TQM in Public Sector: Key Success Factors

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ABSTRACT

All organisation improvement programs have one thing in common; their success depends on the effectiveness of many collective efforts, rather than a single heroic effort. Total Quality Management (TQM) has long been implemented and the implementation has inspired the growth of public sector, balanced and sustained the success of public sector throughout the years. This paper will examine three key success factors of TQM, namely the leadership characteristics, employee characteristics and organisational factors which will contribute to the excellence of UiTM Pahang. The study reveals that among the three factors, the role of managers or top leaders are pivotal to maintain a higher quality organisation.

Keywords: *Employee characteristics, leadership characteristics, organisational factors, total quality management*

Introduction

Efforts to inculcate sound quality culture in the public sector were marked by the launch of the Excellent Work Culture in 1989 by the Prime Minister of Malaysia. The movement lays the foundation for introducing quality values through a work culture that emphasizes on excellence. In consolidating the movement, the Development Administration Circular (DAC) No.1 Year 1992 titled "Guidelines On Total Quality Management For The Civil Service" was introduced in 1992 to explain more clearly the method of procedure and work process review as well as continuous improvement. The DAC was a guideline to Government agencies on how to go about ensuring the provision of quality services to the public.

Despite the move towards a better quality service, there are still lots of irks from the customers with regards to long waits and errors in the out-

put of the transaction such as names wrongly spelt, as well as delays in approvals and many other issues that made headlines in the local newspapers. In the interim, it may be useful to think that TQM is simply an important milestone in an ongoing evolution of the field of management. TQM is the buzzword that marks the beginning of a new era in which managers will focus on customer values, cross-functional systems and continuous improvement. These three themes will be discussed in this paper; paying particular attention to the Civil Service in Malaysia such as UiTM Pahang.

The selection of Malaysian Civil Service as the research item is mainly due to the increased attention given to the better quality in service and the increased emphasis by the Prime Minister to continue seeking improvement, rather than settling into another period of preserving the status quo.

TQM is a management philosophy that advocates every employee in an organisation where they must be involved in making improvements to work processes in order to meet customer expectations. It encompasses the entire organisation, ranging from supplier to customer and stresses on the commitment made by the management, to have a continuing company-wide drive toward excellence in all aspects of products and services that are important to customers (Render & Heizer, 1996). TQM has been applied by many quality-oriented organisations in order to achieve benefits such as enhanced customer satisfaction, improve quality of goods and services, productivity and profits, and reduced waste and cost. Although TQM emerged from the manufacturing industry, customer focus and the use of traditional quality control techniques outside the production area, have enabled TQM to be used in service industry, government agencies, private industries, health care organisations, and education. TQM is a way of managing the application of certain practices and techniques of an organisation to improve the effectiveness, efficiency, flexibility, and competitiveness of a business as a whole. It involves a holistic approach of getting organised and committed to quality in each department, each activity, and each person, at each level. TQM recognises that, for an organisation to be truly effective, each of its part must work smoothly with the other parts, because every person and every activity affects and in turn is affected by others. And TQM is concerned chiefly with changing attitudes and skills so that the culture of the organisation becomes one of preventing failure and the norm that of operating right first time (Lock, 1994).

Literature Review

Building a total quality management environment is important because

quality decisions influence each phase of building and managing world-class operations. Total quality does not just happen. An active management process driven from the top has to ensure the systems and processes are in place, to ensure it happens. Several studies have proven that TQM practices have a positive impact on organisational performance. Yu Yuan (2004) conducted a research on the TQM Strategy in Australia to examine the key concepts of TQM implementation and their effects on organisational performance. It discussed on how process alignment and people involvement affect organisational performance. The research was based on a survey from Australia's top 1000 companies. For TQM to be successful, the research found that management processes must be aligned and integrated within a TQM environment. Management Process Alignment includes Horizontal Structure Alignment, Strategy Alignment, and Information Technology Competency Alignment. For example, the bureaucratic system must be transformed, strategies must be aligned, and information system must be integrated to make sure TQM's success. And the quality management process will be successful when it integrates with every employee's activities or called People Involvement. These two concepts are positively associated with organisational performance.

