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**Towards the Adoption of New Management
Methods in a Modernising National Business
System?**

**A study of the Responses of Middle Managers to
Total Quality Management in
Greek Service Industry**

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**Thesis submitted in partial fulfilment of the requirements for the
degree of Doctor of Philosophy (PhD) in
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ABBREVIATIONS

ADEDY (in Greek)	The Union of Greek Civil Servants
BPR	Business Process Reengineering
CPA	Critical Path Analysis
DIAPA&D	Department of Internal Affairs, Public Administration & Decentralisation
EEDE (in Greek)	The Greek Management Association
EFA	Exploratory Factor Analysis
EU	European Union
GNP	Gross National Product
GSEE (in Greek)	The Greek Confederation of Labour
HR	Human Resource(s)
HRM	Human Resource Management
ISO 9000	International Standards Organisation 9000
JIT	Just In Time
MBO	Management By Objectives
MMs	Middle Managers
NBG	National Bank of Greece
NBS	National Business System
PA	Public Administration
PCA	Principal Components Analysis
PM	Personnel Management
SPC	Statistical Process Control
QA	Quality Assurance
QC	Quality Control
QCs	Quality Circles
QM	Quality Management
TQC	Total Quality Control
TQM	Total Quality Management
WWII	World War II

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SUMMARY

Total Quality Management (TQM) emerged as a promising management practice mainly in the US and the UK. Its principles challenge the managerial traditions of other countries. A prime example is Greece. In view of the widespread argument that Middle Managers (MMs) are key elements in making TQM work, this study explores the relationship between these people and TQM in the Greek National Business System (NBS). It focuses on how TQM is perceived by them and it investigates whether MMs' perceived awareness of TQM affects their responses to a set of individual and organisational aspects.

This study adopts the *contingency* approach to TQM. This approach argues that TQM does not have determinate effects and that its consequences are shaped by the context in which it operates. This thesis expands knowledge by developing a theoretical framework that addresses the relationship between TQM and Middle Management in this specific national context. It offers strong evidence on four specific contingencies, in the light of which managers' responses to TQM should be explored. These factors are the *business/management culture*, the *modernisation agenda*, the *sector of employment* and the *educational background* of managers. Moreover, this study contributes to the development of the research methodology in the area, by combining quantitative (survey questionnaire) and qualitative (follow-up interviews) methods. 241 questionnaires were collected and 18 follow-up interviews were conducted in 43 different public (19) and private (24) service organisations. Finally this thesis offers statistically reliable measurement of the 'soft' and 'hard' sides of TQM.

In this respect, six major arguments about the relationship between TQM and MMs are supported. First, it is recognised by the MMs that the business system needs modernisation and QM is a part of it. Second, although the acronym TQM and some of its concepts and practices are known by a range of public and private sector managers, actual awareness of its 'soft' side is often superficial, and people have a relatively poor understanding of it. Third, MMs tend to see TQM from the technical point of view, being aware only of the importance of its 'hard' aspects. Fourth, whilst MMs perceive TQM as enhancing individual aspects like autonomy, loyalty and career prospects, at the same time they acknowledge the increased work effort and stress due to the perceived awareness of TQM. Fifth, they hold sceptical positions about the adoption and actual application TQM related organisational issues like empowerment and top management commitment and support. The sixth, overall, conclusion is that TQM was neither resisted nor directly absorbed. The principles of quality improvement have been widely accepted, but convincing Greek managers to apply 'soft' TQM aspects remains a major challenge.

CHAPTER 1

Introduction

Total Quality Management (TQM) was initially developed in Japan, and has been further developed in the US and UK. Although some writers now see it as having been superseded by Business Process Reengineering (BPR), others argue that TQM is still one of the most promising management approaches, and the underlying principles of the two are in fact rather similar. During the 1980s and 1990s TQM began to influence other National Business Systems (NBS) and was widely seen as a revolution in management methods. The emergence of TQM generated an enormous amount of literature. Two basic schools of thought have developed. The first emphasises TQM as a universal *technical* solution to problems related to organisational performance and competitiveness. The second views TQM from a rather *critical* perspective, arguing that it is nothing less than a new sophisticated form of work intensification. However, limitations can be seen in both schools. The technical school is highly prescriptive and sees TQM as a system that can be implemented across all types of organisations without meeting any cultural bounds. Much less attention is paid to how TQM is perceived by organisational members. The critical school sees only problems related to the adoption of TQM, but tends to ignore why it can be implemented effectively in organisations and why employees may accept it without any particular resistance.

In response to these limitations a small body of middle range literature has emerged. This growing tradition of studies puts TQM in context, adopting a contingency view of its effects. The present study places itself within, and contributes to this school of thought. In this respect, four general questions seem to have an increased importance in the study of TQM. (1) Can the assumptions and practices of TQM be pursued in those NBSs which differ from the Japanese and the *Anglo-Saxon* ones? (2) Can effective TQM practices and concepts be applied in the service industry rather than in manufacturing whence these concepts emerged? (3) Can TQM fit and bring equivalent benefits to the public services which have a wider

community role to play, as well as a rather strong political control in relation to private services? and (4) In view of the widespread argument that Middle Managers (MMs) are key elements in making TQM work, how have these managers responded to the challenge of TQM in NBSs that are different from those in which it first arose?

In the light of these questions, the purpose of this thesis is to explore the relationship between TQM and middle management in the Greek public and private service sectors. It tries to identify the conditions under which managers, in a system different from the *Anglo-Saxon* one, understand TQM and negotiate with changing pressures of modernisation. It also attempts to explore how far their perceived awareness of TQM affects their responses on a set of individual and organisational issues.

The study's theoretical contribution is that the relationship between TQM and MMs should be seen in the light of a *Four-Fold Contingency Theoretical Model*. More specifically, this study gives strong evidence towards the fact that there are four contingencies or factors that influence managers' responses to the TQM approach. These are the *business/management culture* of the national system, the *modernisation agenda*, the *sector of employment* and the *educational background* of managers.

Several core arguments emerge. Quality management in general and TQM in particular are known to a range of public and private sector managers. They seem to accept a set of concepts as being key elements of the 'soft' side of TQM. Also, especially those from the private sector seem to be familiar with a set of TQM techniques, tools and systems that are components of its 'hard' side. Moreover, it seems that managers' perceived familiarity with 'hard' TQM practices influences positively their responses to a variety of issues related to their work and to their organisation's performance and processes.

However, despite the fact that they are positive about TQM's effects, they hold a pragmatic rather than an optimistic view about its adoption. This study offers three pieces of evidence in

support of this argument. First, managers' perceived awareness of the 'soft' side of TQM is often superficial. The MMs in both sectors of employment have a poor understanding of TQM as a philosophy. Second, they give far more attention and importance to TQM systems and techniques. For them what really matters for quality improvement are 'hard' management practices rather than 'soft' concepts like empowerment or continuous improvement. Third, they maintain a sceptical view of how readily 'soft' concepts may be fully understood, introduced and adopted by Greek organisations. Overall, TQM, as an entirely new management philosophy with a new set of concepts and practices, has not yet penetrated very deeply into managers' consciousness. However, it has started to influence their working conditions. Managers are not resisting its implementation, but negotiating with it in the face of individual and organisational realities.

In this respect, chapters 2, 3, and 4 are essentially theoretical while chapters 5, 6, 7, 8 and 9 present and analyse the empirical evidence of the study. More specifically, chapter 2 opens the discussion on the TQM approach. Initially, it examines the origins of TQM whilst briefly discussing its various definitions and concepts. Its key role is to explore analytically the three approaches to TQM identified above and to explain why this thesis adopts a contingency view.

Chapter 3 refers to middle management and its relation to TQM. There are three basic reasons why this study focuses on this specific group of employees. The first is that several authors agree that this particular level of management is key to the effective application of the total quality idea. The second reason is related to arguments claiming that MMs are often seen as the problematic elements in several management approaches such as TQM, and that they resist management changes because they feel threatened by the possibility of losing power and control over their jobs. The third point is methodological: the middle level of management within an organisation can be reached by a researcher more easily than the upper level. Thus, chapter 3 examines first the pessimistic and optimistic approaches to the impact of organisational changes on MMs. Furthermore, it focuses on TQM's impact, reviewing the

existing literature. Finally, it analyses the circumstances that have led to the need for a new study of the relationship between TQM and middle management.

Chapter 4 examines the basic features of the Greek national business context. More specifically, it examines the emergence of TQM in the Greek NBS. The study focuses on Greek managers and organisations for four reasons in particular. First, the modernisation movement has recently reached the agenda of the Greek business system. One of its components is TQM. Second, the Greek business environment is different from those of the US and UK from where TQM has been transferred. Third, most of the studies in the Greek context refer to top managers' perspectives on TQM. There are only two that have brought the middle of the hierarchy to the forefront. The fourth reason is related to the great differences that Greek public and private organisations have in adopting promising practices, such as TQM.

Chapter 5 analyses the research methodology. Two major methodological contributions are offered. The first is related to the combination of quantitative and qualitative methods. As many studies of the effects of TQM on employees and organisations are essentially qualitative and there are few quantitative ones, a combination of methods incorporating the advantages of both methodologies is long overdue. Therefore, the first three sections explain in detail issues related to sample selection and data collection. The fourth section describes analytically the second methodological contribution of the study. This is the statistical measurement of the 'soft' and 'hard' sides of TQM. Finally, this section describes multivariate modeling and its interpretation.

The analysis of the study's quantitative results begins in Chapter 6. This chapter examines managers' awareness of quality in general, as well as the 'soft' and 'hard' sides of TQM in particular. Issues like the meaning of quality improvement, its importance and its most significant elements are part of the analysis. Furthermore, the chapter focuses on the TQM approach, presenting managers' responses on a set of principles and concepts from the 'soft'

side, and to a group of 'hard' techniques, tools and systems. This chapter closes by examining MMs' perceptions on general issues related to the importance of TQM and its effectiveness in Greek organisations.

A more complex statistical analysis takes place in Chapter 7, which explores the effects of managers' awareness of TQM on their responses to specific aspects of their work. The chapter is divided into two sections. The first examines public and private sector managers' overall responses on various aspects of their work, such as autonomy, monitoring, stress, work effort, job security, career progress and loyalty. The second section explores the association between managers' awareness of the 'soft' and 'hard' sides of the TQM approach and their responses to the above elements of their work.

Chapter 8 considers the effects of the perceived awareness of TQM managers' views about a set of organisational aspects. As in chapter 7, first MMs' opinions on a set of issues such as top-management commitment and support for employees, importance of customer satisfaction, empowerment and involvement, trust, communication, training and teamwork are presented. The second section investigates to what extent perceived awareness of TQM influences managers' responses to the above organisational issues.

Chapter 9 places TQM in context bringing to the fore the qualitative data. Its purpose is to offer a more in-depth analysis than this one offered from the quantitative data. The qualitative data of the study are presented separately, as we believe that the incorporation of qualitative analysis into the preceding chapters might make them lengthy, and also distract the reader from the main line of quantitative arguments. Thus, following the structure of chapters 6, 7, and 8, chapter 9 first discusses the understanding of TQM in the Greek NBS. Secondly it explains analytically the importance of 'soft' and 'hard' aspects of TQM for managers' work, as well as for organisational performance and processes. Finally, it discusses managers' perceptions on TQM related concepts.

Finally, chapter 10 builds the *Four-Fold Contingency Model* of the study. Afterwards, it locates the main findings and arguments analysed in the body of the study within this theoretical framework. Finally, this chapter examines the way in which the Greek business system uses these ideas and it discusses three potential future scenarios related to the implementation of TQM in Greek organisations.

CHAPTER 2

A Contingency Approach to TQM

2.1 Introduction

This chapter outlines the main theoretical view of the study, that of the *contingency* approach to managerial changes, such as TQM. The contingency approach to TQM can be separated in two interrelated views: the *pragmatic* and the *re-organisation of control* view. Before analysing in more details these theoretical arguments, this chapter examines briefly the TQM theory. The first section describes some of the background development of Quality Management (QM). Section two addresses the concept of TQM, examining its origination as well as its definition. The third section explores the main theoretical approaches to TQM. Finally, the last section of this chapter outlines the theoretical view of TQM that this study adopts.

2.2 The Background to Quality

Concerns about quality can be identified in historical accounts throughout the ages. We can divide the history of the quality movement into three periods. The first period is associated with ancient and pre-industrialisation times. As Dale and Plunkett (1990) points out, the most basic principles of modern Quality Assurance (QA), such as standards and measurements, can be identified during that period. For example, ancient evidence of quality can be considered the code of law of Hammurabi, king of Babylon in 1800 BC (Dale and Plunkett, 1990). In addition the first market-related quality evidence can be found in Saxon times in England, where officials protected purchasers from unscrupulous traders.

The second period is associated with increased industrialisation during the 19th century. The emergence of steam power resulted in the initiation of mass production "...created new demands for accuracy of manufacture, precision of measurement and standardisation and interchangeability of parts" (Dale and Plunkett, 1990, p.24). During this period the first explicit use of the word 'inspection' as a verb in quality-related literature, appeared to a

Report on manufacturers presented to the US House of Representatives by the Secretary of the Treasury (ibid, 1990).

However, quality began to comprise a substantial issue on the business management agenda during the 20th century, when the development of QA in three different geographical areas – the Japan, the US, and Europe– occurred. In Britain, the English School of statisticians began to lay the foundations of mathematical statistics on which the techniques of statistical Quality Control (QC) depend on (Dale and Plunkett, 1990). At the same time, in the US the development of automatic dialling enhanced the use of QC in telephone companies (Dale and Plunkett, 1990). However, the most important decade of QC was the 1930s, when major developments took place at Bell Telephone Laboratories. According to Joss and Kogan (1995), through QC faulty products were identified and removed from the production process.

After the World War II (WWII), two major shifts occurred. First, the emphasis changed from QC to QA. A lot of attention had been given to pre-production planning “...where everything possible was done systematically to design out errors in production processes” (Joss and Kogan, 1995, p. 9). Second, the quality movement received great importance due to two reasons. Firstly, “the American engineers and statisticians made great efforts in the QC of the manufacture of armaments” (Morgan, and Murgatroyd, 1997, p. 35). Secondly, American specialists controlled the reconstruction of the Japan after the WWII. The quality movement later achieved prominence in the US where the most quality gurus appeared. These people contributed to what later was called as Total Quality Management.

2.3 The TQM Concept

2.3.1 Originating TQM

TQM is the acronym (Total Quality Management) used for a set of management principles and practices. It is not so clear when this term first appeared. Struelpnagel (1993) points out that the origins of TQM can be found in Ford and Crowter's book *My Life and Work* published in 1926. On the other hand, Powell (1995) argues that TQM's origins can be traced

in 1949, when the Union of Japanese Scientists and Engineers established a committee of scholars, engineers and government officials with its major scope to improve productivity. They also tried to enhance their post-war quality of life. It was then that US companies began to take seriously TQM and to transfer it around the world. According to this view, TQM emerged after the WWII with its main purpose to reconstruct the ruined economy of Japan.

The impact of the writings of the quality gurus was very important during that period. Names like Deming, Juran, Ishikawa, Taguchi and Crosby are included in the list of the most famous. Many firms and academics studied the works of these theorists and integrating their approaches with QM, gave rise to the concept of TQM (Martinez-Loente *et al.*, 1998). This mainly took place during 1970s.

However, most authors agree that the term has its origins in most recent years when the concept of quality began to be a major issue on organisational agenda. Bemowski (1992) states that TQM was first coined in 1985 by the Naval Air-Systems Command to describe its Japanese-style management approach to quality improvement. In addition, Dale (1999) believes that the term arose in the UK from the National Quality Campaign, which was launched in 1983 by the Department of Trade and Industry. Furthermore, it is argued (Martinez-Loente *et al.*, 1998) that there is a relationship between the acronym of TQM and an earlier acronym TQC (Total Quality Control). The word 'control' was replaced by 'management' "with the reasoning that quality is not just a matter of control, it has to be managed" (ibid, p.380).

2.3.2 Defining TQM

There is no globally accepted definition of what TQM is. Adopting Rees's (1996) comment, "there are almost as many definitions of [TQM] as there are books on the subject" (p.10). This study does not intend to produce another definition. However, by examining a variety of definitions we can understand much better the context under which TQM has been approached. We can distinguish these definitions into two categories: *technical* definitions

that mainly refer to reports from well-established national or international organisations, and *academic* definitions.

A baseline technical definition of what TQM is all about has been given by the American Federal Office of Management Budget Circular (cited at Milakovich, 1990, p. 209):

TQM is a total organisational approach for meeting customer needs and expectations that involves all managers and employees in using quantitative methods to improve continuously the organisation's processes, products and services.

In addition, according to the British Standard BS5750 (1992), TQM is defined as a managerial philosophy and practice, which aims to harness the human and material resources of an organisation in a way to achieve the objectives of it. Finally, the US General Accounting Office defines TQM as

The new approach to the art of management that was developed during WWII and seeks to improve product and service quality and increase customer satisfaction by restructuring traditional management practices. The application of TQM is unique to each organisation that adopts such an approach.

According to the latter definition TQM is not just a technical system. In fact, TQM is associated with the organisation itself, which is also a social system. Pike and Barnes (1996) argue that organisations are not only technical systems but also human systems. In addition, Oakland (1993), states that TQM is an attempt to improve the whole organisation's competitiveness, effectiveness and structure. For Murno-Faure and Murno-Faure (1992), TQM is a proven systematic approach associated with the planning and management of activities within an organisation. Moreover, Goetch and Davis (1994) argue that, "total quality is an approach to doing business that attempts to maximise the competitiveness of an organisation through the continual improvement of the quality of its products, services, people, processes and environments" (p.12).

Furthermore, Hill (1991) sees TQM as a management philosophy that "...institutionalises planned and continuous improvement" (p.36). In addition, Kogan and Joss (1995) define TQM as a process of organisational change formed to engender and sustain a culture of continuous improvement based on customer satisfaction. Mullins (1996) characterises TQM as a "way of life for organisation as a whole" (p.774) and states that a TQM organisation needs to target on customer satisfaction by emphasising the improvement of processes as well as the involvement of all the people within an organisation. For Dale (1999), "TQM is the mutual co-operation of everyone in an organisation and associated business processes to produce products and services which meet and, hopefully, exceed the needs and expectations of customers. TQM is both a philosophy and a set of management guiding principles for managing an organisation" (ibid, p.9). Finally, Besterfield *et al.*, (1999) try to analyse the acronym TQM by defining the three words that it consists of: *Total* refers to made up of the whole; *Quality* refers to the degree of excellence of a product or service; and *Management* refers to an act, art or manner of handling, controlling, leading and planning. Thus, TQM is the "art of managing the whole to achieve excellence" (ibid, p.1).

From the above definitions, we can identify two important aspects that comprise TQM: management tools and techniques as well as management concepts and principles. The techniques refer to what has been called as the '*hard*' aspects of TQM, while the principles refer to the '*soft*' side. This distinction was first made by the British Quality Association. As Wilkinson *et al.* (1992) argue the TQM gurus, emphasised the 'hard' side of QM by focusing on statistics and operations of the quality system applied in an organisation. However, TQM also refers to qualitative characteristics like customer orientation, quality culture, teamwork, and employee empowerment and involvement. In this respect, TQM is a whole management theory. In his attempt to explain 'why quality circles failed but TQM might succeed', Hill (1991) characterises TQM as a 'business discipline', which composes a distinct branch of knowledge in the field of management science.

There are many more definitions that can be found in various academic writings. It is not the purpose of this study though to examine analytically all the given definitions of the term. Nevertheless, we can conclude that beyond the divergence of the definitions given above, almost all of them try to explain two things: the 'what' and the 'how' of TQM (Goetch and Davis, 1994). We have seen that the 'what' of TQM is not something that all theorists and practitioners agree. In contrast, the 'how' synthesises its whole theory. The latter includes the underline theoretical assumptions of the TQM approach. These theoretical assumptions are associated mainly with the 'soft' side of TQM and compose the key-elements of its philosophy. Searching the business literature, various TQM elements can be identified. In our search, we have distinguished nine basic concepts of TQM. As we will see in chapter five, these key-concepts have been distinguished according to their frequency of use in most TQM's texts.

Furthermore, chapter six will examine in more details each one of the 'soft' TQM concepts. A concluding point to be mentioned here is that TQM was emerged by the evolution of the quality movement during the last five decades. It is not simply a technique or management practice, but a holistic management philosophy that is composed by two distinct elements: the 'hard' and the 'soft' side. As the 'hard' side of TQM includes a wide range of techniques, systems and tools, the 'soft' side is sometimes the missing link that makes TQM paradigm less successful. Therefore, TQM needs to be put in a theoretical context that will analyse in-depth the implications of its 'soft' side.

2.4 TQM in an Analytical Context

In the TQM literature we can identify various views of TQM approach. Wilkinson *et al.* (1997) categorised these views into two central approaches: the supporters of TQM, who proffer *bouquets* and the critics who throw *brickbats*. They also argue that there is a third approach arguing that TQM effects depend on context. Following this classification, the present study categorises the views of TQM into three broad but rather distinct approaches: the *technical* approach, the *critical* approach and the *contingency* approach.

2.4.1 The Technical Approach to TQM

The *technical* approach to TQM adopts unitarist views to the study of business problems and promotes technical solutions. Much of the literature of this approach arises from the work of quality gurus (Crosby, 1979 and 1984; Deming, 1982 and 1986; Feigenbaum, 1983; Ishikawa, 1985; Juran, 1988; Peters, 1988; Oakland 1993). These authors mainly focus on manufacturing from which the TQM initially emerged, offering a wide range of practices, such as Statistical Process Control (SPC).

Nevertheless, QM in general and TQM in particular hit the organisational agenda in service industry as well. The emergence of the technical approach to quality in service industry is related to the establishment of two theoretical schools: the *American School* and the *Scandinavian* one. The former is exemplified by the work of Berry and his colleagues (1985, 1988, and 1990) who developed the so-called SERVQUAL index, a research instrument by which service quality can be measured. In addition, another group of scholars (Parasuraman *et al.*, 1985) described ten determinants that quality of service should be based on. The latter school focuses upon two components of service quality: 'What' and 'How' (Gronroos, 1984). The former refers to the technical aspects of 'what' the customer receives, while the latter to the functional aspects of the service, which are influenced by the employees (*ibid*, 1984).

These two schools have provided a basic technical framework for many of the quality initiatives adopted by service organisations (McCabe, *et al.*, 1998). However, this framework and similar initiatives had less positive impact "either on customer perceptions or on commercial results" (Tilston, 1989, p.67). The reason is associated with the human side of organisations. More specifically, this approach argues that TQM has a positive impact on employees and managers. It does not consider though, in more depth human issues within organisations. Smith and Lewis (1989), for instance, see positive effects on quality from these technical initiatives, arguing though that this is most likely to occur as part of a broader change on the organisational culture. In addition, Gronroos (1984) points out the importance of employee related issues (employee attitudes, customer-employee interrelationships,

employee relationships, the personality and appearance of the personnel, etc) in order these technical solutions to achieve quality results in service industry.

Beyond general assumptions about human resources, the 'soft' side of TQM seems to be ignored by the technical literature though. As McCabe *et al.* (1988) note, although the technical approach to TQM is the most widely applied in today's business world, a major problem with it "is its failure to contextualise fully the analysis or recommendations concerning quality management" in services (p.397). According to McCabe and his colleagues, the technical approach does not identify any problems, nor can explain how and why the quality initiatives fail to address these problems. In other words, the technical literature of TQM tends to neglect, or at least not to see any particular problems related to organisational politics, power and conflict situations as well as resistance to management control, which many times influence the successful implementation of management changes.

Another critique of the technical approach to TQM is associated with the nature of quality systems, tools and techniques. It has been argued (McCabe, *et al.*, 1998) that these programmes have been developed by consultants and/or practitioners "with little detailed knowledge of the problems that need to be addressed by such schemes" (p.399). This approach assumes that the prescriptive content of the quality programmes can be universally applicable and thus, they can be successfully implemented in any kind of organisations. However, as McCabe *et al.* (1998) argue, in the financial service industry "general admonishments of rigid cultures and poor client service ignore areas such as investment advice or the imposition of bank charges where change could be targeted to good effect" (p. 399).

In other words, this school of thought tends to ignore the special conditions under which the TQM needs to be implemented, such as different industries or different sectors of employment.

2.4.2 The Critical Approach to TQM

The *critical* literature, also known as *work intensification thesis* or *exploitation model*, aims to question the technical view of TQM. Its main origin comes from the *labour process theory*, which generally argues that recent managerial and technological changes are more sophisticated forms of the exercise of control over the employees. In this context, TQM is seen as new form of work intensification (Braverman, 1974; Sayer, 1986; Tomaney, 1990; Delbrige and Turnbull, 1992; Delbridge, *et al.*, 1992; Sewell and Wilkinson, 1992a,b).

Delbridge and Turnbull (1992) criticise task-based teamwork as a method of new top-management exploitation of workers' effort. Through this practice, team members are accountable for their own performance and they are pressured to ensure compliance to organisational objectives. According to their view, TQC and similar practices like SPC are seen as methods which limit employees' freedom of personal decisions over productivity. At the same time, these techniques can be seen as a system of monitoring the staff to ensure that strategic decisions will be followed.

In addition, Sewell and Wilkinson (1992a) criticise the technical approach to TQM by emphasising the idea of *panopticon* taken from Foucault's (1977) work. According to them, the use of 'traffic lights', above each employee, can be seen as a new control method. They are used as reminders for employees in order to improve their individual performance and also to create "a climate where all members are constantly made aware of the need to make improvements" (Sewell and Wilkinson, 1992a, p.108).

