

**THE
MANAGER OF QUALITY
PRIMER**

Alternate Title:

**THE MANAGER OF QUALITY
ORGANIZATIONAL EXCELLENCE
PRIMER**

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Seventh Edition

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REMEMBER: IF YOU DO WHAT YOU'VE BEEN DOING, YOU'LL GET WHAT YOU'VE BEEN GETTING.

SOURCE UNKNOWN

Leadership

Leadership is divided into the following areas:

- Organizational Structures
- Leadership Challenges
- Team and Team Processes
- ASQ Code of Ethics

Organizational Structures

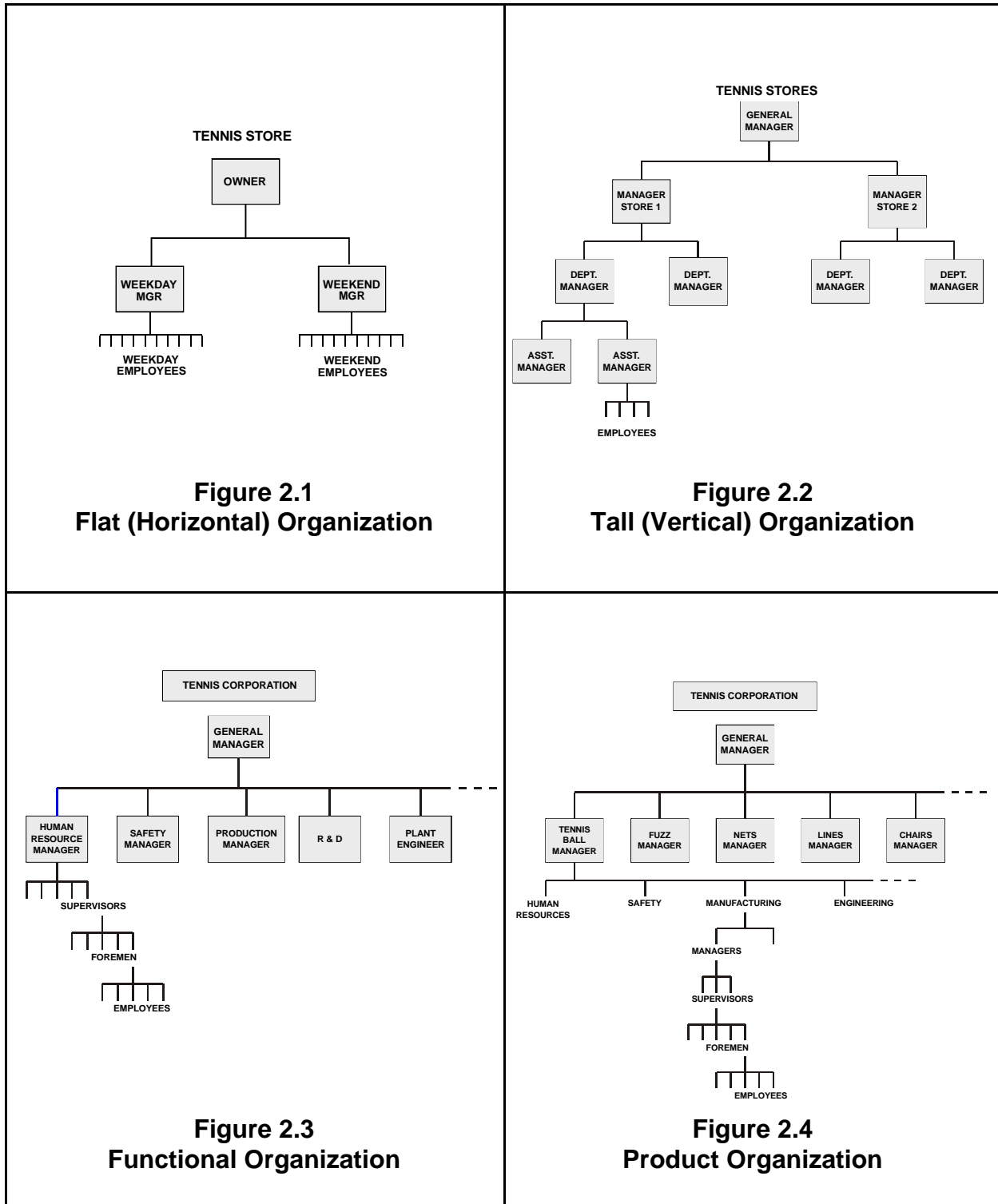
There are many possible ways in which organizations can be structured. The organizational structure is used to define the activities of individuals and to indicate the reporting relationships throughout the organization. The decision making authority at various levels in an organization will determine the amount of centralization. If the key decision making authority is focused upon a single point, such as a CEO, then the organization is highly centralized. To the greater extent that the lower levels of managers and employees have the authority to make key decisions, then the company is more decentralized. (Robbins, 1989)³⁵

