

University of Wollongong Research Online

University of Wollongong in Dubai - Papers

University of Wollongong in Dubai

2015

Role of managerial leadership in promoting quality: Experience from Quality Award winning organization in UAE

Flevy Lasrado *University of Wollongong,* flevy@uow.edu.au

Publication Details

Lasrado, F. 2015, 'Role of managerial leadership in promoting quality: Experience from Quality Award winning organization in UAE', Innovation Arabia 8, United Arab Emirates, pp. 159-167.

 $Research\ Online\ is\ the\ open\ access\ institutional\ repository\ for\ the\ University\ of\ Wollongong.\ For\ further\ information\ contact\ the\ UOW\ Library:\ research-pubs@uow.edu.au$

Role of Managerial Leadership in Promoting Quality: Experience from *Quality Award* Winning Organization in UAE

Flevy Lasrado

American University in the Emirates, UAE

Abstract

Many quality experts believe that the key to successful management of quality begins at the top of the organization (Laskhman, 2006). So 'leadership and 'managerial' roles have become important for quality and innovation within organizations. The implication and scope of managerial leadership are quite different everywhere. The purpose of this paper is to study the managerial leadership practices through an empirical investigation of an excellence award winning organization. It seeks to extradite the managerial leadership practices that have paved a way for winning 'excellence' award and for the sustenance of quality and continued customer focus. The overall aim of this paper is to present the insights of an organization that received Industry excellence award three times.

Keywords: Quality Management, Leadership, Excellence Award, Industry

Many quality experts believe that the key to successful management of quality begins at the top of the organization (Laskhman, 2006). It is argued that effective leadership is a key factor of quality management (Berson & Linton, 2005). The leadership style of managers thus is an important factor in TQM success (Rad, 2006). It is further contended that the role of managers to perform as leaders in necessary (Gonzalez and Guillen, 2002). So 'leadership and 'managerial' roles have become important for quality and innovation within organizations.

However, leadership theories have not explicitly focused on quality and on the role of leaders as managers of quality (Lakshman, 2006). The implication and scope of managerial leadership are quite different everywhere.

The purpose of this paper is to study the managerial leadership practices through an empirical investigation of an excellence award winning organization. It seeks to extradite the managerial leadership practices that have paved a way for winning 'excellence'award and for the sustenance of quality and continued customer focus. The overall aim of this paper is to present the insights of an organization that received Industry excellence award three times.

Literature Review

Quality management literature has shown that soft factors are positively related to firm performance (Abdullah, Uli and Tari, 2008). The TQM "soft factors" involve the leadership, management commitment, Employee Involvement, Customer Focus and Training etc. Truly, strategies on how to achieve quality primarily originate from the people within the organization(Dalgleish, Mauricio, and Williams, 2013). Management commitment and leadership are indispensable elements for a successful TQM implementation (Guillén, & González, 2001). A study involving data from a survey of 180 manufacturing companies, concluded that employee involvement has great impact on quality management (Hongyi Sun, Ip Kee Hui and Agnes Tam, 2000). Although the involvement and commitment of the management and efforts of all human resources are crucial for Quality Managements success (Afthonidis and Tsiotras, 2014) gaining commitment and engagement of people to sustain the business excellence is also a challenge (Brown, 2013). So, the people aspect should be encouraged for better organizational performance as it was found that QM practices increase employees' belongingness and job satisfaction (Nien-Chi Liu & Wen-Chung Liu, 2014). Literature suggests that many quality efforts do not reach their full potential due to insufficient understanding about the human dimension (Dahlgaard-Park, 2011). However, the "soft" significant elements have a direct impact on quality improvement (Psomas, Vouzas, Kafetzopoulos, 2014). Further, incorporating quality in the workplace is about the journey, not the destination (Dalgleish, Mauricio, and Williams, 2013). Therefore, managerial leadership in very essential to influence and sustain the quality drive and attain the business excellence. Leadership, is the process that mangers use to influence subordinators work towards organizational goals (Hirtz, Murray & Riordan, 2007). Conceptually, leadership can be seen as that combination of traits, values, attitudes, and behaviors that result in the effective long-term performance of organizations (Lakshman, 2006) and also can influence organizations innovation capability. Leaders influence employees' innovative behavior both through their deliberate actions aiming to stimulate idea generation and application as well as by their more general, daily behavior (De Jong, & Den Hartog, 2007). Employee's creativity level could be positively led by the charismatic influence, individualized consideration, inspirational otivation, and intellectual stimulation of transformational leader (Millissa Cheung and Chi-Sum Wong, 2011).