Furthermore, McArdle *et al.* (1995) suggest that the hard definition of quality implies more centralised managerial control. This means that although TQM seeks to delegate decision-making power to the lower levels of the hierarchy, what actually happens is to give more authority to those at the upper hierarchical levels. Tuckman (1995) similarly argues that what really TQM does, is to create new forms of managerial and political control over employees by promising harmony, autonomy and increased responsibility for the staff.

Moreover, Kerfoot and Knights (1995) suggest that “while [TQM] seeming to ‘flatten’ the hierarchy, the effect of quality management is to renew the legitimacy of large bureau-corporate capitalist organisations” (p.220). They argue that through empowerment, individuals are expected to be active and capable of powers of interpretation. TQM relies for its effectiveness on an active subject with interpretive powers. However, employees are neither treated as equals nor even consulted when firms decide to adopt programmes of QM: “they are often merely trained in its practices once the programme has been adopted by the senior management” (p.230). In other words, total quality programmes entail forms of control that undermine or are inconsistent with the creativity and continuous improvement that quality initiatives are designed to promote. However, they recognise that employees’ creativity and innovation may occur despite the dictates, or in the absence, of quality programmes. Moreover, they point out the importance of considering how subjectivity is constituted in and through QM practices. Subjectivity is such that once subjected to a programme, individuals may readily begin to secure a sense of meaning and identity by acting in accordance with the norms and values that such programme conveys.

In a later study, Knights and McCabe (1999) examine “how hierarchical power structures and the pressures of capital accumulation impinge upon TQM and restrict its operation” (p.198). Their general suggestion is that the problems of TQM are likely to prove far more intractable than it is implied by those who want to see a possible integration between TQM and Human Resource Management (HRM). According to their argument, top-managers cannot plan accurately or control their organisations, even though a more ‘knowledgeable’ (Smith et al., 1994) and ‘democratic’ (Wilkinson et al., 1991 and 1992) approach is adopted. For Knights and McCabe, power is not simply an external agency, but it penetrates the very essence of our being. They, recognise that subjective self-discipline can be a much more effective form of controlling employees than that generated by coercion or even monetary incentives. However, it has its limits and points of resistance. Moreover, they point out that the independent continuum of identity and power needs to be examined in the context of the social relations

that serve to constitute it, and in which it, in turn, constitutes. As they say, we can make sense of ourselves as subjects in terms of social relations: the subject cannot be replaced from its context.

To sum up, the critical literature of TQM supports the view that TQM “facilitates greater top-management control, individual surveillance and intensification of work, without meaningful ‘empowerment’ at the bottom of the hierarchy” (Webb, 1995, p.107). It also claims that more attention needs to be given to power and subjectivity in organisations and in managerial practices, which can facilitate an understanding of TQM (McCabe *et al.*, 1998).

Nevertheless, this approach seems to avoid explaining why several times TQM was a successful organisational paradigm. Therefore, there is an analogous critique of this approach to TQM. First of all, this approach tends to underestimate the potential positive effects of TQM on employees. For example, the work intensification thesis fails to explain TQM effects on employees’ autonomy, involvement and job satisfaction. In McArdle *et al.* (1995) case-study, employees saw TQM as leading to higher job satisfaction. However, the authors gave little emphasis on that fact and they underlined only that “TQM has introduced management by stress...into the plant [PCB Electronics] and forced workers to indulge in their own work intensification” (p.170).

Also, the critical approach tends to ignore that many times employees and managers accepted the principles of TQM with enthusiasm. There is evidence (Rees, 1996; Collinson *et al.*, 1998), which shows that several times employees are in favour of TQM programmes. The exploitation thesis avoids explaining this attitude, and it considers only evidence showing the negative implications of TQM for employees. Therefore, we can argue that it falls into the same gap that technical literature of TQM does: it tends to focus on the one side of the story ignoring an alternative view.

Another major problem with this approach to TQM is the fact that many studies focus on single case-studies generalising their findings and conclusions. For example, from the study

of Knights and McCabe (1999), it is quite difficult to generalise any conclusions. From our point of view, their arguments were based a single case-study rather than a general qualitative one in the field of organisational power and QM. The fact that they mainly prove that in their case-study the organisational structure and power relations are inimical to successful TQM implementation does not mean that the same situation occurs in every single organisation. The way and the degree that TQM approach is influenced by organisational power relations are different from organisation to organisation.

Finally, this approach is broadly pessimistic. This pessimism is related to the background theory on which the critical view is based. Labour process theory sees the organisational world from the Marxist point of view, adopting a quite pessimistic perspective. Although it considers many pragmatic issues occurring within any organisation, its role is only to criticise and question all the solutions as well as the problems occur and not to offer a more practical view. Thus, there is a need for a 'middle range' approach to TQM that does not ignore the technical and the 'soft' concepts of TQM and is based on a more contingency as well as pragmatic view of QM in general and TQM in particular.

2.4.3 The Contingency Approach to TQM

The *contingency* approach to TQM focuses on the human aspects of organisational life. This approach sees TQM from a more pragmatic point of view rather than arguing that TQM is either an ideal management model with universal application or a new and sophisticated method for work intensification/exploitation. The contingency approach suggests that TQM's implementation and its impact depend on organisational context. It does not see TQM negatively or positively but its view depends on several individual and organisational contexts. Searching the contingency literature of TQM, it can be further categorised into two interrelated views: the *pragmatic* view and the *re-organisation of control* view.

The pragmatic view is mainly represented by Hill (1991 and 1995), Wilkinson *et al.* (1991, 1992 and 1997), Hill and Wilkinson (1995) and Wilkinson (1999). According to this view,

TQM is seen as having some potential to improve organisational performance, to upgrade industrial democracy and consequently to contribute to better quality of products or services, insofar as it does not ignore the social factors of an organisation (Hill, 1995). According to Hill (1991 and 1995), there are important implications for the entire workforce of every organisation in the message of TQM; “all functions and all employees have to participate in the improvement process and, to ensure this, organisations need both quality systems and a quality culture” (p.36). He also points out that TQM has much more potential to be a successful management paradigm than the Quality Circles (QCs), due to the fact that QCs have many different aspects than TQM. Table 2.1 summarises the different approaches of QCs in comparison with TQM.

Table 2.1
The difference between quality circles and TQM

<i>Ideal Types</i>	<i>Quality Circles</i>	<i>TQM</i>
<i>Choice</i>	Voluntary	Compulsory
<i>Structure</i>	Bolt-on	Integrated quality systems
<i>Direction</i>	Bottom-up	Top-down
<i>Scope</i>	Within departments/units	Company-wide
<i>Aims</i>	Employee relations improvements	Quality improvements

Source: Wilkinson *et al.*, (1992)

His argument is that “now the people who rule corporations appear far more determined to succeed with this latest development that they ever were in the past” (Hill, 1995, p. 52). His view though is not only optimistic but tends to be pragmatic as well. In practice, TQM many times fails to keep its initial promises. Therefore, Hill (1995) points out that TQM will not have an unproblematic implementation and that “while solutions to the technical issues of designing appropriate systems and procedures are fully specified, there are obvious lacunae in the treatment of the social factors” (p.40). First, commitment can be seen as a problem among rank and employees. Second, the middle level of employees might resist TQM if the process of empowerment threatens their job security. Finally, change in organisational culture is not always an easy job. According to Hill (1995) these three mechanisms are limited in many organisations and consequently inhibit the effective implementation of TQM.

In this context, another study by Wilkinson *et al.* (1992), appears to be more realistic about TQM effectiveness. According to them, TQM is highly contradictory. Despite the fact that, it involves laid-down instructions, it encourages employees' participation in the decision-making process. Therefore, employees might not automatically agree with TQM view, nor implement it with enthusiasm. Wilkinson *et al.* (1992) also note that TQM programmes are often far from being compatible with organisational structures. They argue that TQM fails to consider industrial relations issues like trade unions impact, employee resistance, and inter-organisational conflict problems.

Moreover, another problematic situation can emerge from the attempt to combine TQM with HRM strategies. More specifically, the attempt to convince people to be committed in quality improvement policy through the use of HRM-style appraisal and payment strategies could be difficult (Rees, 1996). This is caused by the fact that it is contradictory to convince people to develop a collective attitude by participating in teams, and in parallel to apply an HR-practice of individual performance-related pay (Legge, 1989).

Other problems can emerge when TQM application tends to ignore the 'soft' side of management and to focus only on the 'hard' side of it (Rees, 1996). This is due to top-managers' preoccupation with 'hard' quality aspects like cost and performance, and less with organisational issues like empowerment, commitment, trust and customer perceptions (Seddon, 1989). Similarly, Wilkinson (1992) notes that "management gives insufficient attention to examining the underlying values and resulting behaviour of employees, with the result that there is a failure to achieve the 'cultural change' necessary if TQM is to successfully implemented" (p.326). In short, the pragmatic literature of TQM sees the total quality initiative as having advantages and consequently the potential to be a successful organisational paradigm, but in practice there are many aspects of organisations that inhibit its fully adoption.

The second contingency view, which is known as the *re-organisation of control* thesis, has many similarities with the previous one. For this view as well, TQM can succeed in improving many individual aspects of work, such as autonomy or trust. However, it suggests that TQM in reality does not reduce hierarchical control but it shifts its nature. In other words, whilst TQM gives greater autonomy to people in lower hierarchical levels at the same time it provides with means for tighter top-management control (Dawson and Webb, 1989; Bratton, 1991; Geary, 1993 and 1994; Webb, 1993 and 1995; Klein, 1994; Rees, 1996; Collinson *et al.*, 1998).

One of the most representative studies of this view is conducted by Collinson, Rees and Edwads (1998). They found that while in many UK organisations QM was a missed opportunity in some others TQM's "promise is worth pursuing" (p.108). Their study argues that TQM must be seen in more pragmatic terms as far as there were different key conditions in each organisation that allowed TQM to work. In other words, there are not only bad or only good implications of TQM. "The reality is often a mixture of extended employee involvement together with tighter management control" (*ibid*, p.11). As Wilkinson *et al.* (1991) argue while TQM is accepted with enthusiasm by organisational members, it can also be seen as a new monitoring method over their performance. In addition, Geary (1994) points out this paradox of TQM by stating that "although management may grant employees considerable freedom to be self-managing, it is a practice which has not diluted managerial control over the labour process: it has rather been redefined and exercised in a different form" (p.650).

Similarly, Klein (1994) notes this paradox of TQM approach. A successful implementation of TQM assumes the involvement of the whole workforce in its practices. Employees should be committed to the improvement process. A method of generating such commitment is by developing a sense of ownership over decisions that affect their workplace. In other words, increased employee autonomy can lead to increased commitment to the process. On the other hand, "another principle of TQM is the reduction of process variability through improved control..." (*ibid*, p.179). This requires employee acceptance and conformance, which may not

be their choice. Thus, a paradox can arise between the need for operating discipline and employee empowerment over operating decisions. In other words, Klein suggests that TQM although promotes individual autonomy as long as seeking over participation and involvement in decision making, it simultaneously increases top-down control over the process.

Other studies in this field give a more general perspective of top-management control and TQM. For example, Cressey and Scott (1992) note that market-driven, organisational and technological factors have led to downsizing in banking and insurance industry. This resulted in job insecurity and threatened career structures. As they argue, top-management attempted to accommodate a new sales culture often based on service quality, but this required “different staff with different qualities and outlooks” (Cressey and Scott, 1992, p.93). Furthermore, many changes have been introduced in an autocratic and paternalistic way, without helping in employees’ commitment. Trevor (1988) found that although employees enjoyed increased amounts of job-satisfaction, they were aware of management control for more demanding effort standards. The introduction of TQM practices, like teamwork are also seen alongside close top-management control (Wickens, 1987).

In conclusion, the re-organisation of control thesis neither sees TQM implications from the optimistic point view nor rejects TQM. Its core message is that whilst TQM may be about to benefit individual workers, at the same time it contributes to new forms of top management control insofar as employees prefer a disciplined and organised work environment. Thus, this approach can be seen as a critic of the previous approach (pragmatic) to TQM. However, it is not central to this study to argue about the differences of these two views. From our point of view similarities are more important from differences between these two approaches to TQM. In this respect, the present thesis aims to confirm through the analysis of its evidence both approaches to TQM supporting the contingency view that it should be seen.

2.5 Conclusions: the Theoretical View of the Study

This chapter has addressed the most important aspects of TQM literature. Having briefly described the concept of TQM, this chapter categorised the TQM literature into three distinct approaches. This classification was meant to emphasise different views under which TQM has been seen by academics. The first approach is the *technical* one, which is mainly represented by quality gurus and other scholars, and it sees TQM as a technical system of solutions concerning problems on quality of goods and/or services. The second approach stands on the other extreme, adopting a *critical* position. It views TQM as a more sophisticated method that top-managers use in order to exercise authority and control over the workforce persuading them to be involved in the process of quality improvement. In other words, the *critical* approach sees TQM as a form of work exploitation/intensification.

Beyond these two extremes though, there is a middle view, which is the *contingency* approach to TQM. This approach has been adopted by the present study. As mentioned, it can be further categorised into two interrelated views: the *pragmatic* view and the *re-organisation of control* view. The theoretical view of the study centres on a combination of these two approaches to TQM. The study's argument is that TQM paradigm is an essentially new type of top-management control over subordinates, but in some respects people do not resist to this new type of work discipline as long as they have shared benefits like autonomy and career progress.

In this respect, this study sees TQM as something that is not necessarily positive or negative. It stresses that its impact depends on context. This perspective opens up several issues that the critical writers tend to close off. First of all, TQM is not seen as a mechanistic and closed approach with set implications. It is rather seen as a wholly new management philosophy with set of 'soft' and 'hard' aspects that clearly sets a challenge for all types of organisations, in all business environments. Moreover, because TQM is not a set 'thing', it can be interpreted differently by different group of employees within organisations. One of these groups of employees are the managers and especially those in the middle of the organisational hierarchy.

With regards to people in other hierarchical levels, it is critical to investigate how MMs understand and apply TQM concepts as well as how these concepts influence their attitudes towards a set of individual and organisational issues. MMs are seen as key-actors in translating TQM approach into effective practice within organisations. Thus, the relationship between middle management and TQM is at the core of this study's interest. The next chapter opens the theoretical discussion about this relationship.

CHAPTER 3

TQM in a Middle Management Context

3.1 Introduction

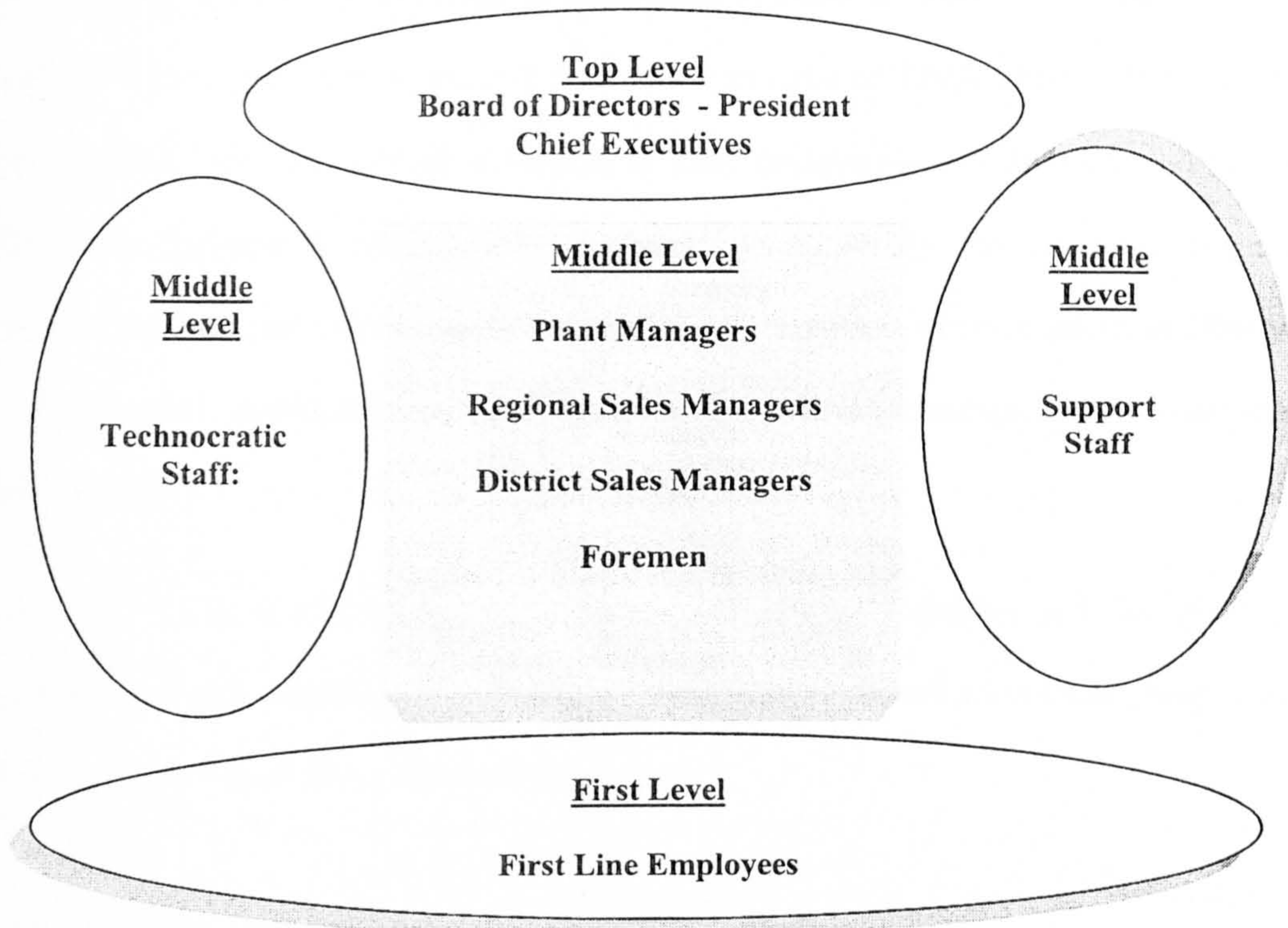
One of the basic arguments of TQM theory is that in a total quality organisation everyone is responsible for quality improvement (Oakland, 1989; Morgan and Murgatroyd, 1997) from top-executives to first line employees. Several studies have focused on the two extremes: top-managers or shop-floor employees. Between these two poles there is a wide range of organisational members that are equally important for TQM effectiveness. These are Middle Managers (MMs). The present chapter examines MMs' roles and attitudes towards managerial changes, such as TQM. The chapter is structured into three sections. The first section examines the nature of middle management. The second one focuses on the impact of organisational change on MMs. The third section explores the relationship between this work-group and QM, investigating their roles and importance in a TQM setting.

3.2 The Nature of Middle Management

The vast majority of today's managers in large organisations are MMs (Floyd and Wooldridge, 1996 and 2000). Their positions are located between the strategic apex and the operating core of the organisation. A clear view about MMs' position within the organisational structure is illustrated in diagram 3.1.

A way to identify what MMs do is through their job titles or their formal job descriptions. However, several authors (Stewart 1982; Floyd and Wooldridge, 1996) argue that job titles do not provide clarification on the respective managers' occupation but instead are unreliable guides to what they do. In addition, as Floyd and Wooldridge, (1996) note, identifying who is or who is not a MM comes "...from how an individual views and approaches his or her responsibilities" (p.4). According to their study, MMs have been traditionally charged with some aspects of the organisational operations, with one or more layers of hierarchy reporting to them and having at least some access to upper levels.

Diagram 3.1
Mintzberg's Five Organisational Parts



Source: adapted by Mintzberg (1983) and Payne (1996)

According to Livian's (1997) view, three features appear to be the most common attempting to define the nature of middle management. *First*, MMs dominate on the middle layer of the hierarchical structure. *Second*, MMs are in the middle in terms of time-scale and scope of strategic and routine decision-making process. *Third*, MMs are in the middle in terms of organisational impact between fundamental and inconsequential. In this respect, Kay (1974) argues that MMs are those who manage managers, supervisors, or professional and technical people who are not vice presidents of functional or staff areas or general managers. Kanter and Stein, (1979), claim that this management level consists of a long stretch reaching from those with bare supervisory responsibility over lowest-level workers to those just below top policy-makers.

Beyond these broad definitions, there are several others that focus on specific features of middle management. Several authors (Poole *et al.*, 1981; Stewart, 1982; Useem and Karabel, 1986; Huczynski and Buchanan, 2001) have looked into MMs' social background,

educational level and skills. Some others (Dommermuth, 1966; Norburn, 1987; Gunz, 1989) focused upon their mobility and range of experience in different fields and companies. Also, the concept of the specialist vs. generalist has been an issue of debate (Porter, 1980; Gupta, 1986). Another criterion of their definition is their involvement in decision-making and performance management (Breen, 1984; Brennan, 1991). Finally, the managers' required national or international mobility in a global economy has also received attention (Forster, 1992; Stroh *et al.*, 1994), together with its advantages and disadvantages for the individual (Merrick, 1996).

In this study we have adopted for analytical reasons a broad definition of MMs, given by Dopson *et al.* (1993): *Middle managers are all those employees below the small group of top strategic managers and above first level supervision*

3.3 Organisational Change and the Middle Manager

It has been argued (Schein, 1978; Baron and Greenberg, 1990) that macroeconomic conditions and technological forces are environmental determinisms that cause a change in organisational structure. Some authors (Nonaka, 1990; Curnow and Fox, 1994) also support the view that we have moved from being an industrial society to becoming a society with an economy based on the creation, processing and distribution of information. In the widespread argument that employees are notoriously resistant to change¹, these shifts have a substantial impact on the individual MMs (Maarten, Rundolf Van Gils, 1997). The middle level of every organisational hierarchy is the one that change stresses the most (Maarten Radolf Van Gils, 1997). For example, new forms of management practices such as TQM and/or BPR can be particularly stressful for these managers. In middle management literature, two views can be distinguished that address the relationship between MMs and organisational change: the *pessimistic* and the *optimistic* view.

¹ According to Kotter and Schlesinger (1979), change implies uncertainty, which breeds insecurity and fear of the unknown.

3.3.1 The Pessimistic View

The *pessimistic* view suggests that organisational changes, such as information technology and new work practices, have a negative impact on MMs' nature of work (Leavitt and Whistler, 1958; Simon, 1960; Hicks, 1971; Neuman, 1978; Drucker, 1988; Weiss, 1988). The negative impact of organisational change can operate in several ways.

A first impact can be noticed on MMs' status. Being in command easily creates the illusion of rationality, of absolute truth and therefore, of having the power and the ability of steering from a fixed point of view. A manager who has or wants to have control, emphasises primarily hierarchy, neglecting the essential communicative and other processual tasks and creating his/her own status (Boland, *et al.*, 1994). A managerial change might upset the existing structure of his/her status and power position.

Moreover, the successive waves of delayering and downsizing undertaken by many companies in the 1980s and 1990s have threatened MMs' job security (Dopson and Stewart, 1993; Scarbrough and Burrell, 1996). Technological equipment and improved knowledge on management action facilitate this organisational restructuring into organic, downsized organisations. Therefore, these organisations proceed to massive reductions in the number of their employees, especially those working in the middle level of the hierarchy. The reason was to become cost effective in order to increase competition (Hunt, 1986; Holbeche, 1994). They also wanted to create more flexible and flatter organisations - the so-called 'lean organisations' (Legge, 2000) - with few functional boundaries and the number of layers reduced. In addition, greater emphasis on generalist skills was stressed. Such skills were associated with general financial knowledge, greater ability to manage staff of different backgrounds, wider understanding of what was happening around them both in other departments and outside, and greater marketing and strategic orientation (Dopson, *et al.*, 1992). Especially for public services these were new skills, which meant that MMs had to learn a new vocabulary. Also, many organisations had to refocus their training efforts and to

rethink the criteria for selecting managers. These changes have a negative effect on managers, who felt less secure for their jobs and more sceptical for their career prospects.

Managers' own pessimism about their careers and personal development may be the most substantial effect. The restructuring wave of the 1980s and 1990s had an effect on managers' careers. Heckscher (1995), who examines the effects of such changes on middle management loyalty and commitment, notices that the 'assault on middle management' in recent years has shattered any illusion of job security and brought the issue of managerial loyalty to centre stage. Another study by Dopson *et al.* (1992) has shown that there were several negative comments about the ways in which the changes had affected MMs' jobs. These were general complaints about coping with the additional pressures and the increased workload in expanded jobs. As Dopson and his colleagues point out "...some managers felt more insecure fearing further changes. Others complained that the refocusing of tasks meant they lost certain enjoyable aspects of their job. There were also problems of having to adapt to changes, particularly when they were unexpected and when they were not fully consulted about those changes" (p.6).

Finally, recent organisational changes can alter perceived power relations for MMs. For instance, restructuring through mergers or downsizing, has led to uncertainty and increasing impersonalisation and distance from decision-making centers (Young, 2000). Also as Young (2000) argues "...a growing emphasis on measuring outcomes, particularly in financial, quality and other output terms, has often imposed unrealistic and conflicting expectations on managers, and much higher level of surveillance than had previously had" (p.3).

