Challenges in Managing Change toward
Total Quality Management

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The link and interfaces between Total Quality Management (TQM) and managing change lay on the ground that TQM is one of the mechanisms for organisational change. Many organisations in both private and public sectors have plunged into implementing TQM that was expected to lead to improved quality and improved overall performance, but for most, results have been mixed at best. Therefore, this paper discusses the organisational changes that will take place in adopting TQM, how the changes are to be managed, and the complexities faced by the organisation in accepting the changes, in terms of organisational structure, system, concepts, behaviour, politics and culture. The structure in which organisational issues are classified into three dimensions or levels—conceptual, system and procedural—derived from the work of Dale and Cooper (1993) will be applied throughout this paper as the main basis of discussion. This paper concludes that there is no one best way of managing organisational change in implementing TQM. Yet, the conceptual dimension of management is found to be the most critical and complex issue in managing these changes. This is due to the fact that it deals with so many subjective and intangible aspects of management such as strategy, human behaviour and culture.

Key words: organisational behaviour, organisational change, managing change, management culture, TQM

Hubungan antara pengurusan kualiti menyeluruh (TQM) dan pengurusan perubahan bertunjangkan asas bahawa TQM merupakan salah satu mekanisme perubahan dalam organisasi. Sudah banyak organisasi sama ada dari sektor awam atau pun swasta yang telah cuba melaksanakan TQM dalam usaha meningkatkan kualiti dan prestasi organisasi, namun tahap pencapaiannya masih belum memberangsangkan. Oleh itu, artikel ini membincangkan beberapa perubahan organisasi yang akan berlaku semasa melaksanakan TQM, cara perubahan tersebut harus diurus, dan cabaran yang akan dihadapi oleh organisasi dalam menerima perubahan baharu, khususnya dari segi struktur, sistem, konsep, gelagat, politik dan budaya organisasi. Struktur yang mengkelaskan isu organisasi kepada tiga dimensi menurut hasil kerja Dale dan Cooper (1993),

iaitu konseptual, sistem dan prosedur, digunakan sebagai asas perbincangan artikel ini. Artikel ini merumuskan bahawa tiada satu kaedah terbaik untuk semua organisasi dalam mengurus perubahan semasa melaksanakan TQM. Namun dimensi konseptual merupakan dimensi paling kritikal dan sukar untuk ditangani dalam mengurus perubahan tersebut. Ini adalah kerana dimensi tersebut melibatkan banyak aspek subjektiviti dan aspek yang tidak ketara dalam mengurus strategi, gelagat manusia dan budaya.

Kata kunci: gelagat organisasi, perubahan organisasi, mengurus perubahan, pengurusan budaya, TQM

Many organisations both in public and private sectors have plunged into implementing Total Quality Management (TQM) that was expected to lead to improved quality and improved overall performance. But for most, results have been mixed at best. Why? This paper tries to tackle one of the perspectives in looking at the reasons. This paper discusses organisational changes that normally take place in adopting TQM, describes the complexities that organisations have to deal with in accepting the change, and tackles the question of how the organisational changes are to be managed to minimise the possibility of failure. Among other challenges and organisational issues that will be highlighted are organisation concepts, structure, system, behaviour, politics and culture. The discussion in this paper concentrates on the importance of understanding organisational issues in order for the organisation to successfully move toward TQM.

Three dimensions or levels of management—conceptual, system and procedural—derived from the work of Dale and Cooper (1993) are applied throughout this writing as the main basis of discussion

Challenge 1: Organisational Concepts

Most organisations claim to have five basic organisational concepts: division of labour, delegation of authority, span of control, unity of command and departmentalisation (Robbins, 1996). Ross (1994) states that the result of such organisational concepts in many cases was the traditional pyramidal organisational chart, cast in stone and accompanied by budgets, rules, procedures and the chain of command hierarchy. Responsibility for quality was vague and confusing. Executive management sets up a separate department to take care of quality while others do not bother about increasing product or service quality because they have no stake in it. Quality, therefore, had become the issue of specialists in which only product specification engineers and process control statisticians determined acceptable levels of product variability and performed quality control inspection on the factory floor.

How are all these concepts to be supportive of TQM implementation? Indeed, organisations that tend to adopt TQM realise this difficulty. To adopt TQM, organisational concepts may need to be revolutionised. Is revolution easy? It is far from easy because TQM adoption requires support from not only the top management but also from the decisive majority of other stakeholders.

Organisations have to understand and ensure that they have appropriate organisational concepts and suitable quality attitudes in the entire organisation. Besides, organisational infrastructure should also be supportive. Organisations must have both the means and the appropriate structures to set goals, assign them to appropriate people and convert them into action plans. Management has to ensure that quality is not just a special activity that only special persons or departments are responsible for. All involved have to be well educated and trained to not only understand the concept of TQM but also get it into practice through an appropriate system. They also have to be committed and have good faith in TQM. The issue of organisational culture is also essential to support the implementation of TQM. Regardless of how much effort, time and sacrifices, the effective implementation of TQM will be fruitless if participation and commitment are secured only from a few individuals in the organisation. If this is the case, probably it will be better for the organisation to maintain its 'traditional' styles.

Challenge 2: Organisational Structure

Organisation is a system that encompasses inputs, activities (people, technology) and outputs (Ross, 1994). To be an effective system, the organisation requires an appropriate structure. Robbins (1996) states that an organisational structure is made up of three components. The components are complexities, formalisation and centralisation. As far as complexity is concerned, it can be broken down into horizontal, vertical and spatial differentiations. Robbins (1996) claims that the more an organisation is differentiated along these three components (dimensions), the more complex it is. These components of an organisational structure appear to be a big hurdle for successful implementation of TQM. Complexity usually leads to a higher degree of formalisation, which in turn might weaken organisational communication and lessen employee satisfaction. Dissatisfaction will reduce employee involvement in TQM programmes.

Formalisation usually refers to the degree in which jobs within the organisation are standardised (Robbins, 1996). The higher the formalisation, the more explicit the job descriptions will be, the clearer the organisational rules and procedures covering work processes will be defined (Robbins, 1996). This suggests that the procedural dimension will be easier to implement in a well-formalised organisation. However, TQM implementation requires a fairly flexible formalised organisation.

procedure as well as some flexibility in organisational structure and concepts. Thus, a well-formalised organisation may not feasibly adopt TQM unless the organisational structure passes through changes first.

Centralisation, the third component of an organisational structure, refers to the degree to which decision making is concentrated at a single point in the organisation (Robbins, 1996). It is thought that TQM is more appropriate for a decentralised style because increased employee participation is more likely to happen. TQM adoption may also be feasible in a centralised organisation if there are employees who are 'good followers' and who are willing to listen to instructions from upper management. Whether an organisation has a decentralised or centralised structure seems not to matter; What matters is effective TQM implementation depends on the type of attitudes and behaviours that the employees have, which can be very subjective. Organisational structure can pose a hurdle to TQM implementation. It becomes even more difficult with various behaviours, organisational concepts, politics and culture that exist in the organisation. These factors are core issues in the conceptual dimension.

Systems Theory

Organisation is probably best viewed from the systems theory perspective. French and Bell (1995) claim that the systems theory is one of the most powerful conceptual tools available for understanding the dynamics of organisations and organisational change. Fagen and Hall (1956: 18) define 'system' as "a set of objects together with relationships between the objects and between their attributes." Another definition proposes that a system is an arrangement of interrelated parts (Hanna, 1956). The terms 'arrangement' and 'interrelatedness' describe interdependent elements forming an entity that is the system. In short, a system denotes interdependency, interconnectedness and interrelatedness of a set of elements that constitute an identifiable whole or gestalt.

From the above paragraph and the author's selective literature review, it shows that TQM implementation will affect the entire organisation. Implementation will be very difficult if the existing system is not supportive. This is because of multiple interdependencies that have to be managed and organised first before any change may actually become successful. Organising is defined as the process of creating a structure for the organisation that will enable its people to work together effectively toward its objectives (Ross, 1994). This process of creating a structure recognises a structural as well as a behavioural dimension. In other words, the process of creating a structure for the organisation is also part of the structural (system) and behavioural (conceptual) perspectives, which are important to be considered and tackled.

To study the internal (organisational) change process, this paper utilises a model developed by Harold Leavitt (1964). Leavitt took an integrated view of four internal dimensions of organisation: task, structure, actors (people) and technology. Each factor is linked with the others and all factors together provide a total view of the internal elements of an organisation that can change and affect organisational structure and effectiveness.

Leavitt (1964) defines technology as the technical tools for problem solving that includes computers, operations-research techniques and automated machinery, all of which are similar to procedural tools (example: 7 quality tools). Actors refer to the people in an organisation, who are more likely to affect the behavioural (conceptual) dimension. While systems of communications, organisational hierarchy and workflows are obviously referring to the structural (system) dimension.

Leavitt's proposition is that a study of internal changes must emphasise changes in structure, technology and people with improved task solutions serving as a common goal for the three factors (Leavitt, 1964). The four elements of Leavitt's internal mechanism are interconnected so that changes in one variable are likely to cause changes in the others. In discussing organisational change, Leavitt assumes that internal change involves altering one or more of these factors which in turn will create changes in the others (Leontiades, 1980).

Challenge 3: Organisational Behaviour

People are assets to organisations. They have many different needs and wants that are manifest at different times. Maslow's hierarchical theory of needs, McGregor's theory, Herzberg's hygiene theory and Vroom's expectancy theory, to name a few, may help to explain why. In light of these theories, organisations have to know how to effectively manage and utilise their people (human resources). People are only part of the entire organisational system, yet they can be the most powerful factor in determining whether the organisation is successful or otherwise.

Planning and managing human resources in heading toward TQM is tough. It covers a major part of the conceptual dimension, which is subjective and intangible. According to Grinnell (1994), the importance of human resource management has been emphasised for more than 20 years, but many organisations still place little value on it. Such an attitude is regrettable because human resources are an important source of creativity.

Grinnell (1994) claims that ignoring the human system is like concentrating exclusively on the executive and legislative branches of government while disregarding the voter. He further states that in order to understand the

human system managers need to learn a new kind of logic, called "psychologic." Such a conceptual approach is important to manage human resources.

Managers need to understand that to manage effectively an organisation, a comprehensive approach should be taken-the technical (procedural), the administrative (system or structural), and the conceptual (behavioural) dimensions. Similar approach is important if organisations intend to adopt TQM.

Challenge 4: Organisational Politics

Managers have to realise that the change toward TQM is done for more than the requirements for good business management that TQM offers. Although, current economic and business situation indicate that good business management requires organisations to direct all efforts to maximising profits, staying in business and expanding business where possible, organisations have to ensure that they have had appropriate organisational concepts, committed people and feasible organisational politics to actually adopt TQM.

Normally, politics within organisations arise from the existence of different interests and perceptions among different groups in the same organisation (Bennett, 1991). Political activity among various group interests may lead to compromises, toleration and a stability of relationships that enable the organisation to survive. However, organisational politics may also become a hurdle to improvement (in this case quality). Since there areo many different interests, the decision-making process will be difficult and time consuming. Furthermore, it may hinder management from effectively influencing employees to participate in making change. In other words, the change toward TQM will be far more difficult if such organisational politics are taking place.

It should be noted that the best politicians within an organisation need not be its highest ranking managers. Senior executives find their plans frequently disrupted by politically motivated subordinates. Thus, top management should not simply take for granted that everybody (within the organisation) will participate and welcome the idea of TQM.

Challenge 5: Organisational Culture

According to Hampden-Turner (1990), organisational culture comes from within people and is put together by them to reward the capacities that they have in common. It gives continuity and identity to the group. The culture may balance contrasting contributions and operate as a self-steering system that learns from feedback. It usually works as a pattern of information and can greatly facilitate the exchange of understanding (Hampden-Turner, 1990). Andre Laurent (1990, as cited

in Evans, 1990) argues that normally an organisatioal culture reflects assumptions about clients, employees, mission, products, and activities that have worked well in the past. These assumptions are translated into norms of behaviour, legitimate expectations, desirable ways of thinking and acting. According to him, these are the locus of its capacity for evolution and change.

