TOTAL QUALITY MANAGEMENT (TQM) PROGRAMS AND LEADERSHIP

Summary: It is found that TQM involves a new customer focused on stakeholder organization when seen in connection to related innovations that extend beyond existing models of TQM, all of which are incomplete. The model of TQM is new because it is distinct from a model of bureaucracy based on formal rationality, formal rules, and specializations. TQM operates according to reflexive rationality: organization by common goals with the continuous improvement of means through empirical feedback. The focus on customer ends changes quality control into a general process of improvement, which aims at transforming each part of the organization: strategy, marketing, innovation, management, design, operations, accounting, human resources, learning networks, and standards. Leadership in the implementation of TQM philosophy suggests that outstanding action at the individual level carried out by managers is possible and recommended. Key Words: TQM, Leadership, interrelations, organizational behaviors

TQM and business organization models

Many critiques and empirical studies have yielded a wealth of insight about bureaucracy and other forms of organization. The cumulative results provide sufficient pieces for a puzzle that makes it possible to advance a systematic alternative model of organization. Names for this emergent form of organization vary from network organization to collaborative communities. In addition, throughout the last 15 years up to the present we have observed numerous related empirical trends that have contributed to a new organization picture, such as lean production, new competitions, flexible specializations, and more. One of the most significant empirical trends in organizations has been total quality management (TQM) or Six Sigma. Both entail a customer focus, scientific methods, employee participation, and process improvement to lower defects and to reduce costs.

Traditional business managers in bureaucracy models are managing the organization through typically strategy of controlling people or via reports. Today, quality manager's shift from controlling people to controlling system focuses on the way the design of work shapes the results. However, a well-defined management process requires also that managers operationalize goals into action plans to facilitate the implementation of TQM. Managers are supposed to be more hands-on and evaluate the efficiency and effectiveness of their own processes, for example, through employee feedback. In this new type of organization, managers have a new role. They should exemplify the principle of management by demonstrating that legitimate decisions are being made using scientific methods to discover what customers need and to improve processes. Management is an activity in which everyone can participate by inspecting their own work and spending time on improving it and interacting with customers.

On the other hand, Cole argues that TQM is primarily a new quality paradigm, and although it has many new organizational characteristics, it is not an entirely new form of organization. Without making all the organizational changes suggested by the gurus, the automotive and electronics industries have matched Japanese firms in quality levels which are defined primarily by defect rates for products. Total quality is a new strategy that requires some organizational changes. Its strategic importance is evidenced by quality job titles being redefined from low-level inspector jobs to higher-level management positions. In addition, there have been more CEOs recruited from the ranks of quality managers than from production, finance or human resources. Organizational changes in successful implementation have involved 1) top management support, 2) building customer expectations into product design, 3) integration of product design with manufacturing, 4) reducing the number of suppliers, 5) continuous improvement, and 6) control of business processes.

TQM and management process

The management process in these new environments consists of coordination of work by managers and employees. In TQM, management is an activity, not just a position. The employee's main activity is self-inspection and improvement of processes. The employee's role can be best defined as finding and implementing quality improvement, despite the quality movement maxim that CEOs and executives must lead and be personally involved. In the total quality firm, however, management is supposed to walk the talk and implement objectives. The nature of the CEO's role can best be defined in terms of the specific managers' processes, found in quality policy deployment. Quality policy deployment clarifies the roles of managers in areas such as support, vertical alignment and horizontal alignment of goals. Alignment is the coordination of all activities around the pull of data about customer value: from customer needs to metrics for each work site and for overall system effectiveness. Managers support employees by facilitating processes to create knowledge to manage and improve their work. Managers strive to make decisions in collaboration with those closest to the work informed with fact-based data for management.

Disconnects between managers and employees have been identified as the principal obstacle to implementing TQM. In situations with no policy deployment or audits, management can be completely disconnected from employees and have no means for implementing TQM. The political nature of TQM in many firms precludes any negative reporting about TQM implementation problems. An intervention to diagnose this situation and begin a relationship between labor and management is Designed Organizational Fitness
Provisioning. This is obtained by gaining the employees' trust and then presenting it to management. In this way, management begins based on fact.

As mentioned above, the traditional roles of managers have focused on ordering and controlling employees according to their individual results. It is also common to hear of alternative roles for managers such as coaching and facilitating, but what needs to be specified is precisely what managers are coaching and facilitating. The response for this from TQM is that the new role of managers is to facilitate the creation of systems and to coach employees. TQM is essentially a system of knowledge creation for employees to control and improve results. In this way, management is understood to be as much an activity as a position.

In this model, the management leadership process appears on the first plane. This type of leadership means that management must have the discipline to follow processes. If management is not following the basic principles of TQM then the more sophisticated management processes will not even be attempted. The management process under total quality is the process determining the extent of implementation of total quality. The management process could be considered the litmus test for whether TQM is actually implemented and for the quality of managers' leadership.