In addition, a study by Agus (2004) on TQM on the Public Service Sector in Malaysia indicates that strong and positive association between TQM, overall service performance and customer satisfaction. The study reveals that employee focus, training and customer focus are important elements in TQM implementation in the Malaysian service sector. Every worker must be empowered to improve customer satisfaction because without employee's commitment, the organisation will not achieve the quality needed. And the employees should receive necessary training because training and education are very important in order to adapt for a change in organisation. The last element in achieving TQM implementation is customer focus. Customer focus is the focus on achieving customer's satisfaction. TQM makes customer satisfaction as one of their organisation goals. The emphasis on quality would result in organisational gains.

According to Sui Pheng and Teo (2004), the implementation of TQM in construction firms experience a lot of benefits such as reduction in quality costs and better employee job satisfaction. They do not need to attend to defects and client complaints, but when they receive recognition from clients, work are carried out correctly right from start. This is the result of proper quality management systems from subcontractors, and closer relationship with subcontractors and suppliers. Idris et al. (1996) showed that the electrical and electronic engineering industry in Malaysia has widely adopted TQM and the main benefits resulted were improved in customer satisfaction, teamwork, productivity, communication, and efficiency. The

experiences of applying TQM concepts provided the organisation with improvements, information, and learning that occurred only because of TQM's processes.

Further discussion was made is by Lee (2004). In his research, he had conducted a survey on Chinese small manufacturers on TQM and its practices. Even though TQM programs were well recognised by Chinese small firms, TQM benefits have not been fully explored. The survey results showed that Chinese small manufacturers who were affiliated with foreign firms technically or financially were well ahead of most of local firms in implementing TQM programs. The survey found that 43.75 percent of responding firms (49 out of 112 firms) perceived that TQM as a cost-saving tool through inventory reduction.

Background of TQM in the Malaysian Civil Service

Since the introduction of TQM in 1992, many agencies including UiTM Pahang have made many efforts to adopt TQM although several degrees of implementation and the impact vary from agencies to agencies. Agencies went through three stages of TQM implementation, namely, raising awareness, implementing various TQM based actions and sustaining its implementation. Most agencies are currently at the third stage of ensuring sustained improvement efforts in line with the kaizen concept. These efforts have been facilitated by the availability and application of computer technology which enable the government to store and update information systematically, thus, enabling faster and more accurate decision-making by management. In this regard, the implementation of MS ISO 9001 also contributed to the sustained efforts of agencies in implementing TQM. Such example can be seen in the managing departments of UiTM Pahang.

In encouraging agencies to excel and continually improve services, the Government recognises their achievement by providing various incentives namely the Prime Minister's Quality Award, and the Public Service Quality Award. These rewards provide recognition in the area of quality management to three agencies in three categories namely the Chief Secretary to the Government Quality Award, The Director General of Public Service Quality Award and Director General of MAMPU (Malaysian Administration Modernization and Management Planning Unit) Quality Award; Public Service Innovation Award; Public Service Special Awards in Financial Management; Management of Counter Services; File Management; Project Management; Human Resource Management; Information Technology Management; Performance Indicator Award; District Office Quality Award and many other recognitions awards.

Key Success Factors

In identifying the key success factors of TQM implementation, the writers draw from the literature on TQM which gives focus on managing change, implementation theory and leadership. The writers further categorise these into leadership characteristics, employee characteristics and organisational factors.