Recent research highlights that transformational leadership as a highly effective style shown to predict performance in organizations and was also found to be related to employee satisfaction (Berson, & Linton, 2005). Transformational leadership is more aligned with organizational changes required by Total Quality (TQ) and Baldrige-like performance excellence models (Evans, 2009). An empirical research study of 371 hospitals suggested that improved patient safety is driven by CEOs who possess a transformational leadership style (Evans, 2009). Further, it is also argued that the ethical dimension of managerial leadership has a role to play (Guillén & González, 2001). The managers who are themselves committed to service quality and employ an empowering leadership style can create a transformational climate that conveys their commitment to quality service to their frontline employees (Clark, Hartline, & Jones, 2008).

A good leadership is the one whose actions correspond to the written vision and mission statement of the organization (Graham, Arthur and Mensah, 2014). Leader behaviors in terms of communicating the importance of both internal and external customers, communicating the importance of continuous improvement of processes and outcomes, and emphasizing the importance of organization-wide participation and teamwork are all leader behaviors associated with the management of quality in organizations (Lakshman, 2006). The manager must be capable of providing inspirational leadership, but also of instituting attitudes and patterns of behavior which are also self-sustaining (McCabe, Rooke, Seymour & Brown, 1998).

In conclusion, the roles of quality leader is to establish a vision, live the values and lead continuous improvement (Evans, 2009). In light of these, a case organization is examined to shed light on leadership and to understand the impact of the awards on organization and its people.

Research Methods

This research is an empirical study. This paper is part of large research that aims to study the organizations winning quality awards in an UAE context. An organization that received *Shaikh Khalifa Industrial Award* has been chosen. A case-based research was chosen as the methodological approach. The data collected for this research were qualitative. After the review of literature on quality and excellence frameworks, a set of questions were developed for gathering data from the chosen case. Data were gathered primarily through semi-structured

interviews with personnel at top and middle managerial levels. The data were collected from different sources:

- i. Secondary data about the organization obtained from the company website as well as internal documents provided by the company
- ii. Specific literature on the investigated company describing the company's journey towards the award process
- iii. Semi-structured interviews conducted with top management and employees particularly engaged with quality system and engineers who worked on the award process in the organization
- iv. A site visit to investigate some of the organizational management practices related to the
- v. award framework
- vi. Additional follow up (after the interview) with two of the company managers that included the CEO and the Quality Manager

The qualitative data were examined using content analysis. The company was selected based on its relevance to receive multiple awards. These various sources of evidences not only contributed to the feasibility of the research but also paid attention to ascertaining whether evidence from different sources converged on a similar set of facts. The emphasis was on the process of exploration of data rather than mere data collection. All sources were then reviewed and analyzed to identify and validate data. The case study was then constructed based on those sources of evidence.

The Organization - Quick Mix Beton (QMB)

Quick Mix Beton LLC, is one among the best producers and suppliers of quality ready mix concrete in the emirate of Abu Dhabi. Quick Mix Beton was established during the year 1996. The mission of the company is to actively participate in the Socio-economic Development activities of the Emirate of Abu Dhabi. Quick Mix Beton L.L.C is a member of American Concrete Institute (ACI) and also a member of National Ready Mixed Concrete Association (NRMCA). Quick Mix Beton LLC has received numerous accolades for its exceptional commitment in meeting and exceeding customer expectations in terms of quality and service. Also maintaining high industry standards with due respect to the community, environment and health and safety of the employees.

In 1999, Quick Mix Beton was certified for quality Management System-ISO 9002 and in 2004 re-certified after transition to ISO 9001 – 2000 Quality Management System. The process of upgrading the quality management system conforming to ISO 9001:2008 standard requirements in the year 2011. In the year 2000 Quick Mix Beton was the runner up of the prestigious "Sheikh Khalifa Excellence Award". In the year 2001-2002 the company secured the Silver Award and Customer focus Award of "Sheikh Khalifa Industrial Awards". In addition QMB was also a runner up for yet another prestigious award – *The Sheikh Khalifa Excellence Award (SKEA)*.