**TQM and Leadership**

Leadership, according to Mintzberg206, is one of the functions of managers, and is understood as the responsibility for directing and motivating employees through the integration of individual needs with organizational goals. The essence of leadership is based on the ability to influence subordinates205. Following this definition, leadership refers to personality traits (personal attributes and characteristics and what leaders do); the characteristic behaviors of leaders to exert influence over others; patterns of behavior with others; functions and authority associated with a formal position.

Puffer and McCarthy208 suggest that leadership can be exercised formally through legitimate authority, or informally, through personal influence. Ferreira et al., also present two types of leadership: Transactional and transformational leadership. Transactional leadership seeks only to reconcile and harmonize the goals through simple exchange of ideas and conflict management. The transactional leader directs and motivates his team towards its objectives through clarification of roles and definition of the requirements of the activities. At present we can observe that current forms of socialization and the change in values make people less receptive to authoritarianism and paternalism, which are typical of the industrial era, thereby making the idea of the director as someone who has unique knowledge or who has the last word to utter in all cases.

Transformational leadership is characterized by the creation of additional value through using the synergy of the group. This fact is reflected on the modeling and transforming of individual motivations and group values in one set, which permits the new objective definition and new and more ambitious forms of joint actions. Transformational leadership compared to transactional leadership means the possibility to achieve business excellence based on the ability to achieve levels of performance and to gain dedication from employees who go beyond what would happen with transactional leadership.

As we mentioned before, quality management is a management subsystem that includes all activities of the organization such as: determination, policy, objectives, responsibilities and implementation, through means such as planning, control, assurance and improving quality.209 Thus, we can define the main objective of the TQM (Total Quality Management) as the implementation of continuous improvement of company performance, which makes it possible to meet the needs of internal and external stakeholders at the same time.210 It is also the specific tool to improve the competitive position of the organization through significant participation on the part of workers in fulfilling the mission of the organization and implementation of business processes.211 Its implementation means and requires achieving full coverage of the organizing effort at the same time. "A full coverage" is a term that includes employees, suppliers and customers working together in a common mode to achieve improved quality of products and processes. The key attributes of TQM are:  
- Customer Focus.  
- Planning and strategic management.  
- Continuous improvement.  
- Empowerment and teamwork.

The staging of the TQM process also produces a change in the leader's position in collaborative relationships. As we can see, the management processes carried out in accordance with the principles of TQM have in most cases an outward orientation. In this environment, we must recognize the inability to exercise personal (transactional) leadership, as we believe it is not possible to obtain effective control of all external forces involved in the process. We believe that, taking into account the central concept of TQM, it is the organization that can best respond to external pressures and play a leadership role. Organizational leadership (transformational) also actively contributes to environment-related issues such as participation in decision making, empowerment, delegation of responsibility and others.

Organizational leadership does not mean a waiver by personal leaders of their participation in the improvement process. It only involves a change in the direction of their decisions. We continue to believe it is essential that senior leaders provide a vision to guide and coordinate the efforts of workers to strengthen the responses to external pressures. The dualities of leadership – that is, an external focus on organizational leadership and vision / dispersion of personal leadership – are the characteristics of leadership in organizations adopting TQM. However, we must remember that the TQM strategy and efforts for its implementation should be integrated into the business strategy of the organization and not go against the strategies defined and implemented by all participants in collaborative arrangements. Still, we must also recognize the difficulties involved in its implementation, especially in the area of costs.212

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While TQM was successful in many companies such as Motorola, Xerox and British Airways, it nevertheless also failed in many cases. This shows that, in practice, the concept of TQM is not easily applicable. In cases of failure, what stood out was 1) a lack of definition and knowledge of the elements that are part of the concept, 2) the lack of practice knowledge in its implementation and / or the lack of strong leadership and / or 3) a misunderstanding of the organizational culture. Leadership can be considered as a "critical" factor from the point of view of quality. Following Edgeman and Rodgers, it is an approach that makes it possible to achieve business excellence (BPE - Business, Performance, and Excellence), a principal factor of TQM and more difficult to implement.

Models of interrelationships

Theories of leadership and philosophy of TQM have as their main objective the improvement of organizational performance and the increase of employee job satisfaction, which reinforces the interdependence between them. Despite the similarities between TQM and leadership theories, there are also differences between these two elements. For example, while TQM focuses on the external stakeholders (customers, suppliers, stakeholders, public agencies) in order to overcome the limitations and requirements, most theories of leadership (other than contingency theories and charismatic leadership) traditionally focus on the processes, internal results and their contribution to organizational performance.

Spychala describes the relationship between them from the point of view of the involvement of leadership in the formation and implementation of TQM in organizations. The basic issues of such participation (visible) can be summarized in the following aspects:

- Building a total quality culture.
- The regular assessment of team performance and people.
- Continuing education and general education of workers.
- The ability to work together.
- Creating an environment conducive to the inclusion of all in an effort to promote quality.
- Determining quality jobs - a precise definition of the objectives of the action and active dissemination of TQM outside the organization.
- Participation in relationships with customers and suppliers.