3.3.2 The Optimistic View

Contrasting with pessimistic view, there is a number of studies suggesting that organisational changes have a positive impact on MMs (Polakoff, 1987; Nonaka, 1988; Weiss, 1988; Buchanan and McCalman, 1988; Dopson and Stewart, 1993a, b; Floyd and Wooldridge, 1996 and 2000; Livian and Burgoyne, 1997). The growth of large industrial corporations during the

first half of the 20th century set the stage for the rise of middle management. The old style of how organisations made strategy distinguished strategic thinking from doing. Top managers had all the important strategic ideas. MMs were merely involved in translating plans into actions (Floyd and Wooldridge, 1996). Their role was completely internal. In the transformed organisational environment, though, MMs have greater responsibilities, more authority and more autonomy than before (Livian, 1997). In other words, the continuously changing organisation needs the '*new middle manager*' as a key player.

This argument is supported by many authors. Dopson and Stewart (1993a) suggest that in the 'lean organisation' there are new opportunities for MMs, who will occupy a pivotal role in implementing changes. The same authors note that most of the MMs are positive about the changes and the ways in which their jobs have been affected. In addition, Floyd and Wooldridge (1996) argue that MMs' centrality in the information network creates the potential for them to become a driving force in learning organisations. According to their study, organisational learning improves when MMs actively participate in the strategy-making process.

Moreover, Larsen (1997) characterises MMs as 'strategic ambassadors'. In modern organisations, bottom line employees are those that have direct contact with 'the outside world' (customers, suppliers, government policies, competitors, etc). They cannot transfer any valuable information though. Therefore, MMs receive feedback from their employees and transmit this new information to the top of the hierarchy. Larsen (1997) called this as the 'bottom-up ambassador role' of MMs. There is also a 'top-down role' by helping to link the overall organisational strategies made on the top of the hierarchy with the tasks of each individual within an organisation.

Another aspect of the transforming organisation results from the actual performance on the job rather than participating in training programmes (Revans, 1982). The MMs do not stay out of this process. They have to play some crucial roles as well. They are usually involved in

the re-design of jobs, which is directly associated with learning opportunities for their subordinates (Margerison, 1987; London, 1988). Furthermore, MMs are responsible for formal and informal training given to shop-floor employees. They influence certain experimental learning by enacting the 'rules' of interacting with the business environment. Finally, there are studies arguing that information technology has a positive impact on MMs (Dopson *et al.*, 1992; Prinsonneault and Kreamer, 1993).

Nonaka and Takeuchi (1995) place MMs at the core of the 'knowledge-creating company' by giving them the most significant role. As they point out "middle managers are the knowledge engineers of a knowledge-creating company" (p.154). Top-managers create the vision, the general strategy of the organisation. At the lowest level of the organisational structure, employees are faced with 'the chaotic realities' of the day to day interactions with customers, suppliers and several other people from the inter or extra-organisational environment. However, it is difficult to creatively link these two extreme structural layers in order to operate successfully. Therefore, there is a great need for a middle layer, which will operate as a 'bridge' between senior executives and bottom line workers (Nonaka and Takeouchi, 1995). Therefore, MMs "take the lead in converting knowledge" (p.154) through synthesising information of senior managers and front line employees, facilitating information's adaptability and implementing strategic decisions.

Table 3.1
The Changing Context of Middle Management

<i>Traditional Orientation of Tasks</i>	<i>Contemporary Orientation of Tasks</i>
<i>Developing coordination within functional boundaries</i>	Achieving relationships across organisational boundaries
<i>Controlling growth</i>	Finding innovation (Championing)
<i>Executing plans</i>	Encouraging an evolving mindset (Synthesising)
<i>Applying new technologies to production</i>	Transferring technology within the organisation (Facilitating)

Source: Floyd and Wooldridge, (1996), p.7

In conclusion, according to the optimistic view MMs, in a time of rapid change, have a more important role to play than before and, in addition, have more things to win than to lose. This

conclusion is summarised in table 3.1 (above), which compares the old and the new context of middle management. It is time though to return the discussion on the organisational change that emerged from QM initiatives, examining the existing literature about MMs' responses.

3.4 Middle Management in a Quality Context

As mentioned in the previous chapter, TQM is a cluster of techniques and 'soft' concepts that seek to shift power from the producer to the customer. It involves changes in organisational structure as well as in the organisation of work and requires everyone to be responsible in achieving quality results. TQM also requires the establishment of a quality culture within the organisation. In this respect, the critical point in the TQM theory is leadership, which is the necessary mechanism to change the culture. Quality leadership is related to commitment and support as well as to a management style that promotes trust, opens communication and enhances involvement in decision-making (James, 1996). In other words, TQM needs managers to be and act like leaders.

Ishikawa (1985) suggests that top-managers and MMs should be willing to delegate much of their power and authority in order to establish respect for humanity within organisations. With regards to top-managers, if MMs are not included in the designing of the QM programme from the beginning, and if they are not offered with the additional adequate training neither are not motivated to change, they can be expected to resist quality improvement initiative (Schuler and Harris, 1992). Thus, this study focuses on MMs and following Ishikawa's words argues that leadership, commitment and support from the middle of the organisation can be essential to the successful implementation of the TQM paradigm.

MMs, being at the core of the organisational structure, can play an important role and determine the success of a quality improvement programme. On the other hand, the implementation of quality initiatives and the stage of quality, which an organisation actually achieves, can have a major impact on the role and the nature of MMs' work. Thus, there are

several studies in the QM literature that see MMs as key players in quality achievements while others see a negative impact on them.

Much of the literature refers to the relation between middle management and earlier quality initiatives, such as QCs. Although, for example, Ishikawa (1985) believes that middle management must play an important role in the introduction of QCs, Dale and Barlow (1984) notice that the MMs were the most resistant work group in QCs. In addition, Dale and Hayward (1984) suggest that the lack of co-operation from middle management was the main reason for the unsuccessful implementation of QCs in Britain. Moreover, Barra (1983), Barlett (1983) and Cole (1980) agree with the idea that the implementation of QCs caused MMs to feel alienated and had a feeling of loss of power. Furthermore, Brennan (1991) argues that MMs resisted to QCs, because they felt insecure, they had lack of knowledge and skills, they did not receive support from the top management and they were not autonomous.

Maybe the most well-known study about QCs' failure is that by Hill (1991, 1995). According to his point of view, QCs disrupted MMs' lives. They also created an organisational complexity that confused existing structures and MMs had no reasons to make them work. This complexity was due to the introduction of QCs as a parallel or dualistic structure, which coexisted with the normal organisational structure. As Hill (1995) points out "middle management were recalcitrant, mainly as a result of organisational dualism, although managerial culture was also unsympathetic to the participation of subordinates..." and "participation was restricted to a narrow range of issues and middle managers reduced its effectiveness" (p.35). In contrast, he suggests that TQM will succeed because it starts from an organisation-wide cultural change. It is interesting to examine this notion in more detail.

3.4.1 Middle Management and TQM

In the business literature, two major approaches referring to the role of MMs in a TQM context can be distinguished. The first one is the *opinion-based* approach that is not emerged from research evidence and it is broadly optimistic, seeing MMs as organisational key-players

in achieving total quality results. This approach is related to the *technical* approach to TQM. The second approach is the *evidence-based*, which is associated with more critical views of the relationship between middle management and TQM. In other words, the former approach describes the 'ought to be' of MMs in a TQM context, while the latter explores the actual 'be' of MMs.

3.4.1.1 The Opinion-Based Approach

The opinion-based view consists of the theoretical works of the quality gurus as well as of other TQM writers. Crosby (1984) in his well-known book *Quality without tears*, argues that "the managers who work for the senior executives [middle managers] know that the future rests with their ability to get things done through people - right the first time" (p.158). In addition, Deming (1986) argues that MMs should be those who link top management's vision with shop-floor employees' needs. Furthermore, Ishikawa (1985) notes that MMs are the key-individuals in TQM. They are the 'traffic policemen' and he believes that they are at the crossroads, and they have to obtain crucial information and acquire the ability to make judgments based on a broad perspective. He also points out that MMs ought to act like teachers to other employees by using on-the-job-training programmes.

Furthermore, Huger (1990) agrees with Ishikawa's argument that MMs translate top-management vision into operational activities. He also, suggests that MMs must provide feedback to the upper level informing it about quality improvements. For Ciampa (1992) MMs need to establish competency models for the new behaviors required in the effective implementation of TQM. Waller *et al.* (1993) support the view that MMs are those that interpret quality policies and develop workable procedures for every single person within an organisation. For Goetsch and Davis (1994) MMs are the 'vision-carriers'. They are the people that "will carry the brunt of the work as the path to total-quality unfolds" (p.627). Cohen and Brand (1993) give MMs a triple role to play. First, they must learn about TQM concepts. Second, they have to convince the lower level employees to learn about TQM as well. Third, they must help top-managers in building an organisational culture that "nurtures

and reinforces continuous quality improvement” (p.118). Finally, Bounds, *et al.* (1994) put MMs at the core of the TQM strategy, arguing that they should ensure the stable execution of strategies and systems, which have been designed by ‘strategic leaders’.

Moreover, Peters (1988) argues that in a TQM context, MMs, instead of being the guardians of an operation, they become the people who facilitate and support the workforce, in whatever ways they demand. According to his view, the MMs “must practice fast-paced horizontal management” and “not traditional delaying vertical management” (p.369). In addition, Oakland (1989) notes that in order MMs to facilitate the total quality process “should be provided with the technical skills required to design, implement, review, and change the part of the quality system, which will be under their direct operational control” (p.271). Therefore, organisations should develop comprehensive training programmes for MMs, to ‘transform’ them to quality managers (Oakland, 1989, p.270). In a later work, Oakland and Dale (1991) support that TQM needs MMs to understand the principles of TQM in order “to explain them to the people for whom they are responsible...” (p.12).

Morgan and Murgatoyd (1997) put MMs at the core of the TQM’s cross-functional team practice. They argue that MMs’ power is significantly increased in overall management as they are those who will lead teams. Furthermore, Roth (1998) suggests that if MMs are allowed to effectively utilise their years of experience to improve products, manufacturing processes, management systems, and the work environment, the process and the organisation will flourish. MMs are the link of the organisational process: “they are the puzzle piece that ties everything else together and integrates the whole. This makes the meeting of their process related needs a number one priority in any successful quality improvement effort” (p.5).

In conclusion, according to the opinion-based approach, MMs have a major role in a TQM context. We can resemble this role with a ‘bridge’ that connects the upper level of the organisational pyramid with the lower structural level. However, there is little evidence confirming that the assumptions of this approach occur in day-to-day MMs’ work. Therefore,

an evidence-based literature has been developed, that sees the above arguments from a more critical perspective.

3.4.1.2 The Evidence-Based Approach

As mentioned (Floyd and Wooldridge, 1996 and 2000) MMs ought to transform their traditional role within the organisational boundaries due to demands of change. The changing role, though, places an increased stress on them (Shadur and Bamber, 1994). Therefore, a problematic situation may arise causing managers' resistance to change. This problematic situation has a double dimension: the top managers' dimension and the MMs' one.

The first dimension refers to top managers' lack of commitment and support to the MMs in order to make them understand their important role in modern organisations. Research evidence has shown, for example, that although MMs want to be involved in the TQM process, top management has not trust on them (Vouzaz, 1997). Chief executives are reluctant to delegate authority to MMs, and they do not offer much training. Thus, MMs often feel distant from the top of the organisational hierarchy (Watson, 1994). Prest (1995) in a single case-study, found a high degree of difference between senior managers and other employees (including MMs), on how they understood what TQM was about as well as the way that TQM was developed within the company. Also, employees had a rather different understanding of the effects of TQM as well as the rationale for implementing it (Prest, 1995). In addition, Schein (1991) found that the most commonly cited failure of TQM is the one of senior executives to be committed to the process. However, according to the same author top managers are not the only problem. MMs are at the centre of the problematic situation as well.

Therefore, the second dimension refers to MMs themselves. MMs are very much concerned with the effect that TQM might have on them. These concerns have been well documented: lack of commitment, fears of job security, threatened career prospects and personal development, changes in the nature of work, and loss of power (Klein, 1984; Wilkinson, 1999).

The first concern is associated with MMs' lack of commitment to TQM. Their passion and enthusiasm about quality often is not the one that TQM requires. According to Schein (1991) this is the most common reason for the failure of TQM programmes. Moreover, Wilkinson, *et al.* (1993) found that in nine out of ten organisations that they studied, lack of middle management commitment had been evident. In addition, the opposite of commitment, that is resistance or dissatisfaction, takes place in many organisations that attempt to implement TQM. Foy (1981) suggests that MMs have tremendous capacity to block changes and Dopson and Stewart (1992) found that this phenomenon is more common among public sector managers than among private sector ones. Furthermore, a comparative study carried out in five European countries (the UK, France, Holland, Portugal and Greece) has suggested that MMs' involvement in the design, implementation and improvement of quality management issues seems to be only in a developing stage, even among organisations that are moving towards the TQM approach (Vouzas, 1997).

Another cause of the problematic situation is the changing nature of MMs' work. According to Collard (1989) in order MMs to be the role-models in a TQM environment, they need to upgrade their communication, presentation and team working skills and their leadership style. Wilkinson, *et al.* (1993) found that the effect of TQM on MMs was important (in nine out of ten organisations): made their jobs more demanding, emphasised team-work, people management skills and technical knowledge. Furthermore, information technology that plays an important role in a TQM organisation seems to cause some problems as well. Dopson and Stewart (1993b) point out that information technology puts a number of challenges on MMs' work. It makes them understand the need to improve their knowledge and skills of the nature of the organisation's function. Finally, a research carried out by Klagge (1998) holds that training courses are essential to MMs, because through them managers can develop the special skills and knowledge that TQM requires.

Other studies notice that MMs are threatened by the loss of power and authority. Marchington and Dale (1993) argue that MMs are sceptical about TQM in terms of loss authority or increased workload. They perceive themselves as losing control over their specialist knowledge and as having to work harder for no greater returns (Wilkinson, 1993). Furthermore, Wilkinson *et al.* (1992) suggest that TQM became a source of conflict between competing interest groups. "Senior managers have to overcome existing ways of doing things in order to make TQM effective, even if this means sacking managers who resist and using the traditional sticks and carrots to enforce compliance" (Webb, 1995, p.109). Moreover, the development of team leaders might be perceived as a threat to their positions (Legge, 2000). Finally, Scarbrough and Burrell (1996) argue that the introduction of TQM displaces the 'heroic manager' in favor of surveillance systems, workforce empowerment, and the rhetoric (and pressures) of continuous improvement. However, this may influence the relationship between MMs and other working groups into an organisation, as far as it will change their powerful effects of their specialist knowledge (Scarbrough and Burrell, 1996).

A fourth concern of MMs is that they believe that TQM initiative will have a negative impact on their job security and career prospects. It is true that according to many authors (Wilkinson *et al.* 1993) TQM does not improve MMs' career prospects. In addition, Roth (1998) notes that many MMs fear that TQM will eventually eliminate their jobs as the number of management levels is decreased to improve communication. He also argues that they fear that their decision-making responsibilities will be transferred to lower level employees, leaving them with limited responsibility.

A study by Feinberg (1998) suggests that MMs' resistance is grounded in three opposing principles. The first principle is associated with the argument that *managers know better*: "having achieved their status through experience, education, technical and/or leadership skills, managers have reason to believe that they have more to contribute in their area of responsibility than any of their subordinates or any team composed of their subordinates"

(p.4). The second principle is related to the argument that *the customer is not always right*: “many managers have had experience of difficult and unfair customers who take deliberate advantage of a company’s goodwill” (p.4). Finally, the third principle is associated with the argument that *everything is not a process (in the TQM sense of the word)*: the most important things – insight, instinct, talent and creativity – do not benefit from process improvement efforts.

Other studies explore how managers consider the concept of empowerment that is linked with the TQM rhetoric. A study conducted by Denham *et al.* (1997) examined how MMs cope with the term. Their findings seem to support the idea that empowerment affects MMs in a negative way. MMs may experience cognitive dissonance when they are required to adopt and apply top managers’ policies that seem to threaten their own role. MMs try to cope with this problem by “actively blocking empowerment, perhaps in order to reassert the power and status they feel is being lost” (p.157). In addition, Procter *et al.* (1999) found that empowerment is far away from being a core management principle in trying to involve MMs in strategic decision-making process. They realised that MMs were making only task-oriented decisions rather than decisions referring to strategic changes. Moreover, some top managers who participated in the research commented that MMs did not take up the opportunities for empowerment. “The uncertainty in which they found themselves working meant Locality Managers perceived threats rather than opportunities in seeking to carve out a role for themselves” (Procter *et al.*, 1999, p.255).

The above literature review shows that the evidence-based view is broadly negative in terms of MMs’ acceptance and response to the TQM approach. Nevertheless, these studies are not the only ones in the evidence-based category. There are few studies that see MMs as having positive effects from TQM application. For example, some studies stress the positive impact of information technology as a specific part of TQM change on MMs’ work. According to Dopson (1992), information technology can enrich MMs’ work by removing some of its more

routine aspects. In addition, Gotlied (1990) argues that information technology gives MMs the appropriate time for more tasks and increases the demand on their abilities.

Maybe the most well-known study in this category is the one conducted by Hill (1991 and 1995). Hill (1995) argues that among others, “the crucial role of business improvement lies with management” (p.37). He suggests that TQM had a positive effect on MMs. More specifically, it helped them to manage more effectively and to increase their involvement. The MMs that were involved in the early stages of the TQM approach, they had an important role to play, because they acted as facilitators of the process or business coordinators. Finally, he found that commitment from middle management was very high and they were required to assist subordinates, encourage openness, consult before making decisions, work more on teams and show respect to others.

More recent studies by Collinson *et al.* (1998) and by Edwards and Collinson (2002) point out that MMs did not actually use the term ‘empowerment’. In contrast, they prefer more realistic concepts like autonomy and involvement in order to achieve specific targets. This finding indicates that MMs do not necessarily see TQM concepts as having a negative effect. They might accept its ideas and practices and they might perceive them in more pragmatic terms. This view is associated with the first argument towards the contingency view of the present study.

3.5 Conclusions: Towards a New Study of Middle Managers

This chapter has examined theoretically the relationship between those people standing at the middle of the organisational hierarchy and the total quality setting. As mentioned their position is located between the strategic apex and the functional core of an organisation and it includes all those employees below the small group of senior managers and above first level supervision.

We have seen that the literature on organisational change and middle management is distinguished into two broad views. The first view is the *pessimistic* one. Its argument can be summarised in Scarbrough and Burrell's (1996) point that "MMs are no longer the beneficiaries of organisational change, as they were under Fordism..." "...rather they are its primary victims" (p.182). The second one is the *optimistic* view, that argues that MMs, in an organisational change context, have a more important role to play than before as well as they have more things to win than to lose.

This chapter also addressed the literature concerning TQM and MMs. We have seen that earlier studies on QM and MMs have shown that middle management received a negative impact by several quality initiatives, such as QCs. However, the context was not the same when TQM emerged. Reviewing TQM literature on MMs we categorised it, similarly, into two approaches: the *opinion-based* approach, arguing that MMs are the key-players in TQM implementation and as this must be seen, and the *evidence-based* approach, adopting a rather critical view about the impact of TQM on MMs. The latter can be further separated into the pessimistic and optimistic literature. The pessimistic studies argue that MMs resist TQM because of their fear that they might lose power and authority, and therefore lose their jobs or limit their career prospects. However, there is a growing literature that tends to see the relationship between MMs and TQM in more pragmatic as well as less pessimistic terms. According to this view, MMs may gain through TQM. There are radical implications for MMs: instead of being guardians of a function, they become those who synthesise, facilitate, supports and implement the TQM process.

Nevertheless, it is a fact that the above studies were based on *ad hoc* theoretical explanations of their findings, without trying to shape a theoretical framework under which this could be explored. In other words, less has been done in conceptualising our knowledge of the special factors that determine MMs' responses to TQM, in specific contexts. Thus, there is a need for more studies concerning the relationship between middle management and organisational

change in general (Torrington and Weightman, 1987), and between middle management and TQM in particular. According to Livian (1997), the new studies should not be characterised by pessimistic assumptions and generalisations as well as future speculations. Also, this relationship should be seen in more realistic terms. It is true that placing responsibility for applying TQM on these people, whose present and future status is threatened by this approach, is a major issue. However, a new study needs to see MMs as having some potential of being transformed – as we have called – to *new middle managers*.

MMs should be seen as substantial actors in promoting total quality concepts as far as they see TQM in more pragmatic, but not pessimistic terms. Their realism is associated with the way that they see TQM affecting them. In other words, there is a need of an approach sensitive to aspects, such as the nature of their work as well as organisational performance and processes. Indeed, as Hill (1995) argues, once MMs begin to see that TQM could serve their own interests, they might begin see it more positively.

There is similar research evidence towards managers' perceived pragmatism (Collinson *et al*, 1998; Edwards and Collinson, 2002). Nevertheless, a new study should be more sensitive to variations by the nature of the NBS, by the sector of employment, by personal features like educational background and finally, by internal or external forces of change. Most of the present studies refer to *Anglo-Saxon* business systems, such as the UK. Therefore, it is not a matter of luck that TQM and similar management initiatives emerge mainly in these countries. However, less has been said about the impact of promising practices on MMs that working in different national contexts. Thus, a new study should put the investigation of the relationship between TQM and middle management into a national business context.

Also, it would be interested to take into account public and private managers' attitudes towards TQM within such a system. There are only few studies dealing with sectoral differences. Most of them are small-scale and they focus on excellent or large organisations and presumably give a distorted picture of what is really happening (Livian, 1997).

Furthermore, personal characteristics of those managers, such as the educational level or the country that this has been achieved, tend to be ignored by research studies. Finally, pressures emerging from the need of modernisation and change of the systems' operations may determine managers' attitudes towards managerial phenomena, such as TQM.

The above contingencies, in the light of which the present seeks to investigate the relationship between TQM and MMs, need a research approach that can bind them together. As we will see in later chapters, the majority of the present studies on TQM are essentially qualitative. Some authors (Hill, 1995) claim that there are not detailed quantitative data on employees' views about TQM. Thus, a more broad quantitative study, which would explore TQM effects on MMs working in different organisations, is long overdue. However, a qualitative research approach will also contribute to better understanding of the quantitative results.

The next step in our analysis is to describe the NBS context in which MMs adopt and implement TQM ideas. The national context that this study focuses on is the Greek one. Chapter 4 examines analytically the main features of the Greek NBS by emphasising TQM implications.

CHAPTER 4

TQM in a National Business Context: The Case of Greece

4.1 Introduction

As shown in the previous chapter, most academic studies of managers' responses to QM have been conducted in the US or the UK. We have also argued that this reflects the emergence and rapid development of such practices in these countries, which represent what have been called *Anglo-Saxon* business systems (Whitley, 1992; Sally, 1996; Dufey et al, 1997; Pauly and Reich, 1997). However, less has been written about the degree of success of the adoption of *Anglo-Saxon* management practices in different NBSs. Thus, the present chapter addresses one of these NBSs: the Greek one. The Greek NBS is considered as the second contingency of our theoretical approach. There are four reasons that make Greece a very good candidate for the purposes of this study. The first is that the business system is undergoing a modernisation process, one aspect of which is the adoption of new management practices like TQM. The second reason is that the Greek business system is rather different from those that TQM emerged and developed. Third, there are no studies concerning the impact of QM initiatives on employees in general and MMs in particular. The fourth reason is related to the great differences between the operation of public and private service industry in the Greek NBS.

This chapter is divided into two parts. The first part aims to examine analytically the most important features of the Greek NBS. The system is analysed in terms of the economy and the management practices applied in private as well as in public organisations. The latter organisations will be further examined because of their dominant role in the system. The second part of the chapter discusses the impact of the quality movement. Firstly, it examines the conditions leading to the need of modernisation of the system. Secondly, quality is placed

at the core of the modernisation agenda and the application of TQM is explored. Finally, this part of the chapter focuses on Greek MMs and their responses to QM.

4.2 The Greek National Business System

All NBSs have their peculiarities and their distinctive features (Whitley, 1992). Also there are various ways to classify them according to their key characteristics. For example, Whitley (1999) distinguished three dimensions: a) ownership co-ordination, b) non-ownership co-ordination and c) industrial relations and management styles. There are also various other classifications of NBSs. It is not the purpose of this study though to place the Greek NBS in any particular framework. Instead we support the view that the Greek system is probably a mix of different features found in several NBSs. What this study seeks to offer is an analytical account of the Greek system explaining the context in which QM works

The modern Greek State was established in 1830. During the last two centuries Greece has evolved from a poor quasi-mercantile business system to a middle-income quasi-industrial one. The main feature of the system is its low effectiveness and efficiency compared with mature industrial societies. According to Minoglou (1993), two structural continuities were responsible for the formation of the system. The first was the small size of the country and consequently the small size of the market that has led to growth, but not the development of the business system. Also, managerial practices have not been used properly as the basic criteria of the designing and the development of the system. The second structural continuity was the absence of co-ordination between industrial policies and other areas of fiscal policy.

There are several reasons explaining these two structural continuities. According to Mouzelis (1978), the most important reason is the fact that *constitutional parliamentarism* has functioned differently and less satisfactorily in Greece than in western countries. In several western countries democratic regimes followed the industrial revolution. Greece, though, is among those countries in which a parliamentary political system was introduced before passing through an industrialisation process. This tended to encourage a centralised system, in

which the state was powerful having a relatively large public sector. The lack of industries and consequently the lack of investments led to unemployment. Thus, the public sector was seen as the bigger and some times the only employer. This situation tended to create what has been later called *clientelism* between politicians and people-voters. This phenomenon means that politicians in return of people's vote offer them job positions in the public domain, which is controlled by them.