Leadership Characteristics

The role of top management is pivotal in ensuring quality services in any organisation. It begins with the setting of objectives by top management because it determines the focus of an organisation's activities and the standard of the output. Besides that, leadership style plays an important role in transforming objectives into reality and in providing a vision for change. There are two types of leaders in relation to TQM – the transactional leaders and transformational leaders. Transactional leaders reward their followers for complying with their directives. Transformational leaders, on the other hand, could make their followers aware of the importance of the tasks they were performing and make personal sacrifices in achieving objectives (Bounds et al., 1994). In terms of enhancing TQM, transformational leaders are more notable in harnessing employee motivation whilst taking into account personal development.

The approach of top-down is strongly emphasized by the Chief Secretary General in the implementation of TQM. The importance of top management in setting the direction of the organisation, establishing the machinery and policy and committing resources for change means that most implementation efforts will be top-down. However, in order to succeed in the implementation of TQM, the writers believe that the approach should be a mixture of top-down and bottom-up. The reason is the role of a leader is more perceived as a change agent in TQM, whereas the bottom-up approach should be used to obtain feedback from those affected by the policy initiatives and changes made by the top leaders.

Employee Characteristics

Factors such as age, grade of the position, years of service have some influence on the implementation of TQM. In this regard, it is logical to expect that the lower rank employees have more support towards the implementation of TQM since they would benefit in terms of gaining greater control over their jobs. However, the more educated an employee is, the more receptive he is to new ideas. However, it is equally plausible that the highly educated employees are usually those who are in the higher ranked position, could foresee the difficulties in implementing TQM in

public sector environment, as improvements can take a long time to be materialised.

It is also possible to regard that most TQM based actions which are implemented in an organisation are not reflected in performance standards. There is a weak linkage between TQM and the reward system, lack of benchmarking, inadequate training in quality and resistance to change among employees.

Organisational Factors

Organisational factors such as culture and ethics are closely related to quality improvement. Leaders who can champion the culture of quality improvement in an organisation will see the organisation flourish and the organisation truly transforms itself into a higher quality organisation. Studies have also shown that culture is the significant determinant in organisational performance (Kotter & Heskett, 1992). An innovative culture will support TQM ideas that strive to re-examine the way processes are done.

In public sector, greater emphasis has been put in place since the newly appointed Prime Minister came in power. With his slogan of "Cemerlang, Gemilang dan Terbilang" and "Don't work for me but work with me", the culture of continuous improvement has recently been put under the spotlight.

Another important organisational factor is the organisational structure, which refers to the allocation of tasks and responsibilities to achieve goals. There are two types of organisational structure, namely the organically and mechanistically structured (Kotter & Heskett, 1992). Organically structured organisations are flexible, decentralized and have fewer levels. Such organisations give employees flexibility and freedom to achieve goals. On the other hand, the mechanistic organisation relies on the hierarchy, formal authority and written rules to conduct business. These are the constrains in public sector whereby the organisation structure is of mechanistic in nature, thus, constraining employee freedom and flexibility. This has become the major impediment in implementing TQM in public sector.

Findings

Having identified the three success factors of TQM implementation in public sector, there are also doubts as to why customers are still awed when dealing with the public service. The writers have identified three

factors that contribute to the stagnation of quality improvement in public service, namely, the lack of continuous effort and focus. The Civil Servants are highly mobilised workers and be transferred quite often and the exercise give constraint to the continuity of quality programs implemented in an organisation. Secondly, there is a lack of methodical journey progression. The exercise of mobilising workers also gives constraint to journey progression in terms of quality. There are 5 stages of journey progression in quality management which are unstructured; repeatable and project oriented; defined and process oriented; managed and integrated; and fully integrated. Thirdly, there is a lack of ethics and culture management in the public service.

Conclusion

For TQM to succeed, the public service must possess a passion for quality. The system is in place, but the implementation process must be in line and the efforts must be an uncompromising commitment towards quality where all civil servants at all levels strive to make quality happen. These cultures TQM are essential for sustaining quality journeys over time because every improvement programs depends on collective efforts, and effective collective efforts invariably depends in dedication to quality excellence.

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