

# TQManager

A Practical Guide for Managing in a Total Quality Organization



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93-4588 CIP The Jossey-Bass Management Series We dedicate this book to America's middle managers, whose good sense and readiness to learn are so essential to the quality and success of the organizations they serve.

### **PREFACE**

So it's finally happened! Your organization is going for TQM. There were rumors first, then it became official. From now on the watchword is *quality*, and that watchword has a clear, simple definition: *customer satisfaction*.

You had heard and read about Total Quality Management before, but you had never really taken the time to get into the nuts and bolts of it. Now, however, you realize that your career depends on becoming an effective TQManager. That means understanding what this new approach to management is all about, how it affects your role as a manager, and what particular competencies you must acquire or sharpen.

## A WORD TO THE READER ABOUT THIS BOOK

The purpose of TQManager is to give you a crash course in Total Quality Management. We surveyed working TQManagers about what they need to know to succeed in a Total Quality organization, and, from our sample of successful and unsuccessful managers, we have learned which concepts and

competencies TQManagers must use in order to survive, contribute, and advance in their organizations. We have boiled these concepts and competencies down to the basics to make the information more easily available.

We've organized the book into three parts. Part One deals with the concepts the TQManager needs to know about TQM and the many challenges it poses. Part Two presents the five key TQManagerial competencies and shows why they're important and how they can be developed. The third part offers resources that help you assess your managerial style and lists sources of help for your personal continual improvement.

#### **OUR "CUSTOMERS"**

We intend *TQManager* to be useful to a wide range of managers. Our primary audience consists of those who are part of a Total Quality organization and want to get a more solid understanding of how they can be most effective in their changing role. This crash course in TQM should also be useful to any manager who is about to join a Total Quality organization, as well as to executives, administrators, and managers who are considering Total Quality for their organizations but aren't certain about what will be expected of them.

As you begin your journey, we want to congratulate you. You and your organization have now joined the Quality Revolution—the most significant shift in American management thought and practice since the Industrial Revolution a century ago. Be ready to learn new ways to approach your job and deal with your colleagues. It can be a fresh adventure for everyone in your organization, and it may well determine your chance to survive in a rapidly changing and increasingly competitive world.

Los Angeles, California July 1993

Warren H. Schmidt Jerome P. Finnigan

### THE AUTHORS

Warren H. Schmidt is professor emeritus of public administration at the University of Southern California. He received his A.B. degree (1942) from Wayne State University in journalism, his M.Div. degree (1945) from Concordia Theological Seminary in St. Louis, and his Ph.D. degree (1949) from Washington University in psychology. He served on the faculties of the University of Missouri, Union College, and Springfield College before joining the faculty at the University of California, Los Angeles (UCLA) in 1955, where he held a number of administrative and faculty positions, including director of the Unified MBA Program and dean of executive education in the Graduate School of Management. He was granted emeritus status when he left UCLA in 1976 to join the faculty of the School of Public Administration at the University of Southern California.

Schmidt's writings and teaching in leadership, group dynamics, and organization development have been directed toward making organizations more productive and satisfying places to work. He is author of several books and more than one hundred articles. One of his articles, "How to Choose a Leadership Pattern" (coauthored with Robert Tannenbaum for the *Harvard Business Review*), was designated an HBR

Classic and has sold more than one million offprints. He has also been the writer or adviser for more than seventy management and educational films. One of his animated films, *Is It Always Right to Be Right?* won an Academy Award in 1971 and was named Training Film of the Decade by the Industrial Film Board in 1980.

In addition to his academic work, Schmidt has served as chair of the Los Angeles County Economy and Efficiency Commission and currently is a member of the Los Angeles City Quality and Productivity Commission. He is a past board member of the NTL Institute and the board of governors of the American Society for Training and Development. He is a certified psychologist in California and a diplomate of the American Board of Professional Psychology. He has conducted executive and management seminars throughout the United States and abroad.

Jerome P. Finnigan is human resources manager for Xerox Corporation's Systems Competency Unit. He earned his A.B. degree (1959) from the University of San Francisco in English and was an intern in public affairs (1960) with the Coro Foundation. He joined Xerox in 1966 and has held a variety of human resource positions in Los Angeles and Rochester, New York.

Finnigan's assignments have largely been in human resource development and organization development. He was an early advocate of quality circles in the late 1970s and was acting quality officer for the printing systems division during Xerox's implementation of Total Quality. He is a frequent lecturer at UCLA on Total Quality Management.

Finnigan is affiliated with the American Society for Training and Development and the National Alliance of Business. He is past chair of the California Business Consortium for Management in Education and was a member of the state committee that wrote California's Strategic Plan for Educational Options in the Twenty-First Century: Roads to the Future. Finnigan also served on the committee of the National Center for Research in Vocational Education, which drafted

New Designs for the Comprehensive High School for the U.S. Department of Education. He is currently a member of California's Adult Education Steering Committee.