Another feature of the Greek political system is, according to Diamantouros (2000), that it is characterised by the bipolar: *reformist vs. conservatism*. Throughout the Greek political history, two cultural groups can be distinguished. One always supports the concept of modernisation and reform of the system in order to follow international developments in social, political and economic aspects. The second group always resists any structural shift of the system. An example that illustrates this situation can be drawn from recent debates on management strategies. There are many voices arguing in favour of the adoption of modern management practices. It is true that the top-management of many large enterprises as well as the political leadership of many State Departments emphasise the introduction of new management initiatives. On the other hand, it seems that there are professional groups that strongly resist these shifts, because they threaten traditional sources of power and other interests (ibid, 2000). The long existence of these two different political cultures intersects transversely the Greek society and its institutions - political, economical and cultural - causing continuing controversies and conflicts (ibid, 2000).

The political, economic and social history of Greece contains examples confirming Diamantouros' argument. At the beginning of 1990s it seemed that a *reformist* culture tended to dominate the system. Full membership of European Union (EU) encouraged the adoption of neo-liberal policies (privatization, etc) introduced by the *New Democracy* (Greek Liberal Party) government (1990-1993) as well as by the new *PASOK* (Greek Socialist Party) government when re-elected in 1993. Therefore, demand management was replaced by a

policy of monetary stability and labour market flexibility. Also, state intervention became weaker and new management methods were adopted. The aim was to enhance the role of management initiatives in the restructuring of businesses and public services (Minoglou, 1995; 'Ta Nea', 2000).

The present study does not view the system as a fixed and monolithic entity, according to conservative culture. In contrast, it is seen as a system that is undergoing a modernisation process according to the reformist agenda. In this respect, three structural features of the current NBS are interesting for the purposes of this study. These are the economy, the management culture and the public administration.

4.2.1 Greek Economy

The Greek economy traditionally was based on agriculture. In the 1950s it accounted almost 30% of Gross National Product (GNP). This figure had fallen to 12% in 1993. This was due to the fact that Greece as a member of EU should decrease its agriculture production in order to reach the average percentage of the rest members of EU (Kritsanonis, 1999). According to Kritsantonis (1999) the agricultural business system is traditionally represented by small family businesses with low productivity. The same seems to happen in manufacturing. This production almost tripled between 1960s and 1980s, rising from 25% to 32.5% of GNP (ibid, 1999). However, it is mainly based on traditional industries, such as textiles, clothing and foodstuffs while the engineering industry is very underdeveloped (ibid, 1999). During the 1980s and the beginning of 1990s these traditional industries were hit by crisis, and investment levels remained low (ibid, 1999). From the mid-1990s, manufacturing businesses tried to recover through a varying of new business strategy practices such as mergers and acquisitions and franchising. However, they are still mainly family and small-sized firms.

Service industry though, is the more developed sector in Greece. Since 1961 it has accounted for more than half of GNP, and is currently around 60% (ibid, 1999). The most rapid expansion has occurred among banking and finance, insurance, health services commerce,

import-export services and tourism (ibid, 1999). Also, the last decade great development in telecommunications was observed, owing to the introduction of mobile telephone services offered by private companies and due to the restructuring of the Greek Telecom Organisation. Finally, the last five years the stock market in Greece has rapidly expanded and the positive indicators have led many investors to enter in the stock market.

4.2.1.1 National and Multinational Companies

The dominance of service industry is reflected on the development of national and multinational firms. As mentioned the majority of Greek businesses are small and mainly family owned. However, there are a few large firms, which play increasingly a dominant role in the economy. Many of them are foreign-owned multinational enterprises or public enterprises and they are located mainly in the two urban centres: Athens and Thessaloniki.

The influx of foreign capital has increased rapidly over the last three decades (Perakis, 1987). Since the 1970s, multinationals have dominated several sectors of industry, including petroleum products, steel, transport, chemicals and electrical equipment (Tolios, 1987). The service sector has been dominated mainly by banks and insurance companies (Kritsanonis, 1999). In other aspects of the service sector like tourism, multinationals have an important share of the market, especially with the invasion of foreign hotel chains (*Holiday Inn*, etc).

National firms have become increasingly important as well. In manufacturing, even though the number of the small enterprises is big, the 100 largest firms account the half of the total assets and sales (kritsanonis, 1999). In service sector, private banking groups owned 69% of the total assets (ibid, 1999). In insurance businesses the market is dominated by five large firms, which control 69% as well (ibid, 1999). In contrast, the agriculture sector is still dominated by small businesses.

A substantial share of the market, though, belongs to large public enterprises. The rise of the socialistic government (PASOK) in the beginning of 1980s assigned to public firms a key role

in the Greek economy. Therefore, the control of the state over many enterprises is quite extensive (electricity supply, railways, airlines, banking and insurance companies). In 1994, 20 out of 100 largest manufacturing companies were state-controlled. However, during the last decade there is a great movement towards privatisation. The Greek State, trying to modernise its business system, adopted a variety of strategies including privatisation, mergers and acquisitions and new management practices. Nevertheless, many of these attempts have failed to keep their 'promises'. A characteristic example is the recent attempt to merge two financial organisations (the *National Bank of Greece* and *Alpha Bank* - private banking group), which has been called 'the strategic movement of the century'. Unfortunately, this attempt proved a great fiasco.

Four conclusions can be drawn about Greek economy. First, it is mainly based on service industry, which employs the great majority of the work force. Second, most service organisations are located in the two biggest urban centres. Third, the service industry is mainly dominated by large national and some foreign-owned firms. Fourth, public enterprises are playing an important role in service industry as well.

4.2.2 Management in Greece

Management as an art and science is relatively a new issue in the Greek business system. Before 1980s and because of political instability and economical recession, business as well as public management, were not the top priority. The unstable political situation during the post War era, which lasted till mid 1970s, is an important reason explaining the limited development of management practices. Also, the priority after the WWII was the restructuring of the state. Another reason is related to the lack of management schools within universities. Also, the belief that economic sciences were of questionable standard, illustrates the gap of management as science and practice during that period.

Management has started to play an increasingly substantial role during the last two decades. Its increasing importance can be related to the process of modernisation that pressed private

as well as public organisations to adopt new management methods. Two interrelated issues indicate the character of the current management system in Greece: the first is the cultural gap and the second is the limited development of human resource practices.

4.2.2.1 Organisational Culture

Research on organisational culture conducted by the Greek Management Association (EEDE) points out that management is extremely underdeveloped in relation to the other national EU partners (EEDE, 1986). According to this research, most private enterprises in Greece are family owned. Thus, top management of these enterprises consists of members of the same family. Moreover, top administration in public enterprises was appointed mainly by the government, which wants to satisfy its internal and external 'clients', and consists of political 'friends' and party members. Also, it is important to note that for many years it was common for Greek governments to appoint at the top executive positions of public enterprises, ex military generals. The reason is associated with the belief that these persons have the know-how of the administration of huge bureaucratic organisations, from their experience as military commanders. On the other hand, appointment of professional managers is very rare and it was not an issue on the agenda till recently.

In addition, the intervention of government in the operation of public enterprises is very common. Bourantas *et al.* (1990) note that most of what is considered in several western countries as managerial prerogatives is continuously debated in parliamentary discussions the outcome of which is often new legislation. In a situation like this the creation of an organisational culture mainly by professional managers, which will contribute to the managerial improvement of the system, is of secondary importance. Thus, there is a general feeling of the existence of a gap in managerial culture in most Greek public and private organisations.

Attempting to confirm the existence of such gap, Bourantas and his colleagues (1990) used a framework provided by Harrison (1972) and Handy (1980). This framework consists of four

different management styles. Each style is represented by a god of ancient Greek mythology. More specifically, the first type (*Zeus*) represents the *patriarchal* tradition, which is irrational but often with benevolent power, impulsiveness and charisma. The *Apollo* culture assumes that all people are rational and that everything can and should be analysed in logical terms. We could relate this culture with this that Morgan (1986) calls 'Machine Metaphor' in which individuals are part of a machine, with fixed roles and low flexibility. The *Athena* type is similar to the *Apollo* one, but this culture emphasises only expertise as the basis of successful solution to problems and as a source of power. Finally, the *Dionysus* culture represents a situation where everybody is in charge of their own destiny. This type is preferred by professionals who, stressing their own identity and feeling owned by no one, can also be part of the organisation.

Bourantas *et al.* (1990) found that there are important differences between the perceptions of managers working in private sector and those working in the public domain. Also, they identified significant differences between the perceptions of Greek managers working for entirely Greek-owned firm and those in multinational enterprises in Greece (table 4.1).

Table 4.1

Perceived and Preferred Dominant Culture Types in Different Groups of People

Culture	Perceived dominant culture types					Preferred dominant culture types				
	Ownership		Nationality		Total	Ownership		Nationality		Total
	Public	Private	Greek	Foreign		Public	Private	Greek	Foreign	
<i>ZEUS</i>	41.0%	29.3%	39.4%	17.4%	35.9%	1.5%	3.5%	2.6%	1.1%	2.4%
<i>APOLLO</i>	39.5%	37.1%	35.9%	52.2%	38.5%	13.7%	16.3%	15.2%	13.0%	14.9%
<i>ATHENA</i>	17.9%	29.3%	22.1%	27.2%	22.9%	68.1%	68.5%	67.7%	71.7%	68.4%
<i>DIONYSUS</i>	1.5%	4.3%	2.6%	3.3%	2.7%	16.4%	11.7%	14.4%	14.1%	14.4%

Source: Bourantas *et al.*, (1990), p. 270

Table 4.1 shows the main findings of their study considering the ownership as well as the nationality of the organisations. Taking into account these preferred culture types, there are no differences between managers working in the two sectors of employment as well as between those working in Greek and foreign-owned businesses. Moreover, they point out that as age

increases and educational level decreases, the percentage of those perceiving *Zeus* and *Apollo* as the dominant culture types, decreases, while the *Athena* type increases. Their evidence suggests that "...there is a substantial chasm, a significant perceived culture gap" (Bourantas *et al.*, 1990, p.271). A cultural gap is identified when there is a lack of congruence between perceived and preferred dominant organisational culture. Thus, "Greek managers usually see the dominant organisation culture as different from the culture they say they prefer" (*ibid*, p.271).

Similar studies have shown that the managerial culture in Greece is based on a paternalistic nature. For example, Cummings and Schmidt (1972) argue that although Greek managers advocate participative style of management, they show little trust in other individual's capacity for leadership and innovation. It is characteristic that in the Greek vocabulary there is the word '*Euthynophobia*' (meaning fear of responsibility) that makes top managers less willing to delegate power and decision-making to employees. Additionally, a study conducted by Triandis and Vassiliou (1972) showed that Greek managers give greater weight to the recommendations of friends and relatives than do Americans or the Europeans, when selecting employees. This is another evidence of the power distance (*Zeus*) that top managers prefer in Greece. In addition, Veiga *et al.* (1987) have concluded that despite the fact that there is a collective culture which has a high regard for group well-being, Greek managers have a lower willingness 'to give up control' than their counterparts in the US.

Other cross cultural studies argue similar things about the Greek managerial culture. Hofstede (1984; 1986; and 1991) found that the power-distance score for Greek managers was about half of a standard deviation above his 40-country mean. Also, the individualism vs. collectivism index for the Greeks was three-fifths of a standard deviation above the same mean, indicating a tendency for collectivistic groups and family orientation of businesses. Finally, he indicated some features of such a culture including that the organisation defends

employee interests, practices are based on loyalty, there is a sense of duty and group participation and finally, relationships prevail over tasks.

In sum, Greek organisational culture is based more on emotion than on rationality and reflects a more autocratic style of managing people. Many Greek businesses have been successfully created by individuals with strong personalities. Most of them are men who are intimately concerned with every aspect of the business rarely delegate authority and commonly decide on the treatment of staff on a piecemeal and subjective basis. Kottis (1996) conducted a survey among the largest firms in Greece concerning the participation of women in management. She found that the presence of women on the higher echelons of the managerial ladder in most firms covered by the survey was minimal or non-existent. Women's participation at the middle and lower levels of management was also relatively small. Moreover, a large percentage of senior managers were found to hold negative preconceptions about women or believed in old-fashioned gender stereotypes. As Triandis *et al.* (1968) argue this behaviour may well be a result of the fact that Greeks tend to be extremely competitive, hostile and suspicious.

4.2.2.2 Human Resource Management

HRM is a relatively new concept for management science and gives a more general view to the management of people in contrast with the previous practice called Personnel Management (PM) (Torrington and Hall, 1998). In Greece though PM or/and HRM seem to have a limited development and it seems that there is no real debate about their distinction¹. Personnel managers – or according to the new approach HR-managers – do not appear to be important figures for Greek firms. A main reason is that the majority of Greek enterprises are family owned, and the art of managing people is not on their organisational agenda, because of its high cost to the owners (Kanellopoulos, 1991). Thus, it is, or at least it was, a common use, operations managers or other specialists to undertake HR-manager responsibilities.

¹ For this reason the term 'HRM' will be used interchangeably with the term 'PM'.

The limited importance of personnel managers seems to be the main conclusion in a series of empirical studies conducted in the decade of 1970s and 1980s (EEDE, 1972; Hassid, 1977; Gergoulis, 1978; Hassid, 1980; and EEDE, 1986). According to these studies during this period, HR practices seem to be of no importance in Greek organisations. Hassid (1980) argues that this was a major reason of the low effectiveness of Greek firms. Other research evidence (Ball, 1992) show that compared to their counterparts in the more developed European economies, personnel managers in Greece are a rare breed, only appearing over the last 15 years. There are several reasons for the late development of HRM. At first sight the size of the population (almost 11 millions people) would seem a likely factor, but in other European countries with similar or smaller populations, this has not been a constraint (Ball, 1992). For example the evolution of PM in Portugal was rather different².

Another important reason is the fragmented nature of the Greek business. Except for isolated cases, the economies of scale have not been applied in Greece, which is characterised by small enterprises. OECD statistics in 1988 highlighted that only 130 establishments had more than 500 staff, but there were 462,312 establishments with four staff or fewer (Ball, 1992). Another reason is associated with the size and structure of organisations: as the majority of businesses are small and family oriented, PM is exercised by the owners, and sometimes by other members of their families. Finally, Ball (1992) argues that in Greece, HR managers were estimated to number no more than 300 and even large companies still have their personnel practices dictated by the all-powerful, patriarchal owner.

It is true, however, that the full membership of Greece in the EU seems to initiate a change on the way some large Greek firms see HR practices (Papalexandris, 1992). Especially in the period after mid 1980s many Greek enterprises tried to apply HR practices similarly to the multinationals operating in Greece. Many firms developed PM departments. According to

² As reported in the June 1992 issue of *Personnel Management* magazine, Portugal has around 1,800 HR managers, whereas membership of the Greek Personnel Manager's Association is around 300, and

Kanellopoulos (1990), in almost every company which has a personnel department, its significance is at least equal to other departments such as production, finance and marketing.

Beyond these developments, the whole concept of the HR-manager in the Greek NBS seems to lack sophistication. This is due to a gap of education and training on HR issues as well as to managers' actual roles and responsibilities. As Papalexandris (1992) notes that despite the educational level of personnel managers "can be considered satisfactory" (p.40), it refers to general sciences and not to specific management practices including HRM. Many Greek managers, who are heads of personnel departments, have not received any training in HR issues (Papalexandris, 1992). The majority of them are economics graduates, who studied in Greece during the 1960s and 1970s, when subjects like HR were not included in universities' curricula. Even though the majority of HR managers were higher educated, many others had no university education. They have joined their firms at low hierarchical levels and had achieved their position following long years of work (Papalexandris, 1992).

The current decade shows considerable efforts in improving personnel practices in Greece (Papalexandris, 1992; Ball, 1992). Many business departments of universities adopt variety of courses dealing with HRM. Also, there is a substantial import of young graduates holding a Masters' programmes in HRM. Most of them mainly undertook their Master's programmes in the UK or the US (Papalexandris, 1992). Finally, personnel departments seem to have a rather higher importance than they used. According to a more recent study (Papalexandris and Nikandrou, 2000), training programmes offered by Greek enterprises are almost similar to the additional programmes in western European countries. Personnel training in Greece "...can no longer be treated as a method to cure skills deficiencies, but rather as a continuous, life-long learning progress with considerable impact to the growth of the firms" (Papalexandris and Nikandrou, 2000, p. 391). Moreover, relatively large corporations have started introducing flexible HR policies (Kufidu and Mihail, 1999). For instance, there is evidence of

this includes about 50 who are not currently involved in personnel work. The association estimates that

performance-based schemes, such as merit pay, profit sharing and bonuses, mostly for managers and to lesser extent to other professionals.

4.2.3 Public Administration in Greece

Although, the above management trends referred to public organisations as well, it is critical to understand the nature of Public Administration (PA) in Greece separately. PA is strongly dominated by the political system. As Makridimitris (2001) points out “the Greek political system manifests the signs of the ‘strong state’, chiefly through the reinforcement of the executive power as a whole and particularly of the most representative and politically answerable part of it” (p.21). In order to understand better the Greek PA as it is formed today, it will be useful to examine briefly its historical context.

4.2.3.1 Historical Context of Greek Public Administration³

The history of the Greek PA begins during the War of Independence (1821-1829), but largely from 1833. The PA of the new State had to be created *ab initio*. Between 1828 and 1831 Ioannis Kapodistrias, who had been elected President, succeeded in laying the foundations of a modern administrative system and in organising the PA. The whole system had a markedly centralised character, with minimal decentralisation in favour of the regional administrative bodies and very few decision-making competences for local government organisations. The period 1833-1844 saw the first bureaucratic organisation of the ministries and the engagement of the first civil servants. During the period 1844-1864, unfavourable conditions were created at both the central and regional levels of the PA. After the formation of political parties, relations of *clientelism* between local party members and voters grew. The client relations between parties-politicians and people-voters were due to the late development of industrial economy (Mouzelis, 1978) that made politicians, who controlled the public sector, to offer job to many people in return of their vote. Therefore, the staffing of public services, within the

there are only 20 to 50 practising personnel managers who are not members (Ball, 1992).

³ For the development of this section a wide range of Greek bibliography was used: Spiliotopoulos, 2000; Makridimitris and Michalopoulos, 2000; Makridimitris, 1996; Makridimitris, 1995; and Glogg, 1992).

framework of the spoil system was almost exclusively on party criteria, and government policy was exercised by ministers on the criterion of serving their party-political interests.

One of the most important years for PA was 1911, when the Constitution introduced the tenure of civil servants. This ended a series of grate shifts of the personnel of every public organisation when the government was changed⁴. It created though a series of other problems associated with the expanded number of civil servants and the effective management of the system. During the twenty-four-year period of political irregularity (1916-1940), political criteria continued to prevail in the recruitment and placing of civil servants. After the WWII, extensive efforts were made to reconstruct the PA. A lot of changes occurred within Greek PA during that period. Most of them were proposed by Greek or foreign experts⁵. The years after 1974 till 1990 are characterized by retrogression in the matter of the staffing of the PA. The competition as the major means of selection of personnel was abolished, and a mechanical points system⁶ was adopted. At the same time, the use of the party-political criterion for the selection of the senior managers was extended.

4.2.3.2 Features of Modern Public Administration

All the above circumstances under which PA was formed originate the development and growth of several bureaucratic pathologies that still characterise the modern Greek PA. These pathologies can be classified in three main levels: the organisational/structural level, the personnel level and the operational level.

The first level refers to static structural forms of organisation of the PA. There is a lack of management sophistication in Greek public services (KEPE, 1991). This sophistication gap means that public organisations are dominated by bureaucratic forms of work. There is a

⁴ As the system was based on client relations between politicians and voters, one of the major demands of citizens was the opportunity to work in public domain. As Greece was not an industrial economy, many people try to find job in the PA. However, every time that another party was winning the elections, was changing all the staff of PA, appointing its own 'clients' – voters as civil servants.

⁵ Between 1946 and 1998, ten reports by specialists on the improvement of the public administration, commissioned by the government, were submitted.

limited ability of the PA to adopt new organisational forms. There are several images of this pathology. According to Makridimitris (1995 and 1996), structural weaknesses can be identified in decision-making system. This system is highly centralised without the ability to delegate decision-making power to lower hierarchical levels or to regional public bodies. The centralised system is associated with a lack of operational autonomy of many public organisations (Makridimitris and Michalopoulos, 2000). Finally, another structural pathology is the 'gigantism' of the PA (Makridimitris, 1996). The public sector in Greece numbers a wide range of public bodies including Social Security Agencies, Hospitals, Public Enterprises, Public Banks, Independent Administrative Authorities, Local Government Organisations and Regional Government Organisations. If in this list we add 19 Government Departments, we can understand the huge size of the Greek public domain.

The second level is associated with the huge number of employees of the PA. Civil servants in Greece number more than 670,000 individuals who work in various public bodies (Makridimitris, 1995). This number of employees is unequally distributed in public organisations: State Departments employ 46.6% of civil servants, and the rest 54.4% works in the broader public sector (Makridimitris, 1995). A second problem is the inappropriateness of the majority of civil servants. A large number of employees has been appointed by the spoil system of *clientelism* (Makridimitris, 1995; Makridimitris and Michalopoulos, 2000). This means that the selection of many civil servants is not based on meritocratic criteria, but more on the willingness of politicians to offer jobs in exchange for political support. Thus, there are employees who do not have the appropriate skills and education to accomplish their work. Furthermore, there is a lack of HR in public services. The recruitment and selection system is inappropriate for the needs of a modern organisation (Makridimitris, 1996). These two pathologies (structural and personnel level) inhibit the Greek PA to operate effectively and efficiently.

⁶ This new selection system was based only on social criteria like the need for job, number of family members, number of children etc.

The above situation is also reflected in the third pathology that refers to the operational level. Several researchers (KEPE, 1991; Makridimitris, 1995 and 1996; Makridimitris and Michalopoulos, 2000, Michalopoulos, 2001) note the lack of fundamental management functions like planning, evaluation, and coordination. Moreover, it is hard to find motivation practices and operations management techniques in the majority of public bodies (Michalopoulos, 2001). Communication processes among different public organisations as well as between departments and individuals within the same public service are problematic (Makridimitris, 1996). The limited use of information technology in public services seems to be the major reason.

To sum up, the PA in Greece suffers from a series of pathologies: the lack of variety and meaningfulness of jobs, the lack of job autonomy, the absence of feedback and results, the overloaded public services, the confusion and conflict between roles, policies and procedures, the missing link between efforts, results and rewards, the organisational culture, which gives little recognition for achievement and few opportunities to employees to influence their own levels of efficiency, the poor quality of leadership at all hierarchical levels, and the lack of reward for goal-oriented behaviour.

All the above synthesise a rather 'bad' image about the Greek PA. This image is expressed by the term *Greek Bureaucracy*, which for Greek people has a negative meaning, and it refers to the above pathologies. Nevertheless, the Greek PA is in transient period of continuous reform. The 1990s witnessed some significant efforts of changing the organisation and operation of the PA (Makridimitris, 2001). There is a need of highly professionalised senior staff and decentralisation that is a primary public policy. Finally, great emphasis has been placed on the improvement of relations between State and Citizens, with a significant cutting down of bureaucratic processes. In addition, many modern management practices were introduced. These efforts emerged from the need that the whole Greek NBS needs to be reformed. Thus, the last years witnessed a modernisation movement that aims to change the whole system.

4.3 Towards the Modernisation of the System

The last years of the 1990s modernisation become a major issue on the Greek NBS's agenda. Perhaps, the most important reason for the need of the modernisation process is Greece's full-membership in the EU (Makridimitris, 1996; Kritsantonis, 1999 and Makridimitris and Michalopoulos, 2000). The Single European Market increased the competition for products and markets for every member-state. Also, the EU regulations should be followed by all firms operating within member-states in order to improve their competitiveness (Mandaraka and Kormentza, 2000).

In general, the impact of the modernisation movement in Greece can be summarised in the phrase: less public expenditures, more efficient and effective organisations, better economic indicators such as inflation, and effective public and private organisations ('Ta Nea', 2000). There are several implications of this process: (a) privatisation of public enterprises; (b) mergers between Greek firms operating in the private sector; (c) professionalisation (more specialists and technocrats); (d) links between the production and research in academic institutions; (e) new patterns of employment and a changing workforce; and (f) introduction of new management practices (Makridimitris, 1996). The need for modernisation is even greater in public sector. The slogan for organisational change in public domain is less and more effective as well as flexible state. This means a decrease of party influence and people's involvement in decision-making, an emphasis on professionalism, a decrease in bureaucratic formalities and the encouragement of innovation and entrepreneurship (Makridimitris, 1996). All the above aspects seek not only to make the system work more effectively but also to achieve the analogous quality outcome. Therefore, QM has started to play an increasingly important role.

4.3.1 The Quality Movement in Greece

The great impact that quality programmes have had around the world and especially in *Anglo-Saxon* countries, have been bound to affect the Greek NBS's agenda. Thus, quality initiatives

hit the public and the private organisational agenda more than any other management initiative. One could argue that QM in the Greek NBS has become a fashion the last 10 years. It is characteristic that the year 1998 was called "*the quality year*" for both public and private sectors (DIAPA&D, 17/31998).

The need for quality outcome firstly appeared in the late 1950s when rapid industrialisation process occurred. "The presence of American and European companies that started operating in post-war Greece increased consumers' awareness of the superiority of quality of imported products. The same happened in services with the coming of foreign banks and insurance companies" (Dervitsiotis, 1999, p.2). Nevertheless, progress was rather slow because of the barriers associated with high tariffs and custom duties of imports as well as with a highly bureaucratic and inefficient public sector (Dervitsiotis, 1999).

