

# IE407 Total Quality Management

## Lecture 07

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## Reminder: SA grade

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- ▶ SA grade will be determined by the attendance system
- ▶ More than 8 absents will automatically lead to SA grade
- ▶ Please be careful about your attendance in lectures





## Besterfield Chapter 2: Leadership





# Role of TQM Leaders

# TQM Leaders and Their Roles

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- ▶ Leadership is necessary to bring about change of culture in an organization towards better quality
- ▶ Culture will not change by itself for the better
- ▶ Sustained efforts are needed to change the mindset and it takes time



# CEO and Senior Management

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- ▶ CEO and senior managers have a primary leadership role in initiating and sustaining the efforts for transition to TQM culture
  - ▶ For this purpose CEO and his team of senior managers must learn TQM philosophy and quality control techniques through formal training and reading books and articles
  - ▶ They should actively participate in the quality council
  - ▶ For example, Jack Welch instituted leadership training at all levels and all functions in General Electric to develop quality control leaders



# CEO and Senior Management - 2

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- ▶ CEO and senior management have control of organization's resources and they must provide needed resources to train employees in TQM tools and techniques, the technical requirements of the job, and safety
- ▶ Senior managers should lead by demonstrating, communicating, and reinforcing quality statements
  - ▶ They can do this by serving on teams, coaching teams and teaching seminars
  - ▶ As a rule of thumb, they should spend about one-third of their time on quality



# CEO and Senior Management - 3

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- ▶ Communication is another very important role for senior management to create awareness of the importance of TQM and share results of TQM efforts on a regular basis
  - ▶ TQM ideas must be 'sold' to employees for their acceptance
  - ▶ Communication with customers, suppliers, media, advertizing and interaction with the quality community is also important to promote quality image of the organization
- ▶ Senior managers should listen to internal and external customers and suppliers through visits, focus groups, and surveys
  - ▶ This information is a valuable input for developing core values and process improvement projects





# CEO and Senior Management - 4

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- ▶ Senior management must reward quality improvement related efforts and should celebrate successes
  - ▶ They should include quality improvement performance in incentive and compensation plans
  - ▶ Teams and creative individuals should be rewarded quality improvement ideas



# CEO and Senior Management - 5

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- ▶ Only with the involvement of senior management using the preceding suggestions will it be possible to change the culture by:
  - ▶ Driving fear out of the organization
  - ▶ Breaking down barriers
  - ▶ Removing system roadblocks
  - ▶ Anticipating and minimizing resistance to change



# Management by Walking Around

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- ▶ Management by walking around (MBWA) is an excellent technique to obtain first hand knowledge of what is going on in the organization
  - ▶ Japanese call it Gemba Leadership
    - ▶ For example, Kinko's executives perform normal operating duties for two or three days at one location
  - ▶ Henry Ford practiced it extensively
- ▶ MBWA can substantially reduce paperwork
  - ▶ Only important messages should be written that need to be part of permanent record



# Approach to Problem Solving and Decision Making

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- ▶ Push problem solving and decision making to the lowest appropriate level by delegating authority and responsibility
  - ▶ Let the employees think for themselves
- ▶ The role of senior management is to make sure that the team's decision is aligned with the quality statements of the organization





# Quality Council

# Quality Council

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- ▶ Quality council is an organizational unit created to steer and oversee TQM efforts
- ▶ Quality council is the driver for the TQM engine
  - ▶ Quality council is established to provide overall direction for the TQM program in an organization
  - ▶ Typically, it consists of CEO, senior managers of functional areas (design, marketing, finance, production and quality), and a coordinator or consultant
    - ▶ A representative from union can also serve as a member
- ▶ A coordinator is necessary to take up added duties
  - ▶ A bright young person with executive potential
  - ▶ Reports to the CEO
  - ▶ His/her responsibility is to build two way trust



# Quality Council - 2

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- ▶ In smaller organizations the number of members in quality council will be small and an external consultant can be engaged to act as coordinator
- ▶ In large organizations quality councils are also established at lower levels of the organization
  - ▶ Their duties are similar but relate to that particular level in the organization
- ▶ Initially there will be more work for the quality council members but in the long run their jobs will become easier
- ▶ Eventually, within three to five years, all the TQM related activities will become part of the organizational culture and quality council will no longer be needed



# Role of Coordinator

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## ▶ Main responsibilities

- ▶ To build two-way trust
  - ▶ Propose team needs to the council
  - ▶ Share council expectations with the teams
- ▶ Brief the council on team progress
- ▶ Ensure that the teams are empowered and know their responsibilities

## ▶ Coordinator's activities

- ▶ To assist the team leaders
- ▶ Share lessons learned among teams
- ▶ Have regular leaders' meetings





# Duties of Quality Council

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- ▶ Develop the core values, vision statement, mission statement, and quality policy statement
  - ▶ This should be done with inputs from all concerned
- ▶ Develop the strategic long-term plan with goals and the annual quality improvement plan with objectives
- ▶ Create the total education and training plan
- ▶ Determine and continually monitor the cost of poor quality
- ▶ Determine the performance measures for the organization, approve those for the functional areas, and monitor them



# References

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- ▶ Besterfield, Dale H. and others. 2019. *Total Quality Management*, 5th edition. Pearson India