About the The Sheikh Khalifa Excellence Award (SKEA) and Sheikh Khalifa Industry Award

The Sheikh Khalifa Excellence Award (SKEA) was launched by the Abu Dhabi Chamber of Commerce & Industry (ADCCI) in 1999 for enhancing the competitiveness of the Business Sector in Abu Dhabi and the UAE. There are three categories in which the Sheikh Khalifa Excellence Award is given:

- The Sheikh Khalifa Excellence Award Diamond Category presented to organization based upon the recommendation of the jury that the applicant has demonstrated a clear evidence of continuous improvement over their past performance.
- The Sheikh Khalifa Excellence Award Gold Category presented to organization based upon the recommendation of the jury that the applicant has demonstrated clear evidence of continuous improvement over their past performance.
- The Sheikh Khalifa Excellence Award Silver Category presented to organization based upon the recommendation of the jury that the applicant has demonstrated clear evidence of continuous improvement over their past performance

Further, the applicants to the Sheikh Khalifa Excellence Award are drawn from sectors such as Manufacturing Sector, Service Sector, Trade Sector, Construction Sector, Financial Sector, Tourism Sector, Professional Sector and Health Sector. The main criteria for the evaluation are the result with respect to Performance, Customers, People and Society are achieved through Leadership driving Strategy, People, Partnerships and Resources, and Processes, Products and Service

The Abu Dhabi Department of Economylaunched the Sheikh Khalifa Industry Award in 1997 initially and re-launched again in 2003 to reflect the great progress and development

achieved by Abu Dhabi's industrial sector. The goal of the was to bring industry sector into par with its global counterparts in terms of management practices, production and manufacturing processes and output quality standards. A key feature of the Sheikh Khalifa Industry Award 2003 is the 'continuous assessment process' that injects an on-going improvement element at all performance levels. The Award assessments are based on the International Standards Organization 9004:2000 (ISO 9004:2000) criteria that incorporates all of ISO9001:2000 clauses in addition to elements that take into account the needs and expectations of all interested parties in the manufacturing process. These include: customer focus, leadership, employee involvement, process approach, system approach to management, continual improvement, factual approach to decision making and mutually beneficial supplier arrangements. The award process start at the 'Bronze' level and progress through 'Silver' and 'Gold' and 'Diamond.' As each level is achieved companies automatically qualify for that award and for entry into the next level.

The Managerial Leadership Role

The Quick Mix Beton exhibited an exemplary committed and fully involved leadership. The clear mission reiterates improved quality awareness and excellence amongst the employees. The most remarkable experience was about the quality culture, prevalent in the organization. The friendly leadership of the organization values teamwork and translates the message of being and working as a family to all his employees; and this what the C.E.O's daughter had confirmed by saying "I always remember them as a family, they celebrate each occasion together". Transparency in communication and unification in the policies and procedures have led to the optimal level profit where QMB is earmarked for its superior quality and excellence. The ultimate advantage is seen as the company positively affecting the liquidity, as investors scramble to acquire shares and invest in the company.

It is observed that Quick Mix Beton LLC has excellent relationship with their customers as well as their employees. The company has created an excellent working environment for their employees to increase their satisfaction level which will increase their performance level and that will increase the productivity and the benefit levels of the company.

The employees are encouraged to participate and get involved in the decision making. The transparency is maintained through delegating responsibility and accountability on assigned tasks. Incentives and rewards are given as a token of appreciation and encouragement

of innovation and creative ideas. Every employee is treated as family member where his/her needs are taken care of through well-defined policies and procedures.

The main reasons behind the success of Quick Mix Beton is the confidence of its customers, every year 80% of the customers are turned out to be repeated customers. This factor motivated the management to work hard to maintain their product quality and services and to achieve higher benchmarks for future. The company also best practices demonstrated to control quality. A periodical testing pattern was followed as per the scheduled table to check the complying of raw materials with the specification.

Awards enhanced productivity and commitment of the employees, thereby increasing their retention and reduction in turnover. This in turn paved the way for identifying qualified and talented employees. Other advantages the organization gained are media coverage which resulted in effective promotions/campaigns for the company and its products.

Conclusion

This study describes the company's practices and experience receiving three prestigious awards. This paper supports the literature that claims the leadership and 'soft side' of quality need to be better managed for organizational performance. The main conclusion of this paper is that along the top management support, customer focus etc, it is essential to give due consideration. Focusing on people dimension and by involving employees a great deal of success is ensured on journey of quality management. Finally, as the TQM proponents believe soft aspects of TQM are essential to the success of TQM (Boon and Seng Hwa, 2005). To continue this line of research, future work should investigate other organizations that have received this award. Another possibility for future research is to extend the investigation to analyze the relationship of human dimension to other aspects of e performance excellence framework.