There are various forms of company structures: flat (horizontal), tall (vertical), product, function, and matrix. Additionally, they can be hybrids of the given structures: flat and wide, tall and narrow, etc. A number of organizational structures are discussed on the following pages.

Historical Organizations

Organizational structures have been with mankind for ages. Whenever communal work was to be done, an organizational structure was necessary. Among the first recorded organizational structures was the case of Moses serving as judge for the Israelites, and doing so from morning to evening. Fortunately for Moses, his father-in-law, Jethro, was visiting and recommended a more practical solution to the massive work overload. His recommendation was to appoint capable men as officials over thousands, hundreds, fifties, and tens. Only the most difficult cases would go before Moses (Bible, Exodus 18:17-27). The chain of command was established, delegation of authority given, and the workload reduced. The span of control (referring to the number of subordinates) for each level differs, depending on where they are in the organization.

Organizational Structure Examples



Douglas McGregor (Continued)

By contrast, Theory Y contains the following important points:

- The expenditure of physical and mental effort in work is as natural as play or rest.
- Control and punishment are not the only ways to make people work, man will direct himself if he is committed to the aims of the organization.
- If a job is satisfying, the result will be commitment to the organization.
- The average human learns, under proper conditions, not only to accept but to seek responsibility.
- Imagination, creativity, and ingenuity can be used to solve work problems by a large number of employees.
- Under the conditions of modern industrial life, the intellectual potentialities of the average human are only partially utilized.

Douglas McGregor (1960)²⁹ expanded upon Maslow's hierarchy of human needs. He suggests the following forms of motivation for various human needs.

Human Needs	Forms of Motivation
Physical needs. (food, shelter, clothing, etc.) This translates into a job paying minimum wages.	Provide an opportunity to increase wages through good work.
Safety needs. A need to maintain employment even at a subsistence level.	Appeal to job security. Quality products satisfy the customer's needs making jobs secure.
Social needs. The desire to be accepted as a member of a group.	Appeal to employees to not let members of their work group down.
Ego needs. The need for respect both internal and external.	Appeal to an employee's pride through awards and recognition.
Self-fulfillment. Self-actualization through expression and creativity.	Give the employees the training and encouragement to propose creative ideas and implement them.

Table 2.12 Human Needs and Corresponding Motivation

**OUR PLANS MISCARRY BECAUSE THEY
HAVE NO AIM. WHEN A MAN DOES NOT
KNOW WHAT HARBOR HE IS MAKING FOR,
NO WIND IS THE RIGHT WIND.**

SENECA (4BC - AD65)

Strategic Development

Strategic Plan Development and Deployment is summarized in the following topic areas:

- Strategic Planning Models
- Business Environmental Analysis
- Strategic Plan Deployment

Strategic Planning Models

This Primer Section deals with strategic planning techniques and models. Let's discuss several models (on an introductory basis) first. ISO 9001 and ISO/TS 16949 are of major importance to many companies. Therefore, these companies devote a great deal of strategic attention to their attainment. Likewise, the achievement of MBNQA, or other quality awards, have become models for more advanced performance organizations. Since these models are addressed in Section IV of this Primer, they will be given superficial treatment here. Certainly, strategic planning can be presented independently of these models.

The authors are aware of one CMQ/OE instructor who will ask students to rank, from highest to lowest priority, the following items and to be prepared to justify their choices:

- | | | |
|--------------------|--------------|----------------|
| • Policies | • Mission | • Principles |
| • Goals | • Values | • Tactics |
| • Strategic Intent | • Vision | • Plans |
| • Strategies | • Objectives | • Procedures |
| • Activities | • Projects | • Instructions |

The described exercise may be tedious but it does prompt plenty of discussion and some understanding of the subject. It also indicates that there is considerable confusion regarding strategic management terminology in the eyes of many.