On the other hand, Puffer and McCarthy, when analyzing the issue of the relationship between leadership and TQM, have incorporated traditional leadership theory and TQM theory into the concept and practice of TQM. From their point of view, the most important components of these relationships are:

- The role of visionary leadership from senior management - which includes the responsibility to initiate and sustain efforts in the process of TQM and to possess the traits of effective leadership to inspire others, thereby creating a vision that promotes change, innovation and risk recognition.
- The leadership behaviors of all employees. Not only has the senior management taken the lead role, as they previously recognized the responsibility and leadership of all employees of the organizations with TQM. That is, it is expected that all employees should demonstrate leadership behaviors in four areas: information search, construction and development of relationships, influence on others, and decision making. These activities were formerly reserved for managers.
- The influence of external stakeholders on the leadership exercised by senior management, as well as workers. Other stakeholders exert pressure on organizational leadership for incorporating their particular goals and values in the decisions of the organization.
- Exercised leadership in TQM programs must be effective leadership. The effectiveness is the next question that we asked. The effective leader or effective leadership should be based on:
  - Ability to work (motivation to perform, ambition, energy, tenacity, initiative).
  - Motivation for leadership (the desire to lead and influence others, accepting responsibility for taking action and sharing of power).
  - Honesty and integrity (credibility, reliability, consistency, truth telling, strong moral character).
  - Trust (decision making under uncertainty, overcoming obstacles, and accepting responsibility for errors, risk taking, emotional control, and avoiding anger).
  - Cognitive function (process information, develop strategies, problem solving).
  - Knowledge of business and its area of operation.
  - Charisma (inspire followers, persuading, setting standards).

Leadership as part of the philosophy of TQM must be characterized not only with the elements and factors presented above. Leadership also means a different behavior for managers seeking to establish or participate actively in the TQM development process, especially from senior management, the leader must:

- Inform and be informed about decisions, plans and activities, functions, objectives and the status of the external and internal environment, making possible assessment of the situation and needs related to their evolution.
- Build and maintain the relationships in formal communication networks (especially wheel models that ensure the constant appearance of the leader, high fidelity, rapid communication but small satisfaction of group members), which manage the conflicts and build the teams.
- Influence on other participants, motivate, recognize and distribute rewards to increase the intensity, direction and persistence of workers' efforts to achieve company goals.
- Make decisions that result in the promotion of creativity and the ability to create new and useful ideas, that eliminate psychological routines and make learning to think differently possible; problem solving, activity planning and organization, listening to others and delegation of authority (Puffer and McCarthy (1996)).
Regino and Silva are extending the behavioral characteristics of managers in their work as follows:

- Leadership and visionary leadership require certainty of purpose and a facilitator of compliance with the mission or vision.
- Clear and accurate communication about the direction of their decisions which unify and motivate other leaders.
- Develop and implement the organization’s values, ethics, culture, systems and structure that provide stakeholders with a unique identity.
- Leaders must inspire others to excellence, encouraging exemplary performance and results.
- In times of instability the leadership is based on 1) constancy of purpose, 2) balance (which is not defined yet), both of which inspire trust and commitment from stakeholders in adaptability and alignment in the direction of the organization.

If we look at the business environment today, we can easily find organizations that follow the traditional management process, obtaining positive results. The value of the philosophy of TQM and the improvement of the expected results has not always been due to following models. However, it is worth comparing the two models, noting the main differences between both types of organization. These differences are summarized as follows:

- Strategic leadership is more important in organizations that implement TQM because it emphasizes the alignment of internal and external objectives.
- Visionary leadership is more important in organizations that implement TQM, since the success of TQM depends on a shared vision and common objectives for all employees.
- The preparation (drafting) of a reward system is more important in organizations than the implementation of TQM to stimulate creativity and innovation, which are essentials for continuous improvement.
- Delegation of authority (empowerment) and teamwork are more important in organizations that implement TQM because it emphasizes the response to customer concerns through the leadership from all, as well as the exchange of information and experience.

Conclusions

Our observations of different models, which describe the interrelations between the philosophy of TQM and leadership have allowed us to formulate a set of conclusions. First, we would like to emphasize the confusing and superficial character of the model presented by Regino and Silva. This model could be considered as one of the adjustments to the model developed by Puffer and McCarthy. This is an adaptation without adding anything new and important, while the model presented by Spychala goes a little further than the dominant approach, highlighting the instrumental dimension of these relationships.

Secondly, leadership in the implementation phase of quality programs (TQM) plays a role as a force that determines the success or failure of this process of organizational change - a change that is transformational and macro-organizational. These changes in the culture of organizations include profound changes in the management process and structure. However, we note that this process of change is similar to any other type of transformational change because it is not limited only to issues of quality.

Thirdly, leadership in quality maintenance programs plays a role in ensuring the continuity and sustainability of TQM. Leadership, through monitoring and adaptation to changes in internal and external environments, strengthens its incremental nature. Reflective rationality in organizations leads to common goals that sometimes reach a level of a common good. Nevertheless, many efforts to implement TQM are limited and lack a systematic model to guide it. Sociology can play a role in providing models of organizations, institutions and social processes that have strengths not found in management literature influenced by the economist’s model of the firm.

References: