their own efforts. How did you go about getting them to buy-in to the system and not just seeing this as another management intrique to get more productivity, etc.?"

Response

"We started off with the quality education system, we started with the basic premise of the Indaba systems, speaking to the trade unions, getting the shopstewards together, explaining the rationale behind what we want to do with TQM, we actually introduced it into our literacy training program. Not only quality as a way of operating in the company, but also operating in your own day to day life. In terms of the managers, middle management, senior management, we put them

THURSDAY - 6 OCTOBER 1994

INTERVIEW WITH MR DEREK WILSON

HUMAN RESOURCES MANAGER, AIR LIQUIDE SA

Question

"Derek, could you please articulate the main reasons as to why your company decided to introduce TQM."

Response

"We look at the total scenario, A: it actually was intrododuced internationally, we are a multi-national corporate, it was a directive to introduce TQM into the group/system. Although we are not dictated to by group philosophy, we had no obtion but to follow the TQM system. The CEO and executive team thought that it would bring about a total change in mindset, actually a quality driven service company, which I must say, hasn't really come to fruition, and I believe that we went about it the wrong way. So in a round about way answering your question, we were actually mandated to implement it."

Question

"The next thing, which I think you have touched on very briefly is that there is general consensus that for any TQM intervention to be successful, it has to be driven by the CEO and his senior team. Would you

should come in."

Question

"Do you have anything to add to what we have been discussing."

Response

"Nothing."

hysteria, like something in the air, you cannot see it, but it's the smell of something or a feeling. That's the management change that has to come down. A change in attitude, philosophy, empowering your work force, allowing them to make decisions for themselves."

Question

"What have you done about the question of recognition, how do you recognise superior effort by ... employees - is there some monetary incentive, or do you have some quality man of the month - how do you go about that?"

Response

"At the moment we are busy negotiating as far as incentives go. That's still on the table. We want money not to be the sole motivator. A pat on the back or a handshake goes just as well. Hand in hand with the monetary incentive. What we do have is we have a light board where we flash up if the machine has done well, so we recognise the guys throughout the whole plant over a .nift or two. Our biggest incentive at the moment from the PA side when they guys walk around the floor and say, 'thank you, well done, you really did well'. That's our incentive at the moment although it's still at the bargaining table and still being negotiated, and hopefully, in the long term

Question

"What about your rank and file employees, you have to get them to buy-in to the process. How did you go about getting them to become part of this new way of doing business ?"

Response

"Initially, it was very much top driven, and then hopefully, the top can start to slack off, we would like it to be self-sustaining. We have found it is not self-sustaining. Top management has to be involved all the time. We did not send our employees on any programmes, we trained them ourselves. We formed a task force, which I headed. Jaques De Wet, of QMA, asked why I was chosen, and the reason being was that I have enough clout, and I could tell people what to do. So we had decide who we were going to educate and how they would be educated. We took 12 of our lower level people - we work on the Patterson plan - we took mainly B4's and a few C1 levels, our lower level supervisors, we took them and trained them as lecturers, and then we trained the whole work force with the 'Indaba on Quality'. Myself being one of the 4 facilitators, we took the senior supervisors through the FQAE (Facilitative Quality Awareness Experience)."

FRIDAY - 7 OCTOBER 1994

INTERVIEW WITH MR JULIAN BAKER

ADVANCED SUPERINTEDANT (METALLURGIST), ERGO.

Question

"Julian, would you please tell me what made Ergo decided to go down the TQM Route ?"

Response

"Our GM, who originally introduced 'Proudfoot', before they were part of QMA, decided to do the quality installation at Ergo, because of, obviously lowering gold prices, profits, etc., and we thought during the 1st exercise that it was not the right road to take, we should be going for the lower level people, and not for the management people. So it was a good year afterwards, that we decided to call QMA in as we felt that they should tackle the lower levels."

Question

"There is general consensus that for any TQM intervention to be successful, it has to be driven by the CEO and his senior team and cascade down. Would you agree with that observation ?"

Response

"Yes."

seems to be standard. People question why we must work more shifts. The market isn't big enough. And that is where we have to warrant our benefit from, by increasing our volume through the factory, and dropping the overheads over a greater production. We use the same capital."

man as a man, not as a management appointee or as a Std 8 person. Very much like the concept of Ubuntu."