A substantial turning point however, was the fact that Greece became a member of the European Economic Community in 1981. As Dervitsiotis (1999) argues, this has as a result the removal of the trade barriers and to intensify the competition for the Greek producers, creating strong pressures for performance improvement in both manufacturing and service industry. Thus, many organisations have to "reveal their plans to meet new legislative environment" (Mandaraka and Kormentza, 2000, p.7). Beyond these developments however, there was only little evidence towards quality improvement efforts among Greek organisations. Dervitsiotis (1999) writes that "we can identify only 'islands of quality' in Greek firms" (p.2). The first quality achievements can be identified in more recent years. These developments are examined briefly in the next section.

4.3.2 Aspects of Quality Management in Private and Public Organisations

As mentioned, the Single European Market led to increased competition between every firm operating in the EU. This carries implications regarding the need for effective management for every firm, so those firms will compete effectively in the new EU context. This message

has been passed in the most Greek companies and consequently they reacted quickly in the new challenges.

In order to be more effective and efficient and to improve their operations, many private organisations were hasty to adopt new managerial techniques, such as quality improvement initiatives. Evidence from research carried out by Vouzas (1997) has shown that in Greek firms quality departments are large, well organised and autonomous, practicing a wide range of quality activities. However, quality is perceived as a peripheral function and the role of the quality department is to monitor quality and maintain an acceptable level of 'quality products or services'. In contrast, "co-operation among departments on quality issues is nonexistent and conflicts between production and quality departments is a common phenomenon" (p.164).

Multinationals operating in Greece seem to be more concentrated on the QM idea. Evidence from research carried out among European and American firms operating in Greece (Kufidu and Vouzas, 1998), has shown that especially European organisations were based on productivity and quality and covered almost all departments. Also, quality improvements efforts – at least in those organisations concerning the specific research – had been fully supported from the beginning by the factory trade union, "a situation that motivated acceptance of quality management by all employees" (p. 828).

Another point that needs to be stressed is the increasingly important role of QM systems, such as ISO 9000, in the majority of Greek private enterprises. Such quality systems contribute to companies' survival and competitiveness, by proposing specific standards "of operational techniques and managerial activities used to fulfill customer expectations and requirements" (Lamprecht, 1992, p.4). ISO 9000 series are well introduced in Greek private organisations (Tsiotras and Gotzamani, 1996). Their implementation was considered as the first step towards total quality approach and philosophy (Vouzas, 1997). As Tsiotras and Gotzamani (1996) point out, ISO 9000 has the great advantage of being structured and "has a clear end

and a final achievement, which is the certification of the quality assurance systems...” (p.75). However, TQM is a never-ending ‘story’. It seeks to continuously improve quality of products and/or services by satisfying customer wants. This is something that mainly confuses Greek organisations (Tsiotras and Gotzamani, 1996). Thus, the majority of Greek enterprises are not taking any other step towards TQM (Georgiadou and Tsiotras, 1998). They believe that by adopting a QM system, such as ISO 9000 fulfill all the appropriate stages towards their transformation into TQM organisations (Lipovatz, 1998).

On the other hand, QM was not an issue on public sector agenda till recently. During the last five years there were a lot of people from the Greek society (politicians, scientists, specialists as well as the public) arguing for better public service delivery. This resulted QM programmes and total quality idea to become attracted by many central and local government agencies.

A report by the National Bank of Greece (NBG) (1998), called *‘Quality for Public Administration’* was the first initiative in this direction. This report proposed the introduction of several managerial practices and concepts that have been previously applied in business administration, such as Management by objectives (MBO), Job Design and Job Specification, Monitoring etc. It, also, tried to introduce a process through which all legislation will be decreased (p.28). A first initiative in that direction would be the new Civil Servant’s Code. Finally, it referred to the need for specialists, with technical knowledge on the management field (p.43).

Influenced by the above report, the Department of Internal Affairs, Public Administration and Decentralisation (DIAPA&D) adopted a policy attempting to improve the services produced for the citizens (DIAPA&D, 17/3/1998). This policy was called *‘Quality for the Citizen’*, and its major purpose was to improve several aspects of the State-Citizen relations (Michalopoulos, 2000 and 2002). More specifically, it targeted at: a substantial communication between the state and the citizens; a managerial culture, which will be based

on the satisfaction of citizen's requirements; an effective as well as an efficient PA through performance indicators and other managerial techniques; and finally, a climate of partnership, trust and involvement between the state and the society. The DIAPA&D designed a strategy in order to achieve these targets. The key-factors of this strategy were: free access of the citizens to public services; establishment of a new system of administrative control; establishment of transparency within the PA; improvement of the technological infrastructure; establishment of motivation techniques based on performance-related awards; reduction of the number of public organisations as well as creation of new organisational structures based on fewer departments and more project teams.

A second stage of policy action took place two years later. The new Minister of the DIAPA&D wanted to continue the effort for the reform of the PA. The new programme called '*Politia*'⁷ attempted to implement, once again, management initiatives taken from the private sector. It presented analytically the national business plan for the shift of public services (p.17). It also introduced three management practices: MBO, Performance Measurements as well as a new evaluating system of civil servants (pp. 26-31). Despite the fact that there was a top-down objective of change, little of the above occurred in practice (Michalopoulos, 2002). They still remain 'political' promises. This fact seems to agree with Vouzas's (1997) argument that there were not any encouraging steps towards TQM in the Greek PA. According to the same author, the reason is that "everything is coming through government regulations" and public services "are not yet ready for such an evolutionary approach" (p.167).

In sum, TQM has been emerged as a concept and method in Greek NBS but it still under formation. This last fact can be further examined if we consider the implications of QM in general and TQM in particular for Greek managers.

⁷ From the Greek word 'Polis' (city). This meaning is similar to the Aristotelian view and includes the concept of government (administration).

4.3.3 Managers and TQM in the Greek NBS

The business literature about managers and TQM in Greece is almost non-existent. The majority of the research has focused on top-managers and TQM. Senior executives seem to be the only 'driving force' of any Greek organisation towards total quality approach. According to the Koufopoulos and Chrysochoidis (2000) study, Greek chief executive officers' involvement in companies strategic planning is critical and extensive. In contrast, MMs' involvement in decision-making and strategic planning seems to be very limited (ibid, 2000). According to the same authors, Greek MMs undertake three main activities: "keep the employees aware of the objectives of the company; check the conformity of the company actions with reference to the plan; and use of knowledge from all levels of the company" (p.390).

Another study by Lipovatz (1998) directly referred to TQM and its influence on top managers' leadership style. It shows that Greek senior managers have not embraced the concepts of quality so as to be able to guide the process of change towards the total quality idea. There are two important factors with positive and negative influence on the performance of leadership of Greek chief executives. The first factor is the existence of a quality assurance system, such as ISO 9000, the application of which is considered as the completion of TQM requirements. The second one is the existence of a mother company that takes the responsibility of the whole process "reducing the freedom for the development of own activities" (p.11). In addition, Vouzas (1997) argues that "top management is not fully aware of TQM's principles, concepts, tools and methods, and philosophy" (p.166).

Beyond this evidence, there are only two studies that consider more carefully Greek MMs' responses on TQM. The first one compares five countries in QM developments and their impact on MMs (Vouzas, 1997). According to this study, in a total quality context MMs in Greek organisations identify themselves "as supervisors, with formalised lines of authority

and a less autonomous role” (p.168). They are “acting as guardians of well-kept territories” (p.168).

The second study considers MMs’ role in a quality improvement context in Greek public services (Kufidu *et al.*, 1997a and 1997b). The overall aim of the study was to investigate middle management role based on activities they perform and the authority they possess. Their results show that public sector MMs are mainly “engaged in routine administrative tasks at the expense of managerial ones” (p.100). More specifically, their managerial activities are very limited “by their lack of authority in setting rewards, imposing penalties and participating in departmental planning and organizing” (p.100). The research participants blamed the public organisation’s culture as the most important factor that determines the ‘what’ and ‘how’ of public management in the Greek public domain (Kufidu *et al.*, 1997a and 1997b). In other words, public sector managers see organisational culture as inimical to any managerial change. Finally, they point out that, in a public organisational environment that lacks new technology and motivation for better performance, it might be difficult for MMs to adopt new management practices, “take initiatives and contribute to the readjustment of public management to meet citizen's expectations” (p.101) as TQM requires.

In short, according to these two studies MMs in both private and public domain are seen as problematic aspects for the adoption and successful implementation of the TQM approach. This research evidence is not enough though to form a clear picture about the relationship between middle management and TQM in the Greek national business context. Further research is long overdue.

4.4 Conclusions: It is time to “remove the blinkers”

This chapter has addressed the main features that shape the Greek NBS. We have examined its economic conditions, the management system as well as the PA. Furthermore, we have examined the quality movement in Greece as a significant part of the modernisation process taking place the last decade. QM in Greece has been explored in terms of its background as

well as its application in both public and private organisations. Finally, we have reviewed the literature on the relationship between Greek managers and the TQM approach. From this analysis the conclusions that can be drawn indicate that the Greek service industry is a key site for the purposes of this study.

A first conclusion is that the Greek economy is mainly based on service industry with the greater percentage of involvement in GNP. Manufacturing and agriculture have less involvement in the economic development of the country. The same conclusion can be reached if we examine current employment trends (Kritsadonis, 1999), which show that more than the half of the workforce is employed in service organisations and that the majority of these organisations are located in the two largest urban centres. Also this industry is mainly dominated by national family-owned firms as well as by enormous public bodies and enterprises.

A second conclusion is associated with the managerial features of the system. The majority of the studies considering Greek system point out that Greek managers and authority persons adopt an autocratic attitude of managing people. In other words, the whole system seems to be dominated by an authoritative organisational culture. This culture seems to be effective in some occasions, but it does not contribute to the formation of a more flexible system, which is appropriate to accept changes. For example, Greek senior managers are less willing, than those in *Anglo-Saxon* countries, to delegate power to their subordinates. Moreover, the system is characterised by the late development of management as an art and science. This has also resulted in the limited importance of human-related issues within organisations in general and HRM in particular. Finally, the Greek system seems to promote the notion of *specialist/technocrat* instead of *generalist*. In Greece, the former concept is mainly associated with a highly educated person who has technical skills.

The third conclusion refers to the operation of the Greek PA. More specifically, PA is dominated by huge bureaucratic organisations, characterised by highly centralised decision-

making process as well as by a non-competitive philosophy. Modern management practices are largely absent from public organisations and the dominance of *clientelism* (between politicians and citizens) makes its operation even harder.

Considering the above three conclusions, we could come up with a fourth one arguing that the Greek system (both public and private) suffers from *managerial inelasticity*. This fact is related to the existence of a *conservative* cultural group (Diamantouros, 2000). This group includes structural characteristics like protectionism, state intervention, lack of industrial policy and low flexibility and competitiveness. However, as mentioned, there is another cultural group - the *reformist* one (Diamantouros, 2000) that emphasises the transition from inward-looking trade policies to integration in the open market economy of the western world, the privatisation policies, the need for market and labour flexibility as well as the need for new management practices. These two antithetical groups synthesises the paradox of the Greek NBS and make it divergent from the *Anglo-Saxon* ones.

Another conclusion though is that the last decade it seems that the second group has dominated the system. The *reformist* cultural group is in favour of a change or - according to the more fashionable term - 'modernisation' of the system. Globalisation generates strong pressures on NBSs to shift their functions and to operate more effectively. Therefore, a modernisation movement emerged in the Greek NBS ('Ta Nea', 2000). A specific aspect of this movement is the adoption of promising management practices mainly from the UK and the US.

A major question that emerges from the above conclusions is whether the current Greek NBS is appropriate for the successful adoption of the TQM paradigm. It would be a rather optimistic target though to examine the whole Greek system - in all of its aspects - trying to give an appropriate answer. What this study does is to focus on one of those aspects. This aspect is associated with Greek MMs' responses on TQM. As we have seen there are only

two studies concerning the relationship between TQM and MMs in Greece. Both see MMs as problematic aspects of TQM implementation and have several limitations. The first study by Vouzas (1997) considers mainly the MM and his/her involvement in the TQM approach. However, it was a five-country comparative survey rather than an analysis of TQM effects on a single national system. The research methodology was also based on qualitative approaches ignoring quantitative data. Moreover, it does not offer a clear analysis of what is really happening in Greek organisations. It is more a general examination of the responses of some Greek MMs to the TQM approach rather than an in-depth analysis.

In addition, although the study by Kufidu *et al.* (1997), considers public sector managers' role in a transforming organisational environment, it does not refer specifically to TQM. Beyond these limitations there is evidence for both private (Lamprecht, 1992; Tsiotras and Gotzamani, 1996; Vouzas, 1997; Lipovatz, 1998) and public sector (Michalopoulos, 2000 and 2002) that TQM is an issue on the organisational agenda. However, there is not clear evidence on how managers understand TQM.

Thus, there is a need to move the research forward and to carry out a study, which will provide us with more evidence concerning the relationship between middle management and TQM in relation to the Greek NBS. TQM is applied in a variety of versions and it is multi-dimensional. Therefore, as Wilkinson, *et al.* (1997) state, "there is a need to remove the blinkers and put TQM initiatives into the context of each organisation, studying not only the market situation, the industrial relations history and the HR practices used, but also how 'quality' is understood and used by all parties involved" (p.816). One aspects of this agenda is the need to put TQM into a national context, studying how TQM is understood by specific professional group, such as MMs, working in different sectors of employment. Also there is a need to explore the impact of their awareness of TQM on their perceptions about work-related aspects as well as about aspects organisational performance and processes.

CHAPTER 5

Research Methodology:

Towards a Combination of Methods and a New Measure of TQM

5.1 Introduction

This chapter explains the methodology of the study. The first three sections expand upon issues associated with the research strategy as well as the sample selection and the data collection. The fourth section, which refers to the data analysis, opens the discussion on the methodological innovation of this study. This section explains analytically how we have measured – in statistical terms – the TQM approach and describes the method of multivariate analysis, on which chapters 7 and 8 are based. Finally, this chapter closes by discussing some of the research's limitations.

5.2 The research strategy: towards a combination of methods

As argued in the previous chapter, research evidence on the relationship between TQM and middle management in the Greek NBS is very limited. Therefore, this study adopts an exploratory rather than a confirmatory research approach. This approach seeks not only to investigate Greek MMs' awareness to TQM, but also to explore the impact of their awareness firstly, on MMs' perceptions about a set of work-related aspects and secondly, on MMs' attitudes towards specific organisational issues. Thus, an exploratory research approach to data investigation and analysis aims "to maximize what is learned from the data" (Hartwig and Dearing, 1979). In other words, the exploratory method is open to a wide range of alternative explanations as far as the researcher remains open to possibilities that he/she does not expect to find (Hartwig and Dearing, 1979) particularly when the research field (Greek NBS) lacks similar studies, which offer a specific theoretical model that can be tested.

The research strategy was based on a combination of quantitative and qualitative methods. Two reasons led to the adoption of such methodology. The first is a pragmatic one. It is associated with the general problem of academic research in Greece. The problem is related to the access that a researcher can have to people as well as to secondary data. This problem has two dimensions. The first dimension is that there are no data-bases (in terms of a list of names of particular professionals) from which a researcher can obtain a representative sample of research subjects. We will be analysed further in section 5.3. The second dimension is the limited access that a researcher can have to organisational data. Initially, the present research was designed on the basis of six case-studies from where randomly selected MMs would be reached in order to be interviewed. Also, various secondary data would be obtained from each case-organisation under examination. However, none of the eleven organisations that were contacted allowed access to their lists of managers from which a representative sample could be selected. Also, very few were eager to allowed access to their QM policies and processes. The conclusion was that a more broad and horizontal study based on quantitative and qualitative methods was needed.

The second reason for the adoption of a combined methodology is that the studies that have looked in MMs' attitudes towards TQM are essentially qualitative, while very few quantitative ones look across organisations. In addition, a combined methodology would provide evidence towards a wide range of people and organisations, operating in different sectors, without missing the stronger explanatory advantage of the qualitative approach.

The quantitative approach aimed to provide a wide range of data concerning TQM and MMs in Greek public and private services. This approach was based on a *survey method*. This method has three interrelated advantages. The first is that through this method we aimed to come up with conclusions referring to MMs in Greece. The interest on the middle level of the organisational hierarchy has two methodological and one theoretical implication. From the methodological perspective, this structural level includes a wide range of employees. Thus,

the survey obtained a variety of responses that included different views on QM and TQM. Also, it was more feasible to have access to this managerial level than to try to reach people in the senior hierarchical level. The theoretical implication is related to the importance of MMs in TQM. As mentioned in chapter 3, the importance of MMs has been underlined by quality gurus (Deming; 1982; Ishikawa, 1985; Oakland, 1989) as well as by several QM writers (Hill, 1991 and 1995; Wilkinson, *et al*, 1993; Dale, 1993). Therefore, a survey of a wide range of MMs would offer evidence towards the adoption of TQM in a NBS.

The second advantage of choosing a survey method is that through hard quantitative data we can obtain two things. Firstly, a comparative analysis between the two sectors of employment (public and private). The comparative quantitative data that has shown great differences between the two sectors can provide hard evidence towards the argument of the different development and perspective of QM in private and public services. Secondly, hard quantitative data allows comparisons between people with different educational backgrounds, different ages, and also people with different years of experience¹.

Finally, the third advantage is that a survey can explore not only the responses, attitudes and strategies adopted by the specific group of managers, but also the new conditions introduced by the TQM approach. Through the survey questionnaire a variety of information have been collected referring to issues directly or indirectly related to TQM. The former refer to issues like empowerment, top-management commitment and support, customers' satisfaction, teamwork and training. The latter includes a set of issues such as autonomy, monitoring, stress, loyalty, career prospects, work effort, trust, communication and organisational performance.

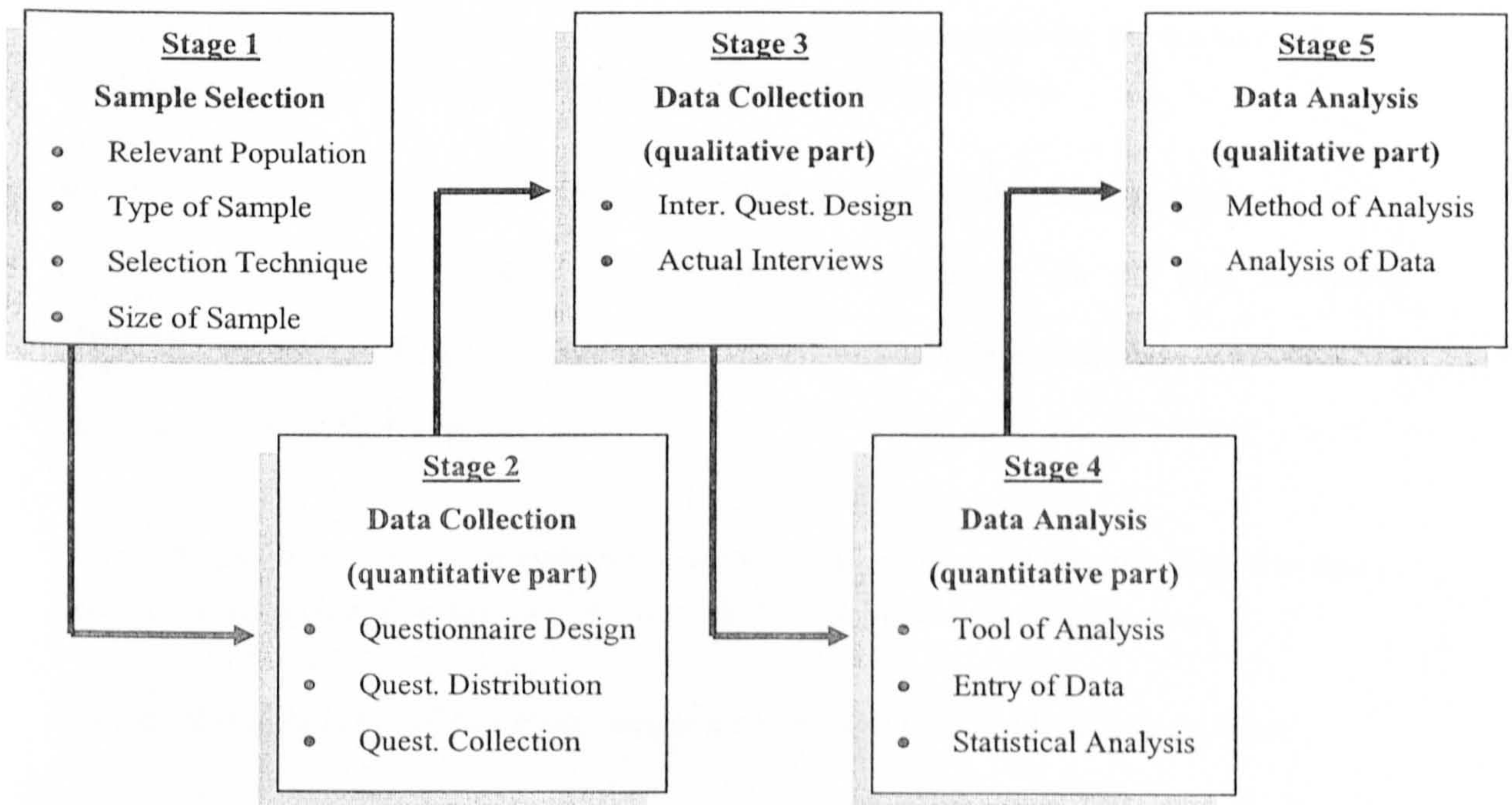
However, a qualitative approach was also needed in order to put some light on issues related to the background context of MMs' responses to TQM. This approach was based on *follow-up*

¹ However, the present study offers a comparative analysis only among people with different educational backgrounds. Chi-square analysis did not indicate any correlation between those groups with different age or different years of work experience.

explanatory interviews. These interviews were conducted with MMs who participated in the quantitative part of the project and volunteered themselves as potential interviewees. The general aim of this approach was to investigate the *hidden agenda* of a list of topics like power relations; conflict situations; and other special features related to the results taken from the quantitative approach. These issues cannot easily be explored through a survey questionnaire. Also, the interview method responds to the need of the exploratory mode of the study by giving further explanations why things happened. Finally, through qualitative research subjects can express several different opinions giving their own unique view on the research's topic.

Based on the above arguments on the usefulness of the quantitative and qualitative approach, the study's strategic process is shown in diagram 5.1.

Diagram 5.1
The Process of Research Strategy



The following sections analyse each one of the above stages.

5.3 Sample Selection

As mentioned in the previous section the first reason of choosing a combined methodology is a pragmatic one. In chapter 4, it has been argued that management as an art and science has developed only recently in Greece. During the last decade, there were radical shifts within the business system concerning managers' work and status. One of the aspects of this late development is the fact that the profession of manager has emerged very late. This results in a lack of any reliable data base concerning people who work as managers in the Greek NBS. The Greek National Statistical Service calls all these people *private employees* or *civil servants* without any further distinction of their nature of work. On the other hand, there is the Greek Management Association (EDEE), which is a Non-Governmental Organisation established mainly by private firms. EDEE has a long list of members who are managers working in both sectors of the economy. It is very difficult though an independent researcher to have access to these data-bases. As a clerical in EDEE explained:

...It needs formal authorisation from the board in order to have access in this list. But it is very difficult to take this authorisation unless you are an official member of this association.

We met the response from clerical staff in two biggest trade unions in Greece: Greek General Confederation of Labour (GSEE) and the additional association for the civil servants (ADEDY). A third problem is associated with the nature of middle management itself. As the same employee in EDEE said:

...Even though you get this list of current managers you will be unable to distinguish those that their position is in the middle of the hierarchy, because simply we do not have such information.

Another employee in GSEE was even more pessimistic about the result of such an effort:

...There is not such a formal distinction in Greek organisations. Either you are a manager or you are not.

Therefore, the sampling selection method could not be based on probability sampling. It would be an impossible task to find a list of MMs and their general population in the Greek

NBS in general or in Greek service industry in particular. The alternative solution was to adopt another approach to sample selection. The most appropriate approach for our case was *purposive (or non-probability)* sampling. This type of sampling enables the researcher to use his/her judgement to select cases that will best fit the research project, and answer the research questions (Saunders *et al*, 2000). Neuman (1997) points out that purposive sampling is mainly used when the sample is very small and when the researcher wishes to select cases that are particularly informative. Considering the fact that this study is interested in addressing the relationship between MMs and TQM and that TQM is a quite new issue on the Greek organisational agenda, the purposive sampling was needed. A truly statistically representative survey based on a probability sampling would find people who really had little to say about TQM. In contrast, the snowball method has found people who had some awareness: not necessarily the TQM converts, but the more thoughtful and informed end of the spectrum. Therefore, a non-probability sampling would identify firstly, the most representative organisations in the Greek service industry and secondly, those MMs that were most thoughtful about TQM. Section 5.3.1 describes in more details the selection of the research subjects.

5.3.1 The Snowballing Method

The selection of MMs was based on *snowballing sampling* (Oppenheim, 1992; Arber, 1993; and Saunders *et al*, 2000). This technique can be used when "...it is difficult to identify members of the desired population" (Saunders *et al*, 2000, p.175). Also, according to Oppenheim (1992), the process of this approach is simple: "a few appropriate individuals are located and then asked for the names and addresses of others who might also fit the sampling requirements. If this approach is repeated a number of times it might yield substantial numbers..." (p.43).

Therefore, a specific plan was developed and applied based on the above idea of snowball sampling. Initially, a list of potential research subjects was made. It needs to be mentioned

that very helpful in this direction was a small group of Greek academics (3) and practitioners (2). The three academics were from two leading universities in Greece (two from the University of Athens and one from ALBA Business School). Also the first practitioner was working as a consultant in a leading consultancy firm while the other was a scientific advisor of the Minister in the DIAPA&D. With the suggestions of this group, a list of approximately 60 persons, who were working as MMs in public or private service industry and who were felt to be likely to have a kind of awareness about QM in general and TQM in particular, was made. However, this awareness of TQM was also confirmed by asking them directly whether they had heard the terms. The procedure began by approaching each of the people included in the list and asking them to participate in the survey. It needs to be mentioned that in some cases the identified individuals took a pack (maximum 20) of questionnaires, in order to distribute them to other managers in their organisations that they have the same characteristics (working as MMs in public or private service organisation and having a kind of awareness about TQM). Then, they were asked whether they knew anyone else (especially in other organisation) with the required characteristics that can potentially participate in the research. From their responses, a second list of potential subjects was formed and approached. The newly identified individuals were given questionnaires in turn and the same question (about any other people that they knew) asked. The process of asking for other research subjects continued until no further sample members were able to be obtained from the population of interest. It is critical to explain though how a representative sample has been achieved.

In order to achieve a high degree of representativeness of the sample of people and service organisations, a specific process was followed. The first step of this process was to identify the relevant population of research subjects. This population referred to all current MMs. As mentioned in chapter 3, a broad definition of MMs has been adopted: all those below the small group of top strategic managers and above first level supervision. This definition has a major advantage that is simple and it did not provoke any problems to the subjects of the research inasmuch as almost all of them classified themselves in this broad category of

managers. A more complex definition would create several problems, especially in the Greek business system where there is no clear distinction between someone called MM and someone, for instance, called supervisor.

The second step was to determine the number of MMs in the population in Greek service industry, in order to figure out how many would need to participate. Because of the lack of current data base or any information related to the whole population of MMs in the Greek NBS, we could not be accurate with the number of MMs that needed to be identified. Thus, the data collection process was based on the logic of 'as many as possible'. A target number of one thousand (1000) distributed questionnaires has been placed initially on the project's agenda. The desirable minimum response rate was 20%.

The third step was to ensure that the sample had a broad coverage on four criteria: 1) age, 2) educational background, 3) the country from where they have graduated, and 4) the level of experience of each respondent represented by their years of work in the particular position. Appendix 4 (Respondents' Profile) shows that we have reached a wide range of ages and levels of experience. In the case of educational background, although the great majority of people are graduates, responses have been collected from people with lower as well as from people with higher level of education. Finally, among graduates and postgraduates we have identified people that have been educated in Greece as well as in a variety of other countries including the UK, the US and France.

The fourth step addressed organisations' representativeness. Similarly, four criteria were applied: 1) the size of the organisation (number of employees), 2) years of existence, 3) the domain that they operate (public-private), and 4) the sub-sector that they operate. As appendix 3 (Organisations' Profile) shows, we have managed to take a satisfying range of organisational sizes referring mainly to three types: the small-scale organisation (51-100 employees), the medium-scale organisation (101-1001 employees) and the large-scale organisation (1001 and over employees). In addition, we have reached organisations having

different years of existence (see appendix 3). Finally, questionnaires were distributed in both public and private organisations. Within each sector specific sub-sectors were chosen. The only criterion of the choice of the sub-sector was to cover a spread of services from both sectors of employment and especially those with the highest participation in GNP².

Following the above five-step process, we managed to distribute eight hundred questionnaires among MMs working in forty-three (43) service organisations in both sectors of employment (19 public service and 24 private services). The distribution and collection of questionnaires lasted almost six months. Initially, the idea was to distribute personally the questionnaires leaving the subjects to post their feedback to a specific address in Greece. However, this process could result in a very low responds rate. We can hardly say that people's views on questionnaires are positive. In Greece the situation is even worse. There is not a long experience of academic surveys and people feel that they will lose valuable time filling in questionnaires instead of doing their work. It is characteristic at this point a comment made by a potential research subject when he/she first was reached and asked to participate:

...I doubt whether you will be able to collect back these questionnaires. The majority of us have a lot of work and no time at all to bear our mind with these things.

Therefore, it was decided that the actual process of the survey would be based on the researchers' personal effort to collect the distributed questionnaires. Thus, the whole process of selection was separated into two stages. The first stage was the distribution of the questionnaires and the second was the collection of them. This strategy resulted in a good management and control of the sample selection and data collection process, by keeping notes of the network of participants as well as to whom exactly the questionnaires finally reached. Each one of the participants was informed that he/she had almost one month to fill in the questionnaire. In almost thirty days' time the researcher made a second contact with the

² However, tourism was excluded from the list of the most important service sub-sectors due to the fact that great majority of this kind of private services are based on very small and mainly family owned enterprises, in which there are no middle level employees.

participant in order to arrange the day that he/she could give back the questionnaire(s). This was a long as well as hard task, but it seemed that was the only solution to the problem of the response rate. Finally, 241 questionnaires were returned. This reflects a response rate of 30.1% that is satisfactory considering the special circumstances under which the survey was conducted.

After the completion of the questionnaire survey a qualitative approach was initiated. Eighteen follow-up interviews were taken. The interviewees were chosen from a list of MMs that participated in the quantitative part of the research. The target was once again the same: to conduct as many interviews as we could, covering a wide range of different MMs, working in various service organisations in both sectors of employment. A representative range of responses was obtained by following three criteria at the selection of the interviewees. The first criterion was that the interviews covered several service organisations from both sectors of employment. The second one was that the managers interviewed cover a wide range of functions including HR, operations, administrators, accounting/auditing, engineering. The third criterion applied was that some of them were involved in the introduction and implementation of QM programmes.. This process (the time and the place of the interview) was arranged by the researcher. Most of the interviews lasted about 75 minutes, while the longest being 1½ hrs. They occurred mainly in their offices. However, it needs to be mentioned that two of them did not feel free to speak in their offices and they preferred to arrange the meeting in another place. The managers that have been interviewed as well as their organisations are listed in Appendix 5

5.4 Data Collection

The second stage of the research strategy process (diagram 5.1) is associated with the collection of quantitative data. As it is mentioned the quantitative approach was based on a horizontal survey that took place from April till September of 2001. The basic research instrument was a questionnaire (see Appendix 1). The design of the questionnaire was a long

and hard process. This is due to the nature of the study. Its primary purpose was to select as much information as it could concern the 'soft' and 'hard' aspects of TQM. The questionnaire was designed in terms of the issues listed below:

- Understanding and knowledge of quality in general and TQM in particular,
- Personnel development and career prospects,
- Top-management role,
- Organisational culture, and
- Organisational and individual performance.

The next task was to develop the questionnaire. Its development was based on two processes. The first was the adaptation of questions from similar researches. In this direction, very helpful have been proved the questionnaire developed by Collinson, Rees and Edwards (1998), from where several questions have been adapted to the objectives of the present survey. More specifically, the majority of questions in section 3 and 4 of the questionnaire (see appendix 1) were adopted by Collinson *et al.* (1998, pp. 117-124).

However, several questions, especially those in section 2, were developed in zero-base. Initially, the components of the 'soft' and the 'hard' side of TQM have been identified in TQM literature (see tables 5.1 and 5.5 in section 5.5.1). Afterwards, a variety of questions developed. The final selection of them was based firstly, on a small-scale pilot study that took place almost two months before the initiation of the actual project. More specifically, the questionnaire has been sent to ten Greek managers in order to answer it, making simultaneously their comments on its effectiveness and understanding. Their feedback was really valuable, contributing to the final draft of the questions and the form of answers. Secondly, a group of academics from both Greece and the UK offered their comments and suggestions on the questionnaire. Although the majority of the questions were closed, simplifying respondents' answer there was a small number of open questions, allowing managers to make some comments and suggestions. However, only a small number of them

answered these questions. The final draft of the questionnaire was developed in English and then translated into Greek.

It is important now to describe briefly its main sections. The first section refers to personal attributes of the respondent like gender, age group and educational level. It also, obtains information related to respondents' organisation, such as the sector of employment, the sub-sector, the size of the organisation and finally, the age of the organisation. The second section refers to personal beliefs and views on quality in general and TQM in particular. This section was seeking to collect MMs views on understanding and knowledge of TQM as well as their beliefs towards its effectiveness in Greece. The third section involves general organisational issues related to TQM approach, like teamwork training etc. The fourth section refers to issues associated with the nature of managers' work like performance, autonomy, career development etc.

The third stage of the research strategy is associated with the qualitative approach of the study, which was based on unstructured follow-up interviews. The interviews have been decided to be unstructured due to the purpose of the qualitative part of the study, which was the in-depth investigation of TQM issues. The 'free' and open discussion with the interviewees on these issues resulted two things. First, each interviewee had the opportunity to express his/her opinion in any way he/she wished. Second, this discussion provided the researcher with a better understanding of the subjects' attitudes towards several issues.

Although the interviews were unstructured, a general questionnaire/topic-guide (see Appendix 2) was used in order to facilitate the discussion. The interview's instrument covered the following general topics:

- Personal Information
- MMs' role
- Meaning of Quality

- Approach to Quality
- TQM issues
- General issues associated with: management style, power and conflict, trust, Communication, Career etc.

Also, during the interview several findings (mainly illustrated in figures) of the quantitative part of the study, and two lists including the eighteen selected 'soft' (nine) and 'hard' (nine) TQM items, were being demonstrated to interviewees requiring their comments. Finally, the whole interview process lasted four months (December - March of 2002).

5.5 Data Analysis

Due to the combined methodology the analysis of the data has been separated into two units: the analysis of the quantitative data and the analysis of the qualitative one. The latter was based on a systematic analysis of the eighteen interviews. Because of the limited number of the interviews, it was not necessary to use a specific electronic package of qualitative analysis. After the interviews were transcribed the analysis was developed according to the study's research questions. This analysis is shown in chapter nine. The situation was more complex, however, for the analysis of the quantitative data. In this case, a five-step approach was adopted: (Step1) uni-variate statistical analysis, (Step2) bi-variate statistical analysis with additional chi-square testing, (Step3) exploratory factor analysis (Step4) reliability analysis (coefficient alpha) and (Step5) multivariate regression analysis. Two statistical packages were used: SPSS (steps 1- 4) and STATA (step 5). Whilst the first two steps were the simplest in the data analysis process, the last three of them had to deal with the critical question of how TQM approach can be measured in quantitative terms.

5.5.1 The Measurement of TQM Dimensions

As mentioned in chapter two, there are two distinct aspects of TQM: the 'soft' side and the 'hard' side. The business literature does not provide any kind of measurement of them as a

whole. Therefore, a major as well as difficult task was to develop reliable and valid measures of both sides of TQM that shape the whole picture of TQM approach.

The 'soft' side of TQM is composed of general concepts and principles that can be found in most QM text books. These concepts and principles summarise what TQM is all about. However, there is not a general framework of TQM concepts that is universally accepted. In every different QM text we can identify some of these principles but not all of them together. Thus, one of the initial tasks of the research design was to identify the most commonly used 'soft' total quality concepts in the literature. The table 5.1 shows the nine TQM concepts and the sources that each one of them has been identified.

Table 5.1
Nine 'Soft' TQM Concepts Identified in QM Literature³

TQM Concepts	Quality Management Texts
<i>Total Employee Involvement</i>	Oakland, (1989); Goetsch and Davis, (1994); Bounds <i>et al</i> , (1994); Rao <i>et al</i> , (1996); Morgan and Murgatroyd (1997)
<i>Continuous Improvement</i>	Juran (1988); Oakland, (1989); Goetsch and Davis, (1994)
<i>Continuous Training</i>	Oakland, (1989); Goetsch and Davis, (1994); Rao <i>et al</i> , (1996); Dale, (1999)
<i>Teamwork</i>	Morgan and Murgatroyd (1997); Goetsch and Davis, (1994)
<i>Empowerment</i>	Goetsch and Davis, (1994); Morgan and Murgatroyd (1997); Besterfield <i>et al</i> , (1999)
<i>Top-management Commitment & Support</i>	Goetsch and Davis, (1994); Morgan and Murgatroyd (1997) Dale, (1999)
<i>Democratic Management Style</i>	Goetsch and Davis, (1994); Morgan and Murgatroyd (1997)
<i>Customer/Citizen Satisfaction</i>	Juran, (1988); Bounds <i>et al</i> , (1994); Rao <i>et al</i> , (1996); Goetsch and Davis, (1994); Dale, (1999)
<i>Culture Change</i>	Goetsch and Davis, (1994); Bounds <i>et al</i> , (1994); Morgan and Murgatroyd (1997)

Each one of these concepts was measured by the same 3-point scale (1: 'Agree', 2: 'Do not know' and 3: 'Disagree'). Also, all these items concerning 'soft' TQM concepts had the same direction in the questionnaire: the positive answer was the first while the negative answer was the last one. As mentioned, this study is interested identifying the impact of the awareness of these 'soft' TQM concepts on managers' perceptions about individual and organisational

³ Each of the nine 'soft' TQM concepts will be further explained briefly in chapter six (section 6.3)

aspects. One way would be to explore the effect from each of these concepts on individual attitudes. However, this would result to miss the whole picture of the 'soft' side of TQM that we intended to explore. In other words, this study was interested to analyse 'soft' TQM as a whole and not as separate entities. Thus, two types of measures of 'soft' TQM were developed.

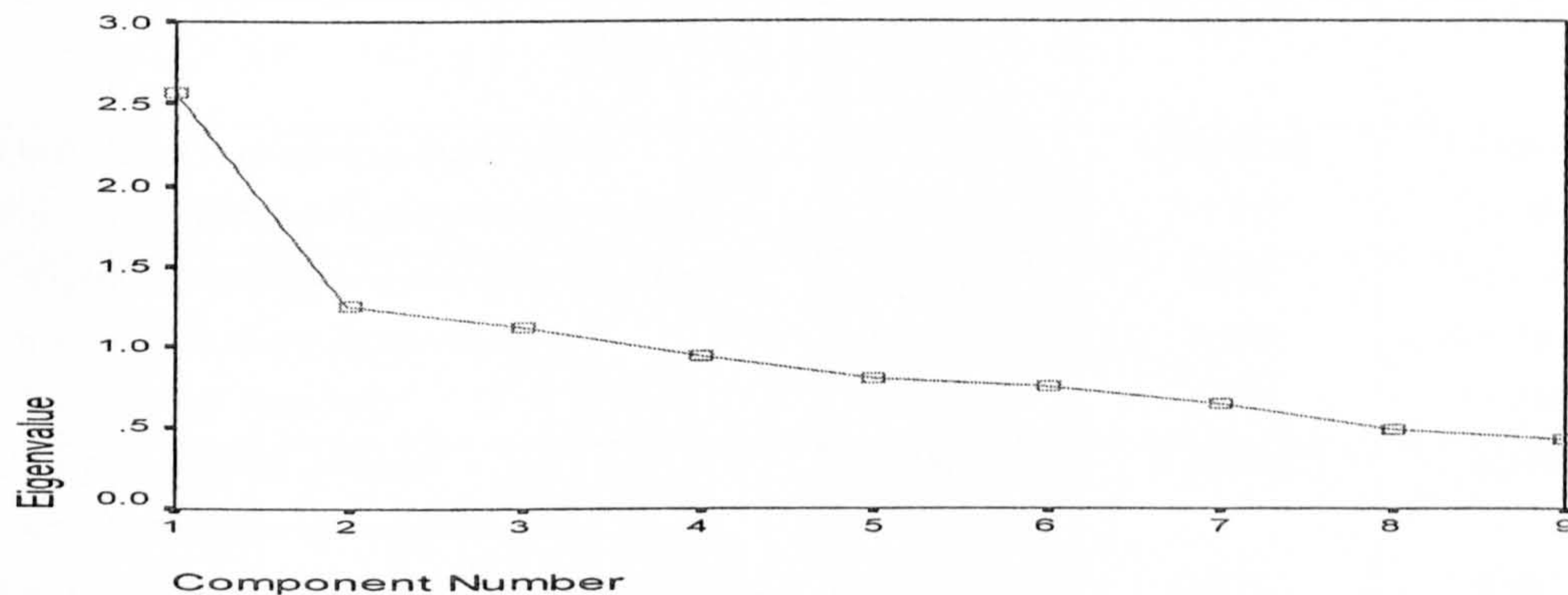
The first type is based on the concept of summation of variables, which is formed by combining several individual variables into a single composite measure (Hair, *et al*, 1998). Therefore in our case, the sum of the nine basic TQM elements can form one single variable. There are two basic arguments for following this method. The first of them is related to the theoretical notion that these concepts together compose what 'soft' TQM is all about. Thus, by adding these concepts together we can represent the multiple aspects of 'soft' TQM in a single measure. The second argument is related to the statistical reliability of these concepts, which allow us to add these items together. More specifically, the diagnostic measure that has been used is *Cronbach's Alpha*, which is the most widely used test of reliability coefficient (Nunnally, 1979). The lower value of *Cronbach's Alpha* that is generally agreed is 0.7. Nevertheless, this may decrease to 0.6 in exploratory research (Robinson *et al*, 1991). Thus, the nine identified items that compose the summated variable *SoftTQM* presented a moderate level of reliability with alpha coefficient over 0.6 (Cronbach's alpha: 0.645). This level of reliability is accepted since our research is an exploratory one.

However, one could claim that this is quite arbitrary approach since there is no confirmed theoretical basis that these nine concepts are parts of a single phenomenon. In respond to this criticism we have chosen to develop a second type of measure of 'soft' TQM, which now includes most of the concepts described above. Once again the purpose was to explore the 'soft' side of TQM as a whole and not to use each item separately. In contrast, we can select those that they seem to represent most this complex concept. One basic method of achieving this is through the *Exploratory Factor Analysis* (EFA) (Lewis-Beck, 1994).

This analysis provided those variables that seem to be the most representative of 'soft' TQM. According to the standard practice of EFA firstly, *principal components analysis* (PCA) (Snook and Corsuch, 1989) with rotation to an *orthogonal solution* by the *varimax method* (Hair, *et al*, 1998) was used. According to Lewis-Beck (1994), this method is the most commonly used in order to reduce the number of items in a survey questionnaire. Secondly, the score of each factor has obtained by a simple summation of the items that each factor includes after testing their reliability. The advantages of this method are that it reduces the measurement error and represents multiple aspects of a single concept (Hair *et al*, 1998).

Figure 5.1

Scree Plot of Exploratory Factor Analysis for 'soft' TQM



Inspection of the scree plot (figure 5.1) suggests that three major factors with eigen value greater than 1.122 should be retained and used as descriptors of the variance in the data. Together, these factors accounted for 55% of the total variance (table 5.2).

Table 5.2

Total Variance Explained for the 9 'soft' TQM Items

Component	Initial Eigen Values		
	Total	% of variance	Cumulative %
1	2.558	28.426	28.426
2	1.248	13.864	42.290
3	1.122	12.462	54.752
4	.945	10.500	65.251
5	.805	8.943	74.195
6	.752	8.360	82.555
7	.649	7.216	89.771
8	.490	5.446	95.217
9	.430	4.783	100.000

Extraction Method: Principal Components Analysis – Rotation Method: Varimax with Kaiser Normalization: 0.672

After the purification procedure the following factor structure emerged (table 5.3). *Continuous Improvement & Training* emerged as the first factor of 'soft' TQM concepts. *Total Employee Empowerment & Involvement* was the second factor and *Quality Driven Culture* the third one. As table 5.4 shows, the first factor is composed of the concepts of *continuous improvement* and *continuous training*, the second by the concepts of *employee involvement*, *empowerment* and *teamwork* and the third by the concepts of *democratic management style*, *customer/citizen's satisfaction*, *top-management commitment & support* and *culture change*.

Table 5.3

The purification procedure of the EFA: Factor Loadings for the 9 'soft' TQM Items

	Factor A	Factor B	Factor C
1. TQM is related to continuous improvement	0.780	-8.864E-02	4.640E-02
2. TQM requires increased and continuing training	0.705	-0.103	-7.387E-02
3. TQM approach involves everyone in an organization	0.119	0.803	0.250
4. TQM leads to employee empowerment	-0.326	0.795	-6.495E-03
5. TQM emphasizes team work	-0.409	0.469	0.109
6. TQM involves a more open and democratic/participative management style	2.594E-02	5.483E-02	0.779
7. TQM primary focus is on customer satisfaction	4.769E-02	0.225	0.601
8. TQM is associated with a cultural change	-0.456	-9.139E-02	0.559
9. TQM needs committed leadership and strong top-management support	-0.376	0.179	0.407

Extraction Method: Principal Components Analysis – Rotation Method: Varimax with Kaiser Normalization

Table 5.4 shows that the coefficient alpha for each emerged factor confirms the statistical reliability of the three new variables. Thus, the measurement of the new variables can be obtained by a simple summation of the items included in each factor. Of the three identified factors, one (Factor B – *Total Employee Empowerment & Involvement*) presented regular levels of reliability with alpha coefficient values over 0.7. The other two factors (Factor A – *Continuous Improvement & Training* and C – *Quality Driven Culture*) presented moderate and accepted levels of reliability with a coefficient alpha between 0.6 and 0.7 (Nunnally, 1979; Robinson, et al., 1991).

Table 5.4

Names of Emerged Factors and Included TQM Principles

<i>Factors</i>	<i>TQM Principles</i>	<i>Name of new Variables</i>	<i>Alpha Coefficients</i>
A	1. TQM is related to continuous improvement	SoftTQM1	0.6596
	2. TQM requires increased and continuing education and training	Continuous Improvement and Training	
B	3. TQM emphasizes team work	SoftTQM2	0.7054
	4. TQM leads to employee empowerment	Total Employee	
	5. TQM approach involves everyone in an organization	Empowerment and Involvement	
C	6. TQM primary focus is on customer satisfaction	SoftTQM3	0.6219
	7. TQM needs committed leadership and strong top-management support		
	8. TQM involves a more open and democratic/participative management style		
	9. TQM is associated with a cultural change within an organization		

The next step in our analysis is to examine how we can measure the ‘hard’ side of TQM. As mentioned this side consists of a variety of management practices that can be found in many QM texts and they are globally accepted as useful quality improvement techniques. Table 5.5 shows the nine of them. Of course there are more tools and techniques in this category. But these are some of the most well-known methods used for quality improvement⁴.

Table 5.5
Nine ‘Hard’ TQM Practices Identified in QM Literature⁵

TQM Concepts	Quality Management Texts
<i>Statistical Process Control</i>	Dale and Oakland, (1991); Goetsch and Davis, (1994); Rao <i>et al</i> , (1996); Dale, (1999); Besterfield, <i>et al</i> , (1999)
<i>Group Brainstorming</i>	Goetsch and Davis, (1994); Rao <i>et al</i> , (1996); Dale, (1999); Besterfield, <i>et al</i> , (1999)
<i>ISO 9000 series</i>	Lamprecht, (1992); Goetsch and Davis, (1994); Dale, (1999)
<i>Pareto Analysis</i>	Bicheno, (1998); Goetsch and Davis, (1994); Rao <i>et al</i> , (1996); Dale, (1999)
<i>Matrix Diagram</i>	Goetsch and Davis, (1994); Rao <i>et al</i> , (1996); Besterfield, <i>et al</i> , (1999); Dale, (1999)
<i>Histograms & Process Charts</i>	Goetsch and Davis, (1994); Bicheno, (1998); Besterfield, <i>et al</i> , (1999)
<i>Tree Decision Diagram</i>	Rao <i>et al</i> , (1996); Bicheno, (1998); Besterfield, <i>et al</i> , (1999); Dale, (1999)
<i>Critical Path Analysis</i>	Rao <i>et al</i> , (1996); Bicheno, (1998)
<i>Fishbone or Ishikawa Diagram</i>	Goetsch and Davis, (1994); Rao <i>et al</i> , (1996); Bicheno, (1998);

⁴ Very helpful at this point have been proved the suggestions of some Greek academics and practitioners

⁵ Each of the nine ‘hard’ TQM practices will be further explained briefly in chapter six (section 6.4).

Moreover, the scree plot of the EFA confirmed that only one factor emerges for further exploration (figure 5.2). As shown in table 5.6 this factor accounted for 58% of the total variance. Also, the identified factor presented a high level of reliability with alpha coefficient more than 0.9 (Cronbach's alpha: 0.9074). The high level of reliability provides a strong measure of 'hard' TQM aspects that represents managers' familiarity with these aspects. We can call this new variable *HardTQM*.