Warren H. Schmidt and Jerome P. Finnigan are coauthors of The Race Without a Finish Line: America's Quest for Total Quality (1992).

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#### **PART ONE**

## WHAT YOU NEED TO KNOW ABOUT TQM

As managers we develop our perception of our bosses, subordinates, and colleagues over a period of years. We acquire a whole range of assumptions, attitudes, and strategies for handling our responsibilities and getting the job done. We find what works and what fails in our dealings with the rest of the organization. Our theory of management works for us most of the time.

When a new management theory comes along, we are both curious and skeptical. When we are asked to change our behavior, that curiosity and skepticism is intensified. This is now *serious*—and maybe even a bit threatening.

Total Quality Management is a new way of thinking about organizations and how people should relate and work in them. It's natural and sensible to ask a lot of questions, ranging from "What is TQM?" to "What am I supposed to do differently in a TQManaged organization?"

This first part tries to answer these two basic questions. The first chapter is designed to give you an overview of TQM and to help you understand why it has gained such popularity in the management community. We also deal with questions like "What do I have to learn that is new?" and "Are there management theories and practices that I should discard?"

The second chapter focuses on what TQM means to you as a manager and on the challenges it poses to you in your approach to your job. We'll discuss some of the background of TQM, but mostly we'll focus on what is required of the TQManager—the manager who functions effectively in an organization committed to Total Quality Management.

Welcome to the wondrous world of TQM, and to some exciting new ways to think about your job, your colleagues, and your organization!

### Understanding the Concept

When your chief executive or your boss tells you, "We're going to implement Total Quality Management in this organization," it's natural to ask a number of questions, like "What is TQM, anyway?" "What made them decide to pursue this approach to management?" "What's wrong with what we've been doing all these years?" "Is this something I should take seriously, or is it another one of those management fads that is likely to be replaced by something else in the future?"

If your key executives have done their homework, you can be pretty sure that life in your organization is going to change significantly in the upcoming months and years. You and your colleagues will be expected to relate differently and communicate differently than you have in the past. Methods of evaluating work and making decisions will change. Priorities will shift. Most important of all, adopting TQM as the guiding philosophy for your organization also means that you will have a better chance to survive and flourish in the twenty-first century. (The reason for this is spelled out more fully in Chapter Two.)

As part of our preparation for writing this book, we asked executives from TQManaged public and private organizations in various parts of the country to identify middle managers

who seemed particularly successful in adjusting to the TQM way of operation. We asked these managers about their first reactions to TQM and how TQM changed the way they do their jobs. We asked them what new concepts or skills they had to learn and how they apportion their time to their various responsibilities. We also asked them what advice they would give to managers in organizations that are becoming—or are about to become—TQManaged.

Our survey and interviews of managers who have successfully made the transition to TQM indicate that TQManagers want to know the answers to these questions:

- 1. What are the basic ideas behind TQM?
- 2. How is TQM different from traditional management?
- 3. What are the stumbling blocks that a TQManager should know about?
- 4. Why has TQM become so popular?
- 5. Why has TQM succeeded in some organizations and failed in others?

## WHAT ARE THE BASIC IDEAS BEHIND TQM?

As you become a TQManager, you will want to be clear on the underlying assumptions and guiding principles of TQM and what they mean for the way you approach your job. You will discover that some beliefs about how work gets done are no longer valid, while others have become more important. After surveying many managers who have made a successful transition to TQM behavior, we found that it is important to have a solid understanding of the following basic concepts:

Organizations are made up of a complex system of customers and suppliers, with every individual executive, manager, and worker functioning as both a supplier and a customer.

- Quality—meeting the customer's requirements—is the priority goal and is presumed to be the key to organizational survival and growth.
- Continuous improvement is the guiding principle. This
  goes for the product or service you produce and for your
  own competence on the job; TQM organizations are
  learning organizations and depend on their people becoming increasingly competent and creative.
- Teams and groups are primary vehicles for planning and problem solving.
- Developing relationships of openness and trust among members of the organization at all levels is the key condition for success.

Let's discuss each of these ideas and ask why they've gotten so much attention in the last decade. In the second part of this book we describe how your behavior as a manager will change, but for now, let's just get a clear understanding of how to think about your TQManaged organization.

## Your Organization Is a Complex System of Customers and Suppliers

Many people, when asked to describe their organization, will begin to draw an organizational chart or talk about divisions and departments, lines of authority, and bosses and subordinates. In TQManaged organizations, people are more likely to pay attention to who supplies them with what they need to do their job and who the customer is for what they produce. In a company that has a fleet of trucks, truck drivers are the customers of mechanics who service their trucks. To improve service to the drivers, the mechanics interview them and determine their expectations about schedules and the type of work to be done. In turn, the mechanics are the customers of the parts and supplies departments, which routinely ask them about their expectations for timely delivery of the right parts. For each transaction there is a supplier and a customer, who