Question

"That really concludes my formal questions, but you may have some thoughts and concepts, passing pearls of wisdom that you may want to share with us for reference by users of the library, as this report will be filed in the Business School Research library?"

Response

"I find that with the TQM process, it is essential that the top man drives really really hard. Perhaps one of my biggest failures is me not driving it hard enough. Me allowing compromises. If I had not compromised from the beginning, we would be a lot further down, but then the short term suffering might have been a lot greater, because your costs do go up initially, the first 6-9 months, and I find you do need to compromise a little, to prevent those costs from zooming up. I think when people are analysing the cost of quality, they ought to be a lot more realistic than they are. We started off as a one shift operation, we are now doing 2 production shifts and 1 maintenance shift. 24 hours a day. We are moving onto 3 production shifts. So when one looks a the cost of quality, one must include the loss contribution of only working 1 shift and not 4. That

Response

"Yes, but I wouldn't go as far as Albert Koopman. I think there is a style somewhere in the middle, but definitely it has to suit the African culture. We find that don't concentrate on an individual, don't critisise an individual. It's the team who is responsible for various items. You home in on the team. Don't go to the supervisor, address the supervisor and the whole team. The supervisor is there because the workers allow him to be there, not as a management appointee. What we have found, that if we have put a chap into a supervisory position, and if they are not ready for that chap to be a supervisor, then it doesn't work. They don't accept him, no matter how clever he is, what his background is, whatever. One of my best supervisors cannot read or write. And I was chatting with a chap from one of the UK universities about it and he said, 'what an incredible problem, because as soon as his workers realise that he cannot read or write, they will kick him out.' But it doesn't work like that. If he has something to read, he will go to one of his workers, and ask him to read it to him. And the guy hasn't got a problem with it. The fact that the worker has Std 8 and that he can read, does not mean to say that he can be a supervisor. The team decides on who is to be supervisor, and they will respect him. It's the esteem that that man has inside himself. It's that

think that participation is difficult for them. I find they battle to relate to participative management. - You're the manager, we're the worker, we will work together, but really you must tell us what to do. - I have tried that through two companies. They like me to give the direction, they like participating in their particular job, but the wider sphere, they are not interested in."

Question

"Can I share with you an interesting concept, and perhaps you could comment on it ?

I did a subject at the business school last year called African Management, and what the local SA experts, like P Christie, A Koopman, on management are saying is that what we are doing is using the wrong management style in SA, in that what we are looking at, P Drucker, T Peters, and we are saying that we must use that management style here, but what these chaps are saying is that that's okay for a Eurocentric management labour force, but here in SA, because of our African heritage and because of Ubuntu and the concept of social orientation, we need to develop an Afro centric management style to be effective. Would you agree with that generally ?"

employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements' relinquishing of power.

Firstly, would you agree with that observation, and secondly, what kind of management style change did you introduce to recognise such things as empowerment, recognition, accountability, or didn't you change in any way ?"

Response

"I agree with most of what was quoted, but I don't agree with the last part, that management must relinquish power. The way we did it in the beginning, you have to be autocratic. So you drive it down everybodys throat. Then, we changed more towards paternalistic. We headed then towards the participative. This was the involvement, heading towards self-directed work teams, quality circles. I found it doesn't work with the very unsophisticated labour force that we have. I think if my labour force was more sophisticated, I might have a bit more success with it. I somehow wonder though, whether the black culture is ready for participation. I

Question

"Peter, how long have you been going down this road, and how successful do you think you have been in terms of meeting your expectations, or exceeding expectations, or not meeting them ?"

Response

"We have been doing it now for close on 4 years. The 4 years have probably been the worst years in our industry. And in the last 20-30 years, as far as recession is concerned, we have consistantly increased our volumes by 20-30% per year, and our profits trebbled over that period. But I wouldn't say we have achieved our expectations, we are making money, but we are not as far down the track as I would like to have been. We are getting there, but it is a long slow road. I thought that with a relatively small company, we would be able to drive it a lot quicker, but there are always bugs in the system that slow you down, and now, we are not as far as I would like to be."