Figure 5.2

Scree Plot of Exploratory Factor Analysis for 'hard' TQM

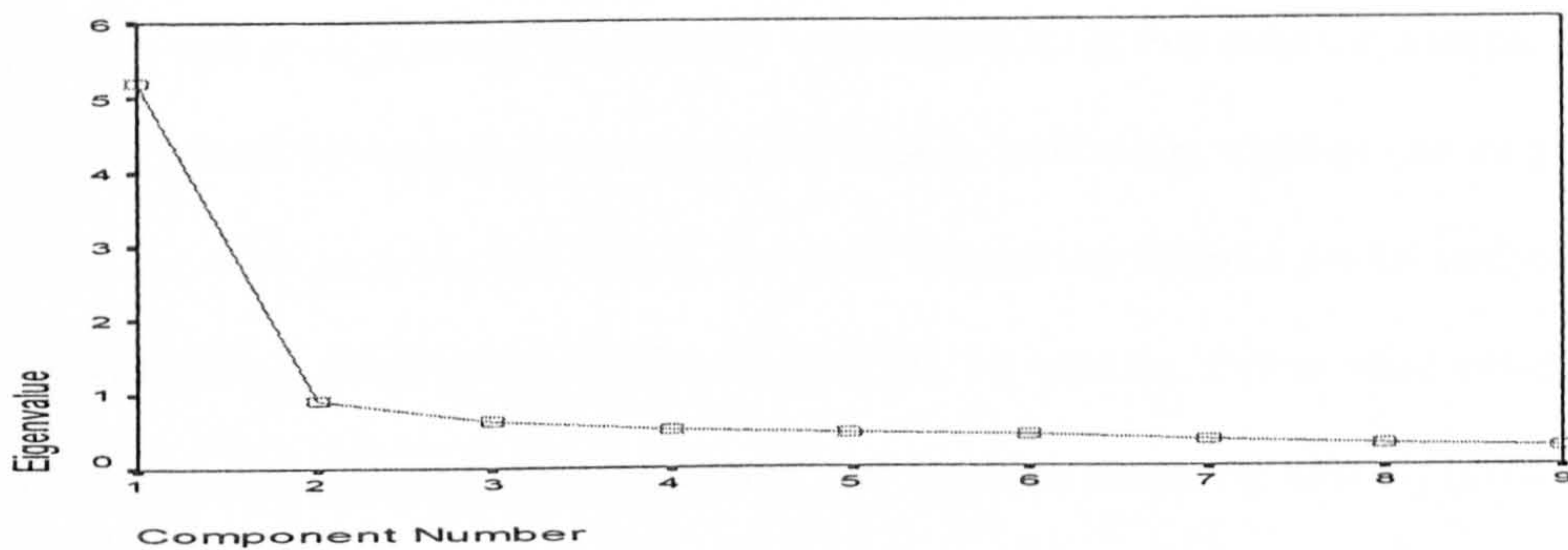


Table 5.6

Total Variance explained for the 9 'hard' aspects of TQM

Component	Initial Eigen Values		
	Total	% of variance	Cumulative %
1	5.212	57.914	57.914
2	.912	10.137	68.051
3	.644	7.150	75.201
4	.519	5.766	80.967
5	.456	5.066	86.033
6	.414	4.602	90.635
7	.329	3.651	94.286
8	.269	2.985	97.271
9	.246	2.729	100.000

Extraction Method: Principal Components Analysis – Rotation Method: Varimax with Kaiser Normalization: 0.912

In sum, after EFA and reliability testing we came up with two valid measures of 'soft' TQM aspects and one of 'hard' TQM aspects. The first 'soft' TQM measure is composed by the simple summation of the nine identified concepts of the TQM philosophy. The second measure is composed by three separate variables emerged from the EFA: *Continuous Improvement & Training*, *Total Employee Empowerment & Involvement* and *Quality Driven*

Culture. Finally, 'hard' TQM measure is composed by the summation of the nine identified techniques of the TQM practice.

5.5.2 Multivariate Modeling

Having identified the measurement of TQM approach it is useful to explain in details the fifth step of analysis which is associated with the multivariate regression. One main type of multivariate analysis has been used: *Non-linear analysis of ordered outcomes*. The rationale of using such an analysis was based on the fact that the outcome variables had several ordered categories but not enough to use the ordinary regression (OLS). For instance, a single item (in the form of question) included three possible replies indicating whether our respondents *Agree, Do not know* or *Disagree* with it. For such variable an *ordered probit* analysis is the most useful method (McKelvey and Zavoina, 1975). In essence, this method assumes that there is an underlying normal distribution and that the three observed values (*Agree, Do not know, Disagree*) represent areas defined by several cutting-points on this distribution (McKelvey and Zavoina, 1975; Gallie *et al*, 1998). Moreover the estimates of the *ordered probit* analysis do not lend themselves to straightforward numerical interpretation.

In this respect, we have developed different *non-linear regression models* for every single individual and organisational aspect that we have examined. Each model contains six basic demographic variables: *gender, age group, educational background, sector of employment, organisational size* and *organisation's age*. The rationale of having these variables in each model is related to analytical reasons. These variables aimed to investigate their potential impact on management aspects in relation to TQM. For example, a background assumption was that the younger or more educated a MM is the more likely he/she is to accept and adopt TQM concepts and techniques. In addition, the younger and/or smaller the organisation is, the more likely it is to be open to the TQM philosophy. In contrast, an old and/or large sized organisation probably operates more routinalised and more bureaucratic and therefore there are fewer chances to adopt TQM.

The gender (male-female) and the sector of employment (public-private) include two categories. Age group includes five different age categories: 20-29, 30-39, 40-49, 50-59 and over 60. In addition, educational background is classified in four specific categories. Those holding: a *High School Diploma*, a *Technical School Diploma*, a *Bachelor's Degree* and a *Postgraduate Degree* (Masters' or PhD). Moreover, organisational size has been divided into three sizes: *Small* (51-500 employees), *Medium* (501-1000 employees) and *Large* (1001 and over). Finally, the years of existence of the organisations have separated in: 1-5 years, 5-10 years, 10-15 years, 15-30 years, 30-50 years, 50 years and over.

Each multivariate model explores the statistical significance of the above five demographic variables as well as the significance of the perceived awareness of the 'hard' and 'soft' sides of TQM on MMs' responses on set of individual and organisational aspects. Chapter 7 examines the impact of TQM on seven aspects of managers' work.

The first aspect is *work autonomy*. Autonomy consists of the summation of two items asking whether MMs' work autonomy has been increased and whether MMs have to take more initiatives and responsibilities over the last three years. These two items have been measured on a 3-point scale (1: '*Agree*', 2: '*Do not Know*' and 3: '*Disagree*') and they compose a reliable statistical measurement (Coefficient Alpha: 0.7253). The second one is *monitoring* consisting of an item asking about the degree of changes on MMs' work monitoring over the last three years. The measurement was a 5-point scale: 1: '*Great increase*', 2: '*Some increase*', 3: '*No change*', 4: '*Some decrease*' and 5: '*Great decrease*'. The third aspect is *stress* that includes one item asking MMs how stressful they feel at work. The measurement was a 6-point scale: 1: '*Every single day*', 2: '*Very often*', 3: '*Usually*', 4: '*Some times*', 5: '*Rarely*' and 6: '*Never*'. The fourth aspect is the *work effort* assessing whether MMs agree that the last three years they work harder. Its measurement was a 3-point scale (1: '*Agree*', 2: '*Do not Know*' and 3: '*Disagree*'). The fifth aspect is loyalty, which assesses whether MMs feel proud

of working for their organisations. The measurement was once again a 3-point scale (1: 'Agree', 2: 'Do not Know' and 3: 'Disagree').

The final two concepts that included in the individual sphere of aspects are *job security* and *career development*. Both of them are very general and can be assessed by several criteria. Nevertheless, in order to keep the analysis in a simple level we have indicated one single item for each of them. More specifically, *job security* referred to the potential negative effect of TQM on managers' feeling of security. Moreover, *career development* includes one item assessing whether MMs agree that the greater emphasis on total quality improvement would promote their career prospects. Both of them were measured on a 3-point scale (1: 'Agree', 2: 'Do not Know' and 3: 'Disagree'). One last point to be made here, is that these two questions are the only ones that include the acronym TQM attempting to take a response about its impact on MMs' careers. The reason of doing so was that we would like to see whether this form of question would bring different results in relation to other items that did not include the term.

In addition, chapter 8 examines the impact of the awareness of TQM on the perceptions about several organisational aspects. These aspects can be classified into two categories. The first category is related to *organisational performance* and includes three specific aspects. The first one assesses MMs' agreement on whether their organisation's performance as a whole has been improved over the last three years. The measurement was a 3-point scale (1: 'Agree', 2: 'Do not Know' and 3: 'Disagree'). The second aspect refers to *top-management commitment & support* over employees. This aspect is composed by the summation of two different items asking MMs to assess whether they agree that top-executives keep their words and promises, as well as they help employees in improving their skills and performance. Statistical analysis showed that these two items can be regarded as a coherent set, having a regular reliability with alpha coefficient over 0.7 (0.7850). Moreover, both of them were measured on 3-point scale (1: 'Agree', 2: 'Do not Know' and 3: 'Disagree'). The last

organisational aspect under examination is associated with *the satisfaction of external customers*. This aspect is composed by one item asking MMs to assess whether their organisations satisfy their external customers. This item was also measured on a 3-point scale from 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'.

The second category is associated with issues referred to *organisational processes*. All of them were measured on a 3-point scale (1: 'Agree', 2: 'Do not Know' and 3: 'Disagree'). Organisational *trust* is the first of them under investigation. It includes one item asking whether MMs agree that there are trust relationships within their organisations. The second aspect is organisational *communication* trying to identify whether MMs agree that there are clear and open communication within their organisations. *Teamwork effectiveness* is the third aspect that composed by two items assess whether MMs believe that teams' involvement in decision-making process has been increased over the last three years as well as whether they agree that teamwork has improved organisational performance over the same period. Reliability analysis has shown that these two items can be treated as a coherent set (alpha coefficient 0.9163). The fourth aspect is organisational *empowerment and involvement* that consists of two items asking MMs to state whether their organisations empower employees to get involved in decision-making process and whether they consider these ideas seriously. Reliability analysis has shown that these two items can be treated as a coherent set (alpha coefficient 0.8244). The last aspect is training asking whether it has improved the skills and performance of employees over the last three years.

5.5.3 Presentation and Interpretation of Results

The presentation of the results from the multivariate analysis follows standard conventions. The selected relationships are specified in the title of the table. In our example (table in the next page) the dependent variable is *organisational loyalty*. The independent or explanatory variables are the six demographic ones as well as the 'soft' and 'hard' aspects of TQM, also

shown in the left-hand column. Three different multivariate modes have been developed for each of the three samples of MMs: the whole sample, the public sector and the private one.

As mentioned we have adopted two different measurements of 'soft' TQM aspects. Thus, for each sample of managers two different multivariate regressions have been developed. The first regression includes the SoftTQM variable as it emerged from the summation of the nine principles. The second regression includes the three distinct grouped variables emerged from the EFA. The two multivariate regressions are shown in the three columns headed with the number of the model and the sample that they refer to.

Example: Number of the Table

Title: TQM Effects on Organisational Loyalty

<i>Ordered probit estimates</i>	<i>1st Model</i>		<i>2nd Model</i>		<i>3rd Model</i>	
	Whole Sample		Public Sector		Private Sector	
<i>Independent Variables</i>	N=241		N=108		N=133	
	Coefficients		Coefficients		Coefficients	
<i>Gender</i>	-0.132	-0.050	-0.283	-0.176	0.183	0.206
<i>Age</i>	-0.108	-0.101	-0.206	-0.266*	0.068	0.127
<i>Educational Background</i>	-0.432***	-0.439***	-0.399***	-0.420***	-0.430***	-0.446***
<i>Sector of Employment</i>	-0.674***	-0.623**	-	-	-	-
<i>Organisational Size</i>	0.127	0.128	0.252*	0.160	0.030	0.039
<i>Organisational Age</i>	-0.188**	-0.198**	-0.233*	-0.239*	-0.222**	-0.233**
<i>Soft TQM</i>	0.057*	-	0.040	-	0.063	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	-0.013	-	-0.059	-	0.020
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.067*	-	0.020	-	0.111*
<i>Soft TQM3: Quality Driven Culture</i>	-	0.050*	-	0.084**	-	0.003
<i>Hard TQM</i>	0.033**	0.026*	0.022	0.008	0.054**	0.050**
<i>R²</i>	0.2730	0.2873	0.2186	0.2542	0.2875	0.3023

****significant at a=1% (0-.01), **significant at a=5% (.01-.05), *significant at a=10% (.05-.1)

The three columns headed 'coefficients' show the estimated effects of each independent variable on the dependent outcome variable. These coefficients are presented in an unstandardised form. One last point to be made is that there is a second form of presenting the results when the sample of MMs is separated according to the sector of employment. The stars on coefficient numbers indicate the significance of each estimated effect. A single star (*) indicates that the estimated coefficient of interest is significantly different from zero at the

90% confidence level, a double star (**) indicates a significance level at the 95% and finally, a triple star (***) indicates significance at the 99% confidence level. These coefficients are interpreted according to the analysis applied.

As mentioned this analysis is a *Non-linear ordered probit* approach, which is indicating at the top of the left-hand column of each regression table. Thus, as the example table of the effect of 'hard' TQM on MMs' loyalty on organisation shows, an estimate of 0.033 (with 'hard' TQM familiarity as the positive value of 'hard' TQM) means that being familiar with 'hard' aspects of TQM approach increases the possibility of managers to report that are loyal to their organisations. The sign on each coefficient simply indicates whether the correlation of one explanatory and the outcome variable is positive or negative. It needs to be cleared out that the analysis and interpretation of the results were based on managers' perceptions about QM issues in general and TQM in particular, as well as about their responses on a set of individual and organisational aspects, and not on their actual experience of them.

The final point to be made is associated with R^2 shown at the last row of each table. R^2 score estimates the percentage of the observations related to the outcome variable (dependent) that can be interpreted by the explanatory variables (independent) in the multivariate model. In our example, 27% (1st model shown in the table) of the variation on our dependent variable can be explained by the demographic as well as TQM variables on the model. Although, a higher R^2 is always more desirable, we have to acknowledge the limitation of our study due to the nature of its sample. Our data set consists of 241 responses gathered at the individual level the restricted number of observations available in our sample in a way bound the R^2 to moderate values in any estimation process. However, as it is observed in many models that we have developed, the general level of the R^2 found is satisfactory, especially if this level compared with other similar studies like that of Gallie *et al*, (1998).

5.6 Concluding Remarks: Research Contributions and Limitations

The research offers two main methodological contributions. The first is associated with the combination of quantitative and qualitative methods. It is argued that the most studies on QM in general and TQM in particular have tended to rely primarily upon qualitative methods. On the other hand, the number of large-scale quantitative research projects investigating TQM and employees is smaller. Moreover, in the Greek NBS there is a lack of both qualitative and quantitative studies on the specific topic. Thus, the study's research methodology seeks to contribute to a wider knowledge on the relationship between TQM and middle management in the Greek national context.

The second methodological contribution of this study is related to the measurement of the TQM approach. More specifically, the EFA and the reliability analysis provided with two different measures of the 'soft' side of TQM and one measure of the 'hard' side of it. These three measures of TQM offer the great advantages of presentational simplicity and statistical reliability. They compose an initial attempt to measure in quantitative terms the two aspects of the TQM approach as a whole.

Beyond these two main methodological contributions, however, there three main limitations of the research approach that need to be pointed out. The first limitation emerges from the two measurements of the 'soft' side of TQM themselves. The first measure, which is composed by the summation of the nine TQM principles, can be accused as an arbitrary method of measuring 'soft' TQM insofar as the nine principles are not composed a universally confirmed framework. The argument against this criticism could be that they are the most common found in a variety of TQM texts as well as that reliability testing has shown that they can be regarded as a coherent set.

A second limitation is associated with the second measure of 'soft' TQM. Although, this measure emerges after an EFA as well as a reliability testing, one could claim that the separate measurement of the 'soft' side of TQM can resulted to lose information. It can be

argued though that this measure can offer information of possibly different facets of a single phenomenon like TQM.

A third limitation of the research methodology is related to the sampling technique. The snowball method allows a researcher to approach those within a connected network of individuals. It would fail to find anyone outside this network (Arber, 1993). In our case, the questionnaires have been distributed to specific managers who have a network of contacts with other potential respondents. This means that managers who were not connected to the networks have not participated in the research. This can cause bias in the selected sample (ibid, 1993).

However, this chapter has addressed this limitation by offering two basic arguments. The pragmatic, according to which the conduction of such a survey in Greece is difficult task owing to: a) limited access offered by organisations, b) unwillingness of people to participate in the research and c) difficulties in identifying a randomly selected sample of MMs. And the theoretical, which stresses the fact that these people that were identified, were the most interested in TQM. Since TQM is recently adopted by Greek organisations, the point of the snowball method was to identify people with the strongest linked perceptions. In contrast, a randomly selected sample of managers might return little information concerning QM due to lack of knowledge and awareness of it.

Nevertheless, this study does not aim to generalise its findings to the whole Greek NBS. In contrast, what this study has done is to give evidence towards a tendency of TQM within the Greek service industry. It also gains in the fact that it is a broad horizontal investigation of the phenomenon in a wide range of organisations in both sectors of employment and not a case-study approach of few organisations. The following chapters (six, seven and eight) present the quantitative evidence of the research whilst chapter nine presents the qualitative findings.

CHAPTER 6

Middle Managers' Awareness of TQM

6.1 Introduction

Oakland (1989) argues that "TQM needs to gain ground rapidly and become a way of life in many organisations" (p.15). TQM cannot become a way of life in organisations overnight though. Time is needed in order to fit the appropriate quality principles and techniques into the culture of the organisation (Goetsch and Davis, 1994). Time, however, is not the only resource that TQM needs. It also needs people to be aware of quality initiatives. It could be said that awareness of quality is fundamental to what TQM is really all about. For Crosby (1984) quality awareness is not just promoting quality within an organisation but it is also spreading information around. "People need to know about the management commitment. They need to know about the policy. They need to know about the costs of doing things wrong" (p.111). He also points out that quality awareness extends to the way in which managers act and talk about quality. Thus, quality awareness begins from management and spreads within the whole organisation. Nevertheless, research evidence (Morgan and Murgatroyd, 1994) has shown that quality awareness is sometimes limited. How can TQM become *a way of life* within an organisation when managers are not really aware of it?

Therefore, the purpose of this chapter is to explore the initial research question of: *What are MMs' responses to quality improvement in general and TQM in particular in Greek public and private service organisations?* In other words, *to what extent are they aware of the TQM approach?* The first section of this chapter examines MMs' views of the meaning of quality and its importance in their organisations. The second section explores MMs' awareness of the nine 'soft' key elements of TQM. It also assesses their familiarity with the nine techniques, tools and systems involved in the TQM approach. Finally, this chapter closes by addressing their perceptions of the potential impact of the introduction of TQM in the Greek NBS.

This chapter argues that there is widespread evidence of the concept of quality improvement among MMs. This concept is seen as part of the modernisation process taking place in the Greek management system. There is also strong evidence of awareness of 'soft' TQM principles by both public and private sector managers. Furthermore, the latter group seems to be more familiar with the 'hard' side of TQM. Also, there is evidence of other differences between people working in different sectors of employment, as well as having different educational backgrounds.

6.2 The Concept of Quality

As we have seen in chapter two, a general definition of TQM is extremely difficult to pin down. A definition of quality in general is even more difficult. Pirsig (1974) wrote that "...quality is not a spirit neither a material, but another entity independent from both of them....It cannot be defined but we all know what it is" (p.34). Several people regularly use the word in order to emphasise something that they consider as unique, excellent or the best in its kind. However, the criterion of uniqueness and excellence differs from person to person and from society to society. Therefore, the meanings of the word 'quality' vary. The variety of meanings and understandings of the concept often causes problems. As Crosby (1979) points out, the problematic situation around the concept of quality is associated more with what people think they know about it and less with what people do not know. Therefore it is essential to explore managers' understanding of quality, without imposing a standard definition.

This section examines MMs' opinions about the meaning of quality by using a framework taken from Pfefer and Coote (1991). This framework is composed of four different approaches to the quality concept, in terms of who defines the quality of a product and/or service. These approaches are: the *traditional*, the *scientific* or *expert*, the *managerial* or *excellence* and the *consumer*.

The *traditional approach* is the basis for understanding the quality idea. The concept of quality is associated with notions like exclusiveness, prestige and positional advantage (Pfefer and Coote, 1991). Quality is defined by traditional assumptions that some products or services are superior to others, for example, French perfumes, Persian carpets, Swiss watches. However, there are not specific models or measures of quality of a product or service that correspond to this approach.

The *scientific approach* is driven by the expert's opinion, which prescribes levels of acceptability (Pfefer and Coote, 1991), and therefore, the quality of a product or service. For example, the European Organisation for Quality Control and the American Society for Quality Control define quality as the totality of features of a product or a service that bears on its ability to satisfy given needs (Morgan and Murgatroyd, 1994). These features have to be specified by standards, which have to be determined by experts. Thus, the scientific approach is the process of quality assurance through enforcement of specific standards (Pfefer and Coote, 1991).

The *managerial approach* emphasises customer satisfaction (Pfefer and Coote, 1991). The customer is the key to commercial success and they make quality improvement a 'managerial holy grail' (Peters and Waterman, 1982). Hierarchical organisations are flattened and staff empowered to be more responsive to customers needs. However, they may be unaware of alternatives. This means that they are mainly passive participants in the process of the definition of quality (Joss and Kogan, 1995). The quality of products or services is defined by internal individuals or groups such as managers.

Finally, the *consumer approach* maintains that empowering consumers can achieve the desired level of quality (Pfefer and Coote, 1991). The key difference between this approach and the previous one is that the consumerist approach expresses the desire of consumers to be satisfied, while the managerial one expresses the desire of providers to satisfy customers. In

other words, the consumerist approach aims to give a more active role to the customers/users to judge the quality of goods and services.

The responses of the MMs of our sample to the meaning of quality according to these four approaches are shown in Table 6.1. Four statements were constructed expressing each one of the four distinct approaches given by Pfefer and Coote (1991). These statements are also shown in table 6.1. Respondents were asked to tick only one statement that they most agreed with.

Table 6.1
MMs' Responses to the Meaning of Quality

Approaches to Quality	Public	Private	Whole Sample
Traditional: <i>Quality means offering just a high quality outcome</i>	8.3% (9)	4.5% (6)	6.2% (15)
Scientific: <i>Quality means offering an outcome according to standards</i>	65.7% (71)	61.6% (82)	63.5% (153)
Managerial: <i>Quality means responding to customer's needs</i>	25.9% (28)	30.3% (41)	28.6% (69)
Consumerist: <i>Quality means empowering the customer to define the quality of outcome</i>	- -	3% (4)	1.6% (4)
Total	100% (108)	100% (133)	100% (241)

There is a strong support for the view that the concept of quality is related to standards that are defined by specialists or scientists. This result indicates that most of the MMs in our sample understand quality mainly as a technical approach that needs to be based on specific steps, procedures and standards. These specific features are designed, created or provided by people who have the knowledge, and consequently the capability, to define which should be the quality outcome of a process. Also, this view is almost equally shared between public and private sector managers, with the former to be a little keener on this approach. This can be explained by the increased emphasis in public services on the adoption of specific performance measurements and the creation of a Citizen's Charter according to international standards (DIAPA&D, 2000; Michalopoulos, 2000). A similar emphasis among the private

sector managers indicates that QM systems, such as ISO 9000, are central to the road of quality achievement (Lamprecht, 1992; Tsiotras and Gotzamani, 1996; Vouzas, 1997).

The second approach to what quality means is the managerial one. More than one fourth of the MMs in our sample understand quality through the satisfaction of customers' requirements. Managers understand that quality should be improved according to their opinion about what a customer wants. If we separate the sample of MMs we can see that there is no significant difference between the two sectors of employment (public 26% - private 30%). This result indicates that although management oriented practices are limited in relation to scientific approaches to quality, they have begun to be part of the organisational agenda in both private and public organisations.

As to the other two approaches of Pfefer and Coote's framework, our respondents seem to agree less. The traditional approach to quality seems to be understood among the MMs of our sample, but they do not tend to use this approach in order to define the quality concept. In addition, the consumerist approach seems not to have a clear meaning to them. Some responses to an open-ended question, in which the research participants commented on the four approaches, seem to support the last argument:

...I can understand the first three approaches, which more or less take place in my organisation. I cannot understand very well though what the fourth one is about.

...I strongly believe that there is no such an issue [referring to the consumerist approach to quality] of quality here.

Turning to quality improvement, as figure 6.1 illustrates, there was a widespread belief that it was very important. More specifically, the majority of MMs in our sample (almost 94%) see quality improvement as a very important or fairly important issue within their organisations. Also, Table 6.2 provides more extensive information about the public and the private managers of our sample. This table shows that substantial numbers rated quality improvement as very or fairly important issue within both public and private organisations.