It should be realised that the whole concept of organisational culture is another subjective (conceptual) phenomenon that appears to be dependent on other interrelated factors. So it may or may not be proactive to the adoption of TQM. If the organisational culture is desirable, then the implementation of TQM may become successful. Otherwise it may fail.

Implication and Discussion

Bringing about major change (like TQM) into organisations is a difficult task because an organisation is complex and dynamic in nature. The move and change toward TQM further complicates the nature of the organisation because TQM adoption requires major and fundamental alterations in the organisational concepts, structures (systems) as well as procedures. Furthermore, employees have to be motivated to continue performing in the face of major turbulence. TQM presents to the employees that the old ways of doing things, which include familiar tasks, procedures and structures, are no longer applicable. This may be the reason why Nadler (1993) claims that the organisational political behaviour (conceptual issue) becomes more active and intense.

Consisting of interdependent parts, an organisation is a system in which changes in one element will result in changes in other parts of the system. Successful management of such organisational change is very often directly related to the organisation's ability to create an environment that empowers and challenges its employees to change and improve their performance continually.

Theoretically, getting support and participation toward TQM implementation through various suggested ways is feasible. Practically, however, the actual achievement of the intended aim is difficult. Procedural dimension is one thing, system (structural) dimension is another. A tougher challenge is to overcome difficulties in the conceptual (behavioural) framework. One way to achieve such change is to manage by the use of teams that have been trained in problem-solving techniques and thus capable of promoting teamwork and involvement (conceptual). Organisational structure (system), too, must be supportive to this change; otherwise it will become a stumbling block. Although teams, quality circles, cross-functional teams, quality improvement teams and steering groups are found to be essential in many successful organisations, it is very important to ensure that they (people in those teams) know how to effectively and

efficiently utilise the suggested quality tools (procedural). The communication systems should be suitable and capable of reaching all employees within the organisation. In addition, the channel has to be monitored to avoid any misleading information that may arise from internal political activities or external environment.

The literature in management of change shows that the process of creating change is more difficult than it looks. It may be wrong if we were to take an organisation as a large machine where parts can be replaced at will. In reality, the task of changing the behaviour of organisations, managers and individuals has often turned out to be a frustrating endeavour. Nadler (1993) suggests that it would be easy to envision how organisations resist change by using the systems theory. He claims that forces of equilibrium tend to cancel out many changes. Changing one component of an organisation may affect its congruence with other components. When this happens, Nadler (1993) argues that energy develops in the organisation to limit, encapsulate or revise the change.

TQM implementation requires top management and chief executives to have the ability to effectively manage the conceptual and system issues as well as the procedural dimensions of their organisation. They have to play tough functions that include making time freely available for leading the change process and for demonstrating commitment through their practical actions. They need to understand that their commitment and other employee involvement are very critical to the overall process of change. Changes in management style are often necessary to achieve a positive operating culture. The style must be acceptable to all other members in the organisation. In short, the organisation should implement the change continuously so as not to frustrate the entire effort.

Conclusion

In the final analysis, changing a traditional organisation to a TQM organisation should lead to the establishment of quality culture of continuous improvement. In doing so, there are many challenges and barriers that organisations have to face—not only from the quality perspective but also from the complexities of the organisation itself. The discussion has shown that there is no one best way of managing organisational changes to achieve successful TQM, and the conceptual dimension of management is the most critical and complex factor that has to be dealt with. This is because it involves subjective and intangible aspects of management such as strategy, human behaviour and culture. It is suggested that organisations should not follow the general patterns of managing change in implementing TQM, but tailor the pattern of managing change to a particular situation since each situation has unique characteristics of people (conceptual dimension), structure (system dimension) and techniques (procedural dimension).

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