Strategic Planning Models (Continued)

To provide some clarity to the subject, consider the approach taken by the writers of the CMQ/OE BOK compared to a more conventional strategic management approach:

- Analyze the Corporate Environment (to follow later in this Section)
- Engage in Strategic Management, consisting of:
 - Strategic Thinking (omitted for some reason)
 - Strategic Planning ← (you are here)
 - Strategic Execution Deployment (to follow later in this Section)

In order to plan, information is needed. The following items will be discussed in the environmental analysis portion of this Section:

- SWOT analysis
- Market forces
- Stakeholder analysis
- Technology trends
- Internal capabilities
- Legal and regulatory factors

Any company with the above informational input should be in a position to plan.

Harrington (1995)¹² states the three main purposes for articulating a business plan are to set direction, to establish expectations, and to define actions. Consider the information in Table 3.1:

Purpose	Outputs	Time Frames
Direction	<ul style="list-style-type: none">• Vision(s)• Mission• Strategic Focus• Critical Success Factors	<ul style="list-style-type: none">• 10 - 20 Years• Open - ended• 5 Years• 3 Years
Expectations (measurables)	<ul style="list-style-type: none">• Business Objectives• Performance Goals	<ul style="list-style-type: none">• 5 - 10 Years• 1 - 5 Years
Action	<ul style="list-style-type: none">• Strategies• Tactics• Budgets• Performance Plans	<ul style="list-style-type: none">• 1 - 5 Years• 1 - 3 Years• 1 - 3 Years• 3 - 12 Months

Table 3.1 Strategic Planning Elements and Timing

**QUALITY IS NEVER AN ACCIDENT, IT IS ALWAYS
THE RESULT OF INTELLIGENT EFFORT.**

JOHN RUSKIN

Quality Systems and Models

Quality Systems and Models will be reviewed in the following topic areas:

- Quality Systems
- Quality Models

Quality Systems

Quality Systems will be reviewed in the following topic areas:

- Quality Mission and Policy
- Quality Planning, Deployment, and Documentation
- Quality System Effectiveness

Quality Mission

The total quality effort for an organization requires structure in order for it to succeed. There must be some functional area to coordinate and guide the quality efforts of the organization. Often, an organization has a management steering committee or a quality council as the main driving force for quality, but it may be up to the quality department to coordinate many activities. Feigenbaum has stated that “Because quality is everybody’s job in a business, it may become nobody’s job.”

The quality function has a mission to help the entire organization achieve total quality. It can help provide technical assistance to each department so they may achieve their strategic or tactical goals. It also has departmental responsibility for basic quality assurance activities. How the quality function should be structured, be it decentralized or centralized, must be analyzed to get the optimum results. Where the quality function is placed in an organization’s structure (that is, reporting directly to the President, or two levels down) is an organizational decision.

Quality Mission (Continued)

The total quality effort has taken the quality department away from being an inspection center. The quality function is the link-pin for the organization in the area of quality activities. The quality function has two general responsibilities:

- Organizational wide focus (mission)
- Specific departmental focus (mission) (Feigenbaum, 1991)¹³

The range and scope of the quality department has grown; but, what authority, responsibility, and role will it have? The quality department must draft a mission statement for this new role. (Just as all other departments in the organization have to operate by). The mission statement(s) will help clarify the role of the department and its employees.

A quality manager will examine the many needs of the organization through surveys or interviews, and will develop certain strategic quality goals. Some of those strategic quality goals are included in the strategic business plan. These goals are used to create a mission statement for the quality department.

A departmental mission statement concisely states how the strategic quality goals (and needs) of the organization will be implemented. Specific quantitative goals must be included in the mission statement. (What reduction targets, how much gained, what increases will be achieved?) Quantitative goals, not contributing to the overall strategic goals, are not included.

In contrast, a company mission statement will address how the company will realize its vision and strategic goals. A vision statement describes a future state, perhaps 5 to 10 years into the future. The company mission statement will also have concise statements of the objectives to be achieved. The quality department should create a departmental mission statement to use as an operating guide, and it should address such questions as:

- What does the organization need?
- What tasks can the department do?
- How can the department help the organization?

**INDEX LEARNING TURNS NO STUDENT
PALE, YET HOLDS THE EEL OF SCIENCE
BY THE TAIL.**

ALEXANDER POPE

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