Question

"I would like to quote to from 3 authors who wrote an article on TQM in the Sloan Management Review, and then I would like to ask you 2 questions relating to their comments. They say as follows :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating*

Question

"The next question then, is, nothwithstanding the fact that it has got to be top-down driven, you have to get your employees to buy-in to the process. How did you go about getting them to become part of this new way of doing business ?"

Response

"Not really. I found that the workers are the easiest people to convince that TQM is the way to go. I find that the most difficult level is the level of management below me. They are the sceptics. The workers, we got them together and we said, 'look we want to introduce more quality consciousness into the company', and we asked them what their problems were, and they said, 'well this isn't right, and that person hasn't fixed that properly, we don't have a new wheelbarrow, our brushes are worn out, we should be using these brushes, etc.'. So they came up with lots of useful ideas, and we followed those up very quickly, so we proved to them that we were interested and serious. They gave us lots to do, so we did those things, and that proved to them that we were interested. It is difficult keeping up with that. We ran enhanced courses, which helped a lot. And it is just the continual enforcing of quality, and what it is all about.

FRIDAY - 7 OCTOBER 1994

INTERVIEW WITH PETER J LORD

MANAGING DIRECTOR, CONSTANTIA ECHO (PTY) LTD

Question

"Peter, would you please articulate the main reasons why your company decided to go down the TQM route ?"

Response

"I did have experience with it before, at LTA, our reputation in the market place wasn't very good. Our market share, our profitability, was slipping. We were spending a lot more on sales than we should have, so it was to improve our marketability, improve our reputation in the market place, and to reduce our costs, and therefore increase our profit."

Question

"There is general consensus that for any TQM intervention to be successful, it has to be driven by the CEO and his senior team and cascade down. Would you agree with that observation ?"

Response

"Absolutely, it does not work any other way."

victory, and make it known around the place, believe you me, if you don't, it loses it's momentum. There are no big bangs after the initial 6 months - 1 year, it's a whole series of little initiatives that take place, that you measure your progress by. I had to from time to time, remind Jaque of this, as he gets a little despondent, one tends to lose one's way, and it's those little initiatives that you have to recognise, and just keep working at them."

a tremendous amount of measurement going on in our company, and there are selective measurements taking place on a world-wide basis, that we are measuring and feeding into the system, and then there are local measurement going on in in our company. And that is the main focus right now, around measurement and comparing against bench mark targets, or last years / last 3 years results, and then dealing with customer complaints through corrective action teams, through non-conformance reports, etc., in the appropriate form. We have created a series of routine forms, where production matters are reviewed, logistics matters are reviewed, etc., and these issues are all reviewed in these meetings/forums and addressed."

Question

"Hectar, there is no question in my mind that you have taken a very personal and serious view on this issue, are there any passing pearls of wisdom which you may wish to share, any general comments that you would like to make, something you may have done differently with a vision of hindsight ?"

Response

"That is correct, you have to change the paradigm. If you don't change your paradigm, you are wasting your time. I think you have to be very patient, very persistant and you have to measure the smallest

Response

"Most definitely. It cannot work if you have people at the bottom trying to do something, and you don't have the commitment from the senior manager with regard to resources, expenditure, etc. You get a clash point in the middle, and of course the lower half eventually pack it in as another flavour of the month."

Question

"We have agreed, and there is general consensus that it has to be top down driven, what did you do to get your rank and file to buy-in to the process ?"

Response

"I think it started with the appointment of a full time national quality co-ordinator. Secondly, the major problem that we had is the fact that we had started it, and the wheels had fallen off, so what we did is, we looked at the things which had been put in place with the previous launch, namely; the IRR system, which is an employee vehicle to identify problems and get them through to management for corrective action, and of course employee suggestion scheme. So what I did was to revamp that, and actually got it in place, and spent a lot of time making sure it works. That brought up credibility by the employees again because, the system works that they would identify a problem,

WEDNESDAY - 12 OCTOBER 1994

INTERVIEW WITH MR ERROL WOOD

NATIONAL QUALITY CO-ORDINATOR,

OTIS ELEVATOR CO. LTD

Question

"Would you please tell me why your company decided to go down the TQM road ?"

Response

"We started with the quality improvement process which is really the Crosby affiliate company about 9 years ago. It started off with a bang, and obviously the wheels fell off a way down the road, because everybody thought it would just happen. The first step they took, because it was basically prescribed by our mother company in USA, they wanted all their companies through the world to go the Crosby route. In 1991, I was appointed full time quality co-ordinator, to try and get a hold on the pieces that were falling apart."

Question

"There is a view that for any intervention of this nature to be effective, it has to be driven from the senior managers and cascade down. Would you agree with that observation ?"

movement to be born within a company, is the best. We got in a different way. We got it from the fat end. It is even more difficult to get commitment from people when that type of situation arises. If it can be born within a company that the need to improve, then it has a better chance of working, not to say that the QMA type route is not acceptable. If you go that route, where you bring outsiders in, the dedication of 1 or 2 of the top people, or preferrably the top person of the company is absolutely essential, and the amount of time they are going to spend on the thing, you may as well tell the guy that for the next 2-3 years, you are not going to do anything else except implement it. Because if he's going to try and do his job at the same time, it is going to suffer from the problems that things do suffer from in that type of scenario, where the individual just does not have the time to devote to it. We started green circle type meetings on our sites so that the workers could try and contribute to the running of the company. The guy who is pushing it from the top has to go to those meetings. He has to have the time to do it. I think even QMA underestimate the amount of time it takes. For it to be really successful, you have to take one of your senior executives for the next year or more and he is to do nothing else except see that this system is implemented."

Response

"We have done a little, we have resorted to financial rewards, again in construction, the whole industry tends to be financially reward orientated. Bonuses in construction are quite common, but where we have paid bonuses/rewards, monetary rewards relative to quality, we have made those less significant as the normal end of the year type bonuses. They have been a fairly nominal figure. We have highlighted the names of the people, and panned the awards in our newsletter, but there have been minor monetary rewards."

Question

"That really concludes my formal questions, perhaps there are some pearls of wisdom that you might want to share with us on the terms of what you might have done differently, or what really worked for you, or just something that you think people could buy-in to, who want to go down this route, because it is a very longterm process ?"

Response

"I do believe that these improvement systems, and I keep referring to the word 'improvement', I prefer the word 'improvement' to 'quality management', because that is really what you are trying to do, to improve the way you run your company. For the improvement

people, to recognise the people, to give the people accountability, etc. ?"

Response

"My reaction is that I don't believe that you have to change your company dramatically. We certainly did not. We kept the same management structure in line. We maybe flattened it a little, but in a construction organisation like ours, I think that structure is very important, and we didn't change it. All we did was we created a lot of improvement committees that concentrated on improvement, and those committees were at all sorts of levels, they were almost job orientated, like in this Head Office, we had a secretary improvement committee. If you would like to call it a change in management, then yes, it was a change. What I mean is that our structure did not change. What we started doing is that people like the secretaries, the foremen on our sites, they met, so there were these improvements in management."

Question

"Have you done anything on the question of recognition, because that is rather a vexed question ? A lot of companies I have interviewed have said that they are totally against any sort of monetary recognition. "

success. We are only 3 years down the programme, and Murray and Roberts will tell you, they are 7 years down the programme, it is a long process. If I say to you that I think we have improved communication in the company quite dramatically, it is possibly one of our biggest successes. Prior to us going on this thing, one of the comments from someone in the company was that communication was very poor. Now they would say, generally speaking, communication is very good."

Question

"I would like to quote to from 3 authors who wrote an article on TQM in the Sloan Management Review, and then I would like to ask you 2 questions relating to their comments. They say as follows :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements' relinquishing of power.*

Firstly, would you agree with those observations, and secondly, what changes did your organisation bring in in terms of it's management style to empower the

Response

"It seemed fairly easy to get commitment from senior managers, but whether it was genuine or not. If you look around large companies, like LTA, you will find that individual sites are successful, because the individual on that site believes in it, and drives it, and motivates and lives it. They have pockets of succ.ss, and those pockets of success are the really committed ones. A lot of people can come to a meeting and say that they are committed, just to satisfy the boss, but..."

Question

"How successful would you say your organisation has been - did you achieve expectations, did you exeed them or do you believe you did not achieve them - how would you rank your success in this initiative ?"

Response

"I think the success of our initiative has been marred by some major changes in management. The MD, who I was referring to, left the organisation in 1992, there is a new MD now, who has his own ideas as to what should and shouldn't be done, so in our case is possibly a little out of the ordinary in that we have had such major management changes, that it is very difficult to put it on a par with a normal company. But we have achieved, I believe, quite a lot of

TUESDAY - 11 OCTOBER 1994

INTERVIEW WITH MR JP EVERETT

OPERATIONS DIRECTOR, FRANKIPILE SA (PTY) LTD

Question

"Would you please articulate the main reasons why your company decided to go down the TQM route ?"

Response

"The decision was made by the previous MD of this company in 1991. He had been to some presentation by QMA, and thought it was a good idea, and elected to go that route."

Question

"There is a view that for any intervention of this nature to be effective, it has to be driven from the top down. Would you agree with that observation ?"

Response

"199%. It's an absolute necessity. If that doesn't happen, then you can forget it."

Question

"Having said that, there is a great need to get your rank and file employees to buy-in to the process, and to commit themselves to it. How did Frankipile go about getting this commitment and buy-in ?"

being threatened, and what's in it for me."

Response

"I would like to clarify what you mean by middle-management. *C upper.* Because our team leaders are the lower C level. The senior supervisors, are really where things fall down. They are obviously feeling the threat."

long term process ?"

Response

"For the experience or others who are about to go through this process, "Don't try and tackle the entire work place at one time it is a useless job, and we failed quite dismally. To explain, we have obviously shift people working 24 hours a day, 365 days a year. We have non-shift people, and I drew on quite a bit on the experience of the people from Western Deep levels, because what they did, they tried exactly the same thing, they failed, they then went to the day shift people, concentrated on the day shift, when that was up and running, they then only tried on the shift people, when that was up and running, they then only tried it on the shift people. So they had to back track right to the beginning. We haven't taken that step back, we are still progressing with what we have done. I find senior management, very supportive, it is the next level down, that are not supportive. Those are the people you have to convince."

Question

"That is a very interesting comment, could we explore that a little further. That has been a theme which has been pretty common in most of my interviews, there appears to be a feeling by middle-management of being threatened, and what's in it for me."

for organisational-wide change including top managements' relinquishing of power.

Firstly, would you agree with that observation, and secondly, what did yo do at Ergo in terms of changing the way you managed your people, to implement TQM, the question of empowerment, recognition, team work, accountability, etc. ?"

Response

"To answer the first question, I don't believe that top management must relinquish power. Otherwise, that is abdication as far as I am concerned. In terms of accountability, people have really not taken ownership of the process, we have empowered them to do so, but they have not taken ownership of that. I think that the mining industry for too long has had this boss-subordinate relationship. To overcome this, again, I think just carry on stressing the same things over and over again, that you have the power, we want ideas from the bottom, please give them to us."

Question

"That really concludes my formal questions, perhaps there are some pearls of wisdom that you might want to share with us on the terms of what you might have done differently, or what really worked for you, or just something that you think people could buy-in to, who want to go down this route, because it is a very

Question

"Julian, in terms of your expectations of QMA, many overseas companies have found that it has not been panacea that they had hoped it would be. That it didn't achieve their expectations. In terms of Ergo's experience, would you say you achieved your expectations, you exceeded your expectations, or didn't achieve your expectations ?"

Response

"We have not achieved our expectations. The team concept has been fairly well entrenched, but what we are trying to achieve through the team concept is not coming out "

Question

"I would like to quote to from 3 authors who wrote an article on TQM in the Sloan Management Review, and then I would like to ask you 2 questions relating to their comments. They say as follows :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves*

Question

"That is now the end of the official questions, but perhaps you would share with us some pearls of wisdom, which you may think worked well for you, or did not work for you, so that anyone going down this route can maybe learn from the experience of others ?"