References

Berson, Y., & Linton, J. D. (2005). An examination of the relationships between leadership style, quality, and employee satisfaction in R&D versus administrative environments. *R&D Management*, *35*(1), 51-60.

Clark, R. A., Hartline, M. D., & Jones, K. C. (2008). The effects of leadership style on hotel employees' commitment to service quality. *Cornell Hospitality Quarterly*

De Jong, J. P., & Den Hartog, D. N. (2007). How leaders influence employees' innovative behaviour. *European Journal of innovation management*, 10(1), 41-64.

<u>Diane Dalgleish</u>, <u>Rory Mauricio</u>, <u>Tessia Williams</u>, (2013) "Journey to excellence: A case study of the capital projects division, province of Alberta, Canada", The TQM Journal, Vol. 25 Iss: 4, pp.431 - 440

Evangelos Psomas, Fotis Vouzas, Dimitrios Kafetzopoulos (2014), "Quality management benefits through the "soft" and "hard" aspect of TQM in food companies", The TQM Journal, Volume: 26 Issue: 5, 2014

Guillén, M., & González, T. F. (2001). The ethical dimension of managerial leadership two illustrative case studies in TQM. Journal of Business Ethics, 34(3-4), 175-189.

Hirtz, P. D., Murray, S. L., & Riordan, C. A. (2007). The effects of leadership on quality. *ENGINEERING MANAGEMENT JOURNAL-ROLLA-*, 19(1), 22.

Hongyi Sun, Ip Kee Hui and Agnes Y.K. Tam (2000), "Employee Involvement and quality Management The TQM Magazine Volume 12. Number 5. pp. 350±354

James R. Evans. Quality and Performance Excellence: Management, Organization, and Strategy, Ed. 7. Cengage, 2009. ISBN-10: 0324381328 ISBN-13: 978032438132

Lakshman, C. (2006). A theory of leadership for quality: Lessons from TQM for leadership theory 1. *Total Quality Management & Business Excellence*, 17(1), 41-60

Millissa F.Y. Cheung, Chi-Sum Wong (2011) "Transformational leadership, leader support, and employee creativity", <u>Leadership & Organization Development Journal</u>, Volume: 32 <u>Issue: 7</u>

Muhammad Madi Bin Abdullah, Jegak Uli and Juan Tari, "The influence of soft factors on quality improvement and performance", The TQM Journal Vol. 20 No. 5, 2008 pp. 436-452

Nicholas Kingsley Graham, Yarhands Dissou Arthur, Duke Peprah Mensah, (2014)

"Managerial role in ensuring successful total quality management programme in Ghanaian printing firms", The TQM Journal, Vol. 26 Iss: 5, pp.398 – 410

Ooi Keng Boon and V. Arumugam Teo Seng Hwa 2005 Does soft TQM predict employees' attitudes? The TQM Magazine Vol. 17 No. 3, 2005 pp. 279-289

Osseo-Asare, A. E., Longbottom, D., & Chourides, P. (2007). Managerial leadership for total quality improvement in UK higher education. The TQM Magazine, 19(6), 541-560.

Rad, A. M. M. (2006). The impact of organizational culture on the successful implementation of total quality management. The TQM Magazine, *18*(6), 606-625.

Steve McCabe, John Rooke, David Seymour & Phil Brown (1998) Quality managers, authority and leadership, Construction Management and Economics, 16:4, 447-457, DOI:10.1080/01446199837222

Thomas F. Gonzalez and Manuel Guillen. (2002), "Leadership Ethical Dimension: a requirement in TQM implementation", The TQM Magazine Volume 14. Number 3. 2002. pp. 150-164

<u>Evangelos P. Afthonidis</u>, <u>George D. Tsiotras</u>, (2014) "Strategies for business excellence under an economic crisis", The TQM Journal, Vol. 26 Iss: 6, pp.610 – 624

Nien-Chi Liu & Wen-Chung Liu (2014) The effects of quality management practices on employees' well-being, Total Quality Management & Business Excellence, 25:11-12, 1247-1261, DOI: 10.1080/14783363.2012.704285

Dahlgaard, J., Pettersen, J., & Dahlgaard-Park, S. (2011). Quality and lean health care: A system for assessing and improving the health of healthcare organisations. Total Quality Management & Business Excellence, 22(6), 673–689. Dahlgaard-Park, S.M. (2011). The quality movement – where are you going?

Alan Brown (2013) How do excellent companies stay excellent?, Total Quality Management & Business Excellence, 24:1-2, 108-118, DOI: 10.1080/14783363.2012.704264