Response

"I think, from my perspective, it starts and ends with commitment from senior management and board level. If I talk about commitment, I have visited many an organisation involved with TQM, I have seen the successful ones and the unsuccesful ones, and at the end of the day, we are not talking about a statistical process control, a technical complex process, we are talking about a people process. And therefore, the people who lead the organisation must first and foremost be people-people, and the technocrats, autocrats, just do not make this thing fly. It is an absolute commitment to developing people, forcing down decision-making lower in the organisation, making people responsible and accountable for their work, but instilling the whole concept of pride and the way in which they do things with a very very strong focus in terms of customer. A very, very stong commitment to quality. Walking the talk, and there are organisation who are practising everything about that

grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements' relinquishing of power.

Firstly, would you agree with that observation, and secondly, did your company change certain policies to align it to the new thinking ?"

Response

"No, no changes were made. The last part of the sentence, managements' relinquishing of power. I think some supplementary organisation has to change. But I don't agree with the philosophy that we you have to restructure your organisation. I don't think it is necessary. My personal opinion, in a lot a cases, is that's where a lot of energy gets dissapated, and you actually are chasing your tail. Good TQM is nothing but good common sense business. It is not necessary to reorganise your organisation, just change the mindset of the people. In the classical approach which you get from the Crosby organisation, it virtually puts forward that you have to have a very very big structure to manage your TQM. I think that is where the whole thing falls flat, in that people perceive TQM to be a seperate organisation running parallel to the business as usual. It can never work. It must be integrated."

would you respond to that type of thing ?"

Response

"Yes, those are probably the key pre-requisites for successful culture change or style change, I think the whole TQM has the philosophy of the empowerment of people, and pushing down the authority levels to the lowest level. If that doesn't happen, then the whole process suffers. In our organisation, probably one of the areas that we have suffered most, is from the Director level, there was, in a lot of cases, the absolute reverse - due to tough trading conditions, due to shrinkage in the market, etc., and also, I think in a lot of places people don't understand what is required, and the implications of a truly participative style. I think we have gone the other way - we have become more autocratic and less empowered."

Question

"That brings me then to the statement that these 3 authors make, and it touches on that question of management style. It says :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be*

Response

"We started in 1991, and I think, to date, looking back, we have probably fallen short of our expectations.

Question

"Would you ascribe that to the fact that you have only been at it for 3 years, and that this is a long process ?"

Response

"No. I think it is probably because we had a change in CEO halfway through the process, and that naturally lead to a change in focus, which did not help the TQM process."

Question

"We now come to the crux of my research proposal, and I would like to make a comment and then read to you from 3 authors who wrote an article in the Sloane Management Review, and then ask you some questions around that.

There is a general view that in order for TQM to be success, there needs to be a significant change in management style. Could you please discuss some of the changes in management style that you perceive took place to drive the process, for example, people empowerment, recognition, accountability, etc. How

Question

"Notwithstanding the fact that it has to be top down driven, you have to get your employees to buy-in to the process, and get commitment from them. How did Delta Motor Corporation go about getting that commitment from the rank and file of the employees. Because there is a lot of suspicion amongst workers that this is just another management trick to get them to work harder ?"

Response

"I think that on the whole, it is not a problem to get the employees to commit. It's more difficult to get management minds to change and focus. Generally, the employees welcome effort to improve quality. But having said that, yes, we also spent a lot of time, we involved the rank and file, we involved the shopstewards, we put them through the process first, so they had a full understanding. And we found, time and time again, that employees don't have a problem, management have the problem."

Question

"How long has your organisation been involved in this process, and how successful would you say your organisation has been - did you achieve expectations, did you exeed them or did you fall short of your expectations ?"

WEDNESDAY - 12 OCTOBER 1994

INTERVIEW WITH MR WILLEM FAURE

DEALER TRAINING & DEVELOPMENT MANAGER,

DELTA MOTOR CORPORATION

Question

"Would you please tell me why your company decided to go down the TQM route ?"

Response

"It was really need driven, by the fact that at the time, we were not happy with our product quality index as perceived by the customer, as well as measured by ourselves, and also from the point of view that from a total organisation, the customer rating us someway down, and that was an attempt to get the whole total quality right, so that we could get to become world players."

Question

"There is a view that in order for TQM to work effectively, it has to be driven by the CEO/MD and his senior management team. Would you agree with that observation ?"

Response

"100%."

slogans terminologies, which dont' mean anything to the person at the lower level where it counts. Keep it at the low level, and it can only succeed."

which people are actively looking at for continuous improvment. So to me the two complement each other, and it has worked very well for us."

Question

"That brings me to the end of my formal questions. I would like to ask you one additional question. You have a very good grasp of this whole quality process. Are there any pearls of wisdom which you would like to share with us in terms of what you may have done differently, or what has really worked for you ?"

Response

"My belief when I came in was to get it obviously to the lower level employees. Therefore, we have kept it very simple, and we have committed ourselves to ensure that where employees are involved, they see a reaction to whatever, whether they have identified a problem, or put forward a suggestion, if they are involved in quality meetings, that we make sure that certain things happen to get the credability. Also, I believe there is only one level of quality. If you direct the quality, the structure, the terminology, all the good stuff to the lower level. So if it is simple, and understandable at the lower level, it should be even more understandable and practical at the higher level, so keep it simple and on the ground. Don't keep it up in boardroom with lots of fancy

change of management attitude, management handing over to lower level employees."

Question

"So you have a problem with the last comment about relinquishing power ?"

Response

"I believe that at the end of the day, you could relinquish about 60% of the responsibility of management, and pass it down. But it needs to be over a period of time that as the company grows and people become more aware, and practice quality to a greater extent. But to just do it upfront, carte blanche, I believe you are looking for major hassels. To answer the second question, what we found was very beneficial, because about 2 years, once we got the quality improvement process, which is ongoing, we then went for the implementation of the ISO 9002 quality system, and my belief, and it has worked pretty well for us, that the two go hand in hand. You cannot have one without the other. The system gives you the controls and the discipline that you require. You have documented procedures, work instructions, and policies for all the major activities of the business, and through the quality improvement process, you are continually improving, so in actual fact, you have a controlled scenario, where you have a system

stearing committee, so we all started off in the same direction, and we didn't have this fragmenting of people putting their own interpretations to it. That I think was basically the changing point for us."

Question

"I would like to quote to from 3 authors who wrote an article on TQM in the Sloan Management Review, and then I would like to ask you 2 questions relating to their comments. They say as follows :

> *"TQM is more than a fad or a buzz word. It is even more than a technique to controlling and motivating employees. TQM is a challenge to conventional management techniques and to the theories that underline them, therefore it cannot simply be grafted onto the existing management structures and systems. If it's benefits are to be fully realised, then companies need to prepare themselves for organisational-wide change including top managements' relinquishing of power.*

Firstly, would you agree with that comment, and secondly, did you change company policies and practices in order to facilitate the implementation of this process ?"

Response

"I would agree with it to a certain extent, but I do not believe, initially you need this concept of total

Question

"There is consensus among most authorities on TQM, that a signficant change in management style is required in order to successfully implement TQM. Could you discuss, please, in some detail, the specific changes that were introduced in your company, e.g., empowerment, recognition, accountability ?"

Response

"Initially, it was launched with a big bang, and the quality that had been communicated at that time, lead to a lot of perception by management as to how it should be applied, and what the ground rules should be and involvement of employees were, so people tended to put their interpretation as to what should be happening, and went off on their own little paths, with certain degrees of success, but when you came to inter-relationships between various departments, like in a corporate company like ourselves, there was no meshing because, this guy had gone off this way and another had his own perception, therefore in 1991, what I did was arrange for the senior management to go to the quality college, in order for them to all have have the same outlook and views and perceptions of what should be implemented and how employees should be involved, the levels of empowerment, and that's where it really started to change, because, as a management team, we had what we called a 'quality

it would go to a senior manager, who was a responsible person, he would then feedback a corrective action to the identifier, being one of the lower rank employees, and the employee has the option to accept or reject that corrective action. So that's where we basically started to build up the credibility, and also, the implementation of quality improvement teams, and quality councils, which involved every employee within the company."

Question

"How successful would you say your organisation has been - did you achieve expectations, did you exeed them or do you believe you did not achieve them - how would you rank your success in this initiative ?"

Response

"I believe that since 1991, when we kept the focus, via myself co-ordinating the acti. ties, I think we have progressed from the point that we were, and we are continuing to show improvement in our quality efforts and involvement of the employees, which is really the make or break. If they haven't bought-in, you can just forget about it. It becomes a policing activity.