Figure 6.1

Importance of the Concept of Quality Improvement within Organisations

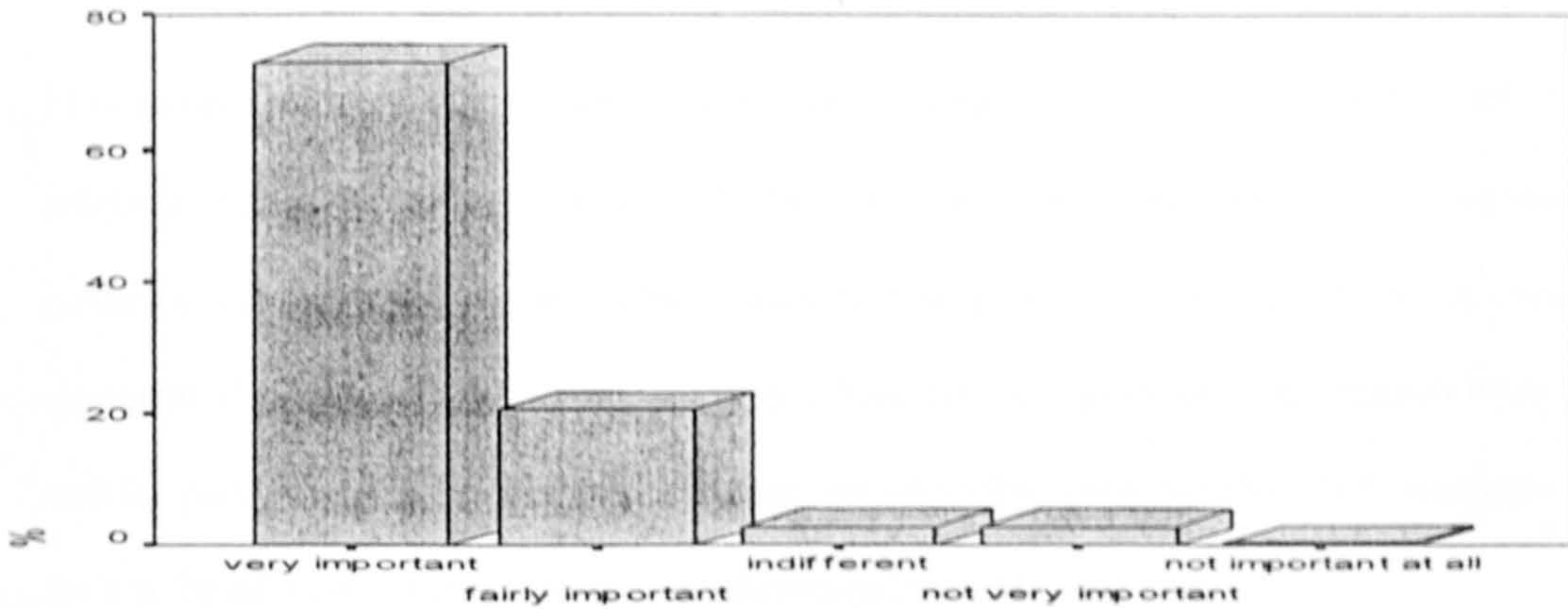


Table 6.2

Importance of the Concept of Quality Improvement between Public and Private Sector MMs

Sector of Employment	Very Important	Fairly Important	Indifferent	Not very Important	Not Important at all
Public	63%	26.9%	5.6%	4.6%	-
	(68)	(29)	(6)	(5)	-
Private	81.2%	15.8%	0.8%	1.5%	0.8%
	(108)	(21)	(1)	(2)	(1)
Chi-square: 13.783	DF: 4	Pearson's R: - 0.187	Do not accept the null hypothesis		

Nevertheless, comparing the two sectors of employment quality importance seems to be higher among private sector managers. The fact that quality improvement has recently emerged as an important issue within public service organisations (DIAPA&D, 1998) may have caused a delay in its fully adoption by civil servants. The feeling of the increased importance of quality improvement shared among private sector managers can be further supported by some of their responses to the open-ended question at the last page of the questionnaire:

...In this company we know what the customer wants and we try to enhance our staff to deliver the right service in the right time

...Every person in this company works hard for quality improvement, because they know that it is the most effective competitive 'weapon' that this firm has.

...If a firm does not give the appropriate importance to quality issues, then it is very doubtful whether it can survive in a situation of increased competition. All here try to understand this

concept.

...To some extent quality improvement is the means for organisational effectiveness and best practice in the field of our services.

This pattern of comments suggests that quality improvement is seen by the MMs as a practical way of organisational effectiveness and customer satisfaction. This argument is further confirmed by a forced-choice question asking for a ranking of the most important elements of QM within MMs' organisations. Nine options (plus one open option) were given and the participants were asked to tick only one that was considered the most important from their point of view. Their responses are shown in table 6.3.

Table 6.3

The Most Important Elements of Quality Improvement (Public-Private-Whole Sample)

Elements of Quality Improvement	Whole Sample 241	Public 108	Private 133
<i>High effectiveness of service delivery</i>	18.7% (45)	24.1% (26)	14.3% (19)
<i>Offering services according to standards</i>	14.5% (35)	10.2% (11)	18% (24)
<i>Speed and willingness of service</i>	14.5% (35)	23.1% (25)	7.5% (10)
<i>Customer/citizen satisfaction</i>	12.4% (30)	1.9% (2)	21.1% (28)
<i>Employee empowerment for quality services</i>	10.4% (25)	7.4% (8)	12.8% (17)
<i>Continues improvement of services</i>	10.4% (25)	12% (13)	9% (12)
<i>Offering of right services from first time</i>	10.0% (24)	6.5% (7)	12.8% (17)
<i>Offering services without faults</i>	5.0% (12)	9.3% (10)	1.5% (2)
<i>Keeping good relation with clients/citizens</i>	3.7% (9)	4.6% (5)	3% (4)
<i>Other</i>	0.4% (1)	0.9% (1)	- -

For almost 19% of our sample the most important element of quality improvement is *high effectiveness of service delivery*. This element is also the most important one among public managers, whilst it was the third most common found option among private sector managers.

This result indicates that many MMs, and especially those in the public domain, are still focused on classical notions of management, such as effectiveness and efficiency. A characteristic statement by a participant in the survey questionnaire was:

... In my organisation primary we are interested to be as more effective and efficient as we can. If we achieve these two targets then we will be in position to give to the customers what they really want from us.

In the second place, there are two elements associated with more modern notions of management, *speed and willingness of service* and *offering services according to standards*. The former element seems to be of great importance among public managers. This is mainly explained by the fact that the majority of complaints from citizens are about the speed of the service delivery from public organisations. Therefore, these aspects are critical for public services that they have developed a series of policies attempting to improve them (DIAPA&D, 1998; Michalopoulos, 2001). In addition, the delivery of services according to international standards is the second most important element of quality improvement among private sector managers. International standards are quite critical to quality improvement in MMs' perceptions. This finding is further supported by the statements of the interview participants as we will see in chapter nine. Here, we just demonstrate a similar statement found in the final open-ended question:

...For me , and I believe for the majority of my colleagues, ISO 9000 and other national or international standards are the way of doing competitive business.

It is also important to point out that 12% of our respondents perceive *customer/citizen satisfaction* as the most important element of quality in their organisations. If we examine separately public and private sector managers, we can conclude that, whilst the concept of customer/citizen's satisfaction does not play an important role among the former MMs, it is the most critical one among the latter ones. This finding is further evidence of the limited

development of TQM concepts within public services and the additional widespread support of such concepts within private industry.

Continuous improvement and *employee empowerment* were ranked in the third position. The latter element, however, is more important within the sample of private sector managers. This is evidence towards the view that private companies are more open to 'soft' concepts of quality and consequently they are more willing to involve employees in the quality improvement process than public organisations. Although, people's involvement is rather limited in the latter organisations, there is evidence (mostly expressed by the 7.4% appeared in the table 6.3) towards a similar tendency. This tendency is further supported by the result about the element of continuous improvement that has been ranked in the third position (12%) by the public sector managers of our sample. This result is quite surprising as the additional sample of private sector managers ranked it in the sixth position.

Another 10% of the total sample of our respondents said that the most significant element of quality is *offering of right services from first time*. This element though seems to be more significant among private sector managers than public sector ones. A possible explanation is that this element is linked with classical quality improvement policies like Just In Time (JIT), that have been adopted by many private companies whilst being limited in public sector.

Furthermore, very few of the MMs of our sample agree that *offering services without faults* (5%) and *keeping good relation with clients/citizens* (3.7%) could be ranked first in the list. However, the former element seems to be of some importance among public sector managers. Once again a possible explanation can be considered the citizen's complaints about mistakes that have been done by public services. It is common for many citizens to denounce these faults to the media that find the opportunity to announce these complaints in to the public, provoked a rather 'bad' image for public services and civil servants ('TA NEA', 2000).

The above results indicate three conclusions. First, the majority of MMs recognise the importance of quality improvement for their organisations. Also, quality improvement is considered as an important issue in both public and private organisations. Second, the majority of them understand quality as something defined by experts. A smaller group, especially in the private sector, understands quality from a managerial perspective with primary emphasis on customers/citizens. Finally, they seem to relate quality improvement to a classical notion of management, such as high organisational effectiveness, as well as with the adoption of specific performance standards, such as ISO 9000.

6.3 The 'Soft' Side of TQM

As argued in chapter two, in almost every definition of TQM we can identify two major components: the 'what' and the 'how' of TQM (Goetsch and Davis, 1994). As the component of 'what' diverges in almost every single study and text book, the 'how' component distinguishes TQM from other QM approaches and includes basic principles that are generally accepted. These principles and concepts comprise the 'soft' side of the TQM approach. Chapter five points out that in this study the investigation of the 'soft' side of TQM was based on nine key principles most commonly found in various TQM texts. The section starts by briefly examining each of them.

The first of these principles is that TQM, in contrast to previous QM initiatives, *involves everyone in an organisation*. As Morgan and Murgatroyd (1997) note, the 'total' element of TQM implies that every organisational member is involved in quality improvement process. In addition, Oakland (1989) points out that "...[TQM] is essentially a way of organising and involving the whole organisation; every department, every activity, every single person at every level" (p.14).

The second principle is associated with *continuous improvement*. According to TQM theory the best way to improve organisational output is to continually improve performance (Goetsch

and Davis, 1994). Quality improvement is not a task that has an end. It is not static. According to Oakland (1989), in order “to maintain a wave of interest in quality, it is necessary to develop generations of managers who...are dedicated to the pursuit of never-ending improvement in meeting external and internal customers needs” (p.296). In addition, Juran (1988) notes that quality improvement requires the establishment of the *quality council*, which is the driver to ensure that improvement is continuous and never-ending.

A third principle of TQM is related to the concept of *Team working*. Teams are more powerful and effective work entities than individuals. Scholtes (1992) argues that teams are needed for all organisations in order to make them work more flexible and to develop mutual trust among members. In traditional management approaches each department needs to take care of its own problems (Taylor, 1947). In a TQM context the whole organisation needs to care about quality improvement and not in a departmentalised way (Morgan and Murgatroyd, 1997). In this respect, organisations need cross-functional work groups that will deal with inter-departmental management problems.

Empowering the employee is another important principle of TQM. Teams within organisations help employees to become involved in issues which were previously top-management’s responsibility (Morgan and Murgatroyd, 1994). According to Besterfield *et al.* (1999) “empowerment is an environment in which people have the ability, the confidence, and the commitment to take the responsibility and ownership to improve the process and initiate the necessary steps to satisfy customer requirements within well-defined boundaries in order to achieve organisational values and goals” (p.77).

The fifth basic concept of TQM is *continuous training*. Oakland (1989) believes that training is the single most significant component in trying to improve quality. He points out that “quality training must be continuous to meet not only changes in technology, but also changes involving the environment in which an organisation operates, its structure, and perhaps most

important of all the people who work there” (p.263). According to Dale (1999) continuous training contributes among else to the establishment of “a common language throughout the business” (p.11).

The sixth element is *customer satisfaction*. In a total quality context customer satisfaction is the driving force for an organisation to improve its performance. Juran (1988) argues that there are two different kinds of customers: the *external* (clients, government regulatory bodies, the public), who define the quality of the service delivered and the *internal* (employees, different departments), who define the quality of the people, processes associated with the delivering of services. Both external and internal customers have needs. A contemporary approach to quality such as TQM stresses the importance of satisfying those needs (CEPP&P, 1992).

The above principles of TQM need *top management commitment and support*. Dale (1999) argues that top managers “have to take charge personally, lead the process, provide direction, exercise forceful leadership, including dealing with those employees who block improvement and maintain the impetus” (p.10). In addition, Torrington and Hall (1998) argue that “senior managers need to define the quality objectives of the organisation to provide direction and clarity and to communicate these continually within the organisation” (p.300).

Beyond management’s commitment and support to TQM, an *open and democratic/participative management style* is identified. The importance of management style in QM has been pointed out by Crosby (1979) in his book *Quality is free*. Later authors argue in favour of a more democratic management style. For example, Morgan and Murgatroyd (1994) note that the fundamental difference between TQM and other management approaches “is that it is more democratic” (p.15). Additionally, Goetsch and Davis (1994) claim that the most appropriate style of management within a TQM context is the participative one, which “it involves soliciting input from empowered employees” (p.224).

Finally, a supportive *organisational culture* is the common denominator of all the ‘soft’ aspects of TQM. It binds together all the above TQM concepts. Quality culture has been defined as “a culture that nurtures high-trust social relationships and respect for individuals, a shared sense of membership of the organisation, and a belief that continuous improvement is for the common good” (Hill, 1991).

Using as a basic framework the above nine TQM elements, respondents were asked to state whether they agree that these principles are associated with the TQM approach. Table 6.4 shows their answers.

Table 6.4
MMs’ Responses to ‘soft’ TQM Principles

TQM is related to:	Agree	Do not Know	Disagree
<i>1. Total employee involvement</i>	92.1% (222)	2.9% (5)	5.0% (12)
<i>2. Continuous Improvement</i>	75.9% (183)	4.6% (11)	19.5% (47)
<i>3. Teamwork</i>	80.9% (195)	10% (24)	9.1% (22)
<i>4. Employee Empowerment</i>	84.6% (204)	8.3% (20)	7.1% (17)
<i>5. Continuous Training</i>	78.4% (189)	8.3% (20)	13.3% (32)
<i>6. Customer/Citizen’s Satisfaction</i>	83.4% (201)	7.1% (17)	9.5% (23)
<i>7. Committed Leadership & Strong Top management support</i>	83.8% (202)	5% (12)	11.2% (27)
<i>8. Open and Democratic/Participative Management Style</i>	78.0% (188)	11.6% (28)	10.4% (25)
<i>9. Culture Change</i>	77.6% (187)	7.1% (17)	15.4% (37)

The conclusion that emerges from the above table is that the great majority of our respondents seem to be aware of the key elements of the ‘soft’ side of TQM. The highest score can be observed in the first principle of *total employee involvement* (91%) in quality improvement.

At this point it is interesting to comment on two results.

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background¹. However, as we will argue in a later chapter, this awareness seems to be nominal. Whilst 'soft' TQM principles can easily be accepted by a wide range of employees and managers, at the same time they are seen as quite difficult concepts to be applied in reality. The lack of differences between managers working in different sectors of employment, as well as having different educational backgrounds is a kind of evidence towards the above conclusion. Interviewees' statements provide further support for this argument (chapter nine).

Table 6.5
Public and Private Sector Managers' Responses to 'soft' TQM Principles

TQM is related to:	Public Sector Managers			Private Sector Managers		
	Agree	Do not Know	Disagree	Agree	Do not Know	Disagree
<i>1. Total employee involvement</i>	93.5% (101)	4.6% (5)	1.9% (2)	91% (121)	1.5% (2)	7.5% (10)
<i>2. Continuous Improvement</i>	70.4% (76)	3.7% (4)	25.9% (28)	80.5% (107)	5.3% (7)	14.3% (19)
<i>3. Teamwork</i>	78.7% (85)	11.1% (12)	10.2% (11)	82.7% (110)	9% (12)	8.3% (11)
<i>4. Employee Empowerment</i>	75.9% (82)	13.9% (15)	10.2% (11)	91.7% (122)	3.8% (5)	4.5% (6)
<i>5. Continuous Training</i>	65.7% (71)	13% (14)	21.3% (23)	88.7% (118)	4.5% (6)	6.8% (9)
<i>6. Customer/Citizen's Satisfaction</i>	79.6% (86)	6.5% (7)	13.9% (15)	86.5% (115)	7.5% (10)	6% (8)
<i>7. Committed Leadership and Strong Top-management support</i>	71.3% (77)	10.2% (11)	18.5% (20)	94% (125)	0.8% (1)	5.3% (7)
<i>8. Open and Democratic/Participative Management Style</i>	72.2% (78)	12% (13)	15.7% (17)	82.7% (110)	11.3% (15)	6% (8)
<i>9. Culture Change</i>	75.9% (82)	9.3% (10)	14.8% (16)	78.9% (105)	5.3% (7)	15.8% (21)

6.4 The 'Hard' Side of TQM

Deming (1988) has stated that 'in God we trust - all others must use data'. This statement emphasises the importance of management techniques, tools and systems that compose the 'hard' side of TQM. Using the definition given by Goetsch and Davis (1994) management

¹ Our bi-variate statistical analysis indicated that there was no particular correlation between educational background and the soft concepts of TQM. The same happened when we have attempted to correlate soft TQM principles with the country of higher education.

tools are means of “collecting and displaying information in ways to help the human brain grasp thoughts and ideas that, when applied to physical processes, cause the processes to yield better results” (p.382).

The QM literature provides a wide range of quality management tools, techniques and systems. Some of them are quite simple while others are more complex. The interest here is in assessing how familiar MMs are with some of these TQM techniques and systems. For this reason we have chosen a group of nine well-known tools and we asked MMs to assess their knowledge and use of them. We gave them the following four options: a) *very familiar*, b) *quite familiar*, c) *I have heard it but I do not know how to use it*, and d) *I do not know it*. Table 6.6 shows their responses towards the nine selected TQM practices.

The first TQM tool is the *Statistical Process Control (SPC)*. SPC is a statistical method through which managers can control the production or the service delivery process, in order to make shifts attempting to improve it (Goetsch and Davis, 1994). As Dale and Oakland (1991) argue the basic objective of SPC is to reduce variation, which is inherent in many processes. SPC is one of the most well-known management methods. This can be confirmed by the responses of the MMs of our sample. More than the half (65.5%) of them seem to be quite (39.4%) or very familiar (26.1%) with this statistical tool.

The second technique is *Group Brainstorming*. Group brainstorming is based on the idea that many minds work better than one mind. It is the process through which a group of people is encouraged to express any idea or solution to a problem that needs to be solved (Goetsch and Davis, 1994). Group brainstorming is quite a simple technique and is widely used in organisational decision-making process. This method seems to be known by the majority of our respondents. Almost half (46%) of the subjects said that they are very familiar with the specific process while one third (31.1%) of them stated that they are quite familiar with it.

Table 6.6
MMs' Responses to 'hard' TQM Practices

Quality Techniques, tools and systems	Very familiar	Quite familiar	I have heard it but I do not know how to use it	I do not know it
1. <i>Statistical Process Control</i>	26.1% (63)	39.4% (95)	14.5% (35)	19.9% (48)
2. <i>Group Brainstorming</i>	45.6% (110)	31.1% (75)	9.1% (22)	14.1% (34)
3. <i>ISO 9000 series</i>	31.1% (75)	29.9% (72)	18.7% (45)	20.3% (49)
4. <i>Pareto Analysis</i>	14.5% (35)	19.5% (47)	20.7% (50)	45.2% (109)
5. <i>Matrix Diagram</i>	11.6% (28)	22.0% (53)	22.8% (55)	43.6% (105)
6. <i>Histograms & Process Charts</i>	30.7% (74)	21.6% (52)	14.5% (35)	33.2% (80)
7. <i>Tree Decision Diagram</i>	20.3% (49)	29.5% (71)	14.9% (36)	35.3% (85)
8. <i>Critical Path Analysis</i>	22.4% (54)	22.8% (55)	16.2% (39)	38.6% (93)
9. <i>Fishbone or Ishakawa Diagram</i>	8.7% (21)	19.9% (48)	18.3% (44)	53.1% (128)

The third technical aspect of TQM is the *ISO 9000 Series*. The International Standards Organisation (ISO) 9000 is perhaps the most popular quality improvement system. It is an international set of documents widely known as standards, written by a worldwide organisation known as the ISO/Technical Committee 176 (Lamprecht, 1992). This set of standards ensures that a company has a specific quality improvement policy, which makes it more competitive in the market. This aspect of competitiveness is one that makes ISO 9000 very popular among Greek firms (Tsiotras and Gotzamani, 1996; Vouzas, 1997). Our results support this argument. 31.1% of MMs answered that they are very familiar with the system while almost 30% of them are quite familiar.

Another significant TQM tool is *Pareto Analysis*. It is a tool through which the management team can eliminate problems that occur in the operation processes (Bicheno, 1998).

According to Dale (1999) "it is an extremely useful tool for considering a large volume of

data in a manageable form,...” (p.296). However, the MMs of our sample do not seem to be so familiar with this tool. Our results indicate that more than 65% of the respondents either do not know at all this practice (45.2%) or they have only heard (20.7%) about it.

A fifth technique is the *Matrix Diagram*. This is a tool that allows managers to identify, analyse and rate the relationship between two or more variables and in this way to encourage them to think in terms of relationships, their strength and any patterns (Besterfield, *et al.*, 1999). The majority of the MMs did not report that they are familiar with this TQM tool. Once again more than 65% of the whole sample does not know (43.6%) what matrix diagram is or they are aware of it but not familiar at all (22.8%).

Histograms and Process Charts are also useful TQM tools. Histograms graphically demonstrate the relative number of occurrences of a wide range of events (Bicheno, 1998). The most important causes are shown on the diagram and correcting actions take place. This time our findings suggest that that these two methods are used by several MMs. However, there are others that do not seem to know and use them. More specifically, 30.7% of them seem to be very familiar with both of them, but there is a high percentage (33.2%) which indicates no familiarity with these two techniques.

The *Tree diagram*, which is also known as *systematic diagram method* (Dale, 1999), is a tool through which someone can arrange targets, problems or customer's needs in a specific order (Bicheno, 1998). Although, this technique offers a lot of benefits, it is not very common among MMs of our sample. Half of them (50.3%) stated that they do not know (35.3%) what tree diagram or that they have heard (15%) about it but they have never used it.

The eighth technique is *critical path analysis* (CPA). This tool is associated with managing projects. It is related to TQM, though, because project management is very critical to the implementation of quality programmes within an organisation (Bicheno, 1998). CPA seeks to establish, through the use of a network of arrows or nodes, a logical order of activities in

terms of time and importance of them for the completion of a project (Bicheno, 1998). Our results suggest that the majority (55%) of our respondents seem not to be so familiar with CPA.

The final technique is one of the classic TQM tools called *fishbone or Ishakawa diagram*. The fishbone diagram is used to identify causes of a problem without using statistical methods (Goetsch and Davis, 1994; Bicheno, 1998). According to Goetsch and Davis (1994) the fishbone diagram serves as an excellent reminder for the things that have to be done. This method however, seems not to have been adopted by many MMs of our sample. More than two thirds of our respondents indicate that do not know (53.1%) or they have just heard (18.3%) about it but they do not know how to use it.

All the above evidence indicates that MMs' total awareness about 'hard' TQM aspects is less, compared with their perceived awareness of the 'soft' side. With the exception of SPS, group brainstorming, and ISO 9000 system, the majority of our respondents seem not to be very familiar with these techniques and management tools. Nevertheless, beyond their low familiarity with these techniques it seems that they recognise their importance in quality improvement. This is clearly reflected on some of their comments in an open-ended question that followed:

...Although I do not have much knowledge about the majority of these techniques I believe that a modern company needs people to be aware of these tools in order to assure its quality of the service.

...Comparing the two groups of TQM [Soft vs. Hard TQM] I believe that the second [Hard TQM] is more useful for the performance of an organisation

The lack of familiarity with TQM techniques is not equally shared, however, between public and private sector managers. Table 6.7 shows MMs' responses if we separate them according to their sector of employment. Private sector managers are more familiar with 'hard' TQM practices than their counterparts in public services. This difference between the two sectors

can be explained through the fact that the majority of these and similar techniques have been used by managers and employees in private companies for many years.

Table 6.7

Public and Private Sector Managers' Responses to 'hard' TQM Practices

TQM is related to:	Public Sector Managers				Private Sector Managers			
	1*	2*	3*	4*	1*	2*	3*	4*
1. <i>Statistical Process Control</i>	22.2% (24)	30.6% (33)	14.8% (16)	32.4% (35)	29.3% (39)	46.6% (62)	14.3% (19)	9.8% (13)
2. <i>Group Brainstorming</i>	25% (27)	33.3% (36)	13.9% (15)	27.8% (30)	62.4% (83)	29.3% (39)	5.3% (7)	3% (4)
3. <i>ISO 9000 series</i>	9.3% (10)	29.6% (32)	24.1% (26)	37% (40)	48.9% (65)	30.1% (40)	14.3% (19)	6.8% (9)
4. <i>Pareto Analysis</i>	2.8% (3)	11.1% (12)	20.4% (22)	65.7% (71)	24.1% (32)	26.3% (35)	21.1% (28)	28.6% (38)
5. <i>Matrix Diagram</i>	2.8% (3)	11.1% (12)	20.4% (22)	65.7% (71)	18.8% (25)	30.8% (41)	24.8% (33)	25.6% (34)
6. <i>Histograms & Process Charts</i>	10.2% (11)	12% (13)	15.7% (17)	62% (67)	47.4% (63)	29.3% (39)	13.5% (18)	9.8% (13)
7. <i>Tree Decision Diagram</i>	8.3% (9)	16.7% (18)	17.6% (19)	57.4% (62)	30.1% (40)	39.8% (53)	12.8% (17)	17.3% (23)
8. <i>Critical Path Analysis</i>	17.6% (19)	13% (14)	9.3% (10)	60.2% (65)	26.3% (35)	30.8% (41)	21.8% (29)	21.1% (28)
9. <i>Fishbone or Ishakawa Diagram</i>	5.6% (6)	8.3% (9)	12% (13)	74.1% (80)	11.3% (15)	29.3% (39)	23.3% (31)	36.1% (48)

*1: Very familiar, 2: Quite familiar, 3: I have heard it but I do not know how to use it, 4: I do not know it

The need for competitiveness may lead private organisations to adopt practices that can help them operate effectively. In contrast, public services used to operate under less pressure and zero competition. Nevertheless, the need for public organisations to abandon their bureaucratic structure and function has led to increased pressures to change. Thus, public services have begun to adopt management practices from private industry.

Further analysis according to levels of education indicates another substantial finding. Table 6.8 shows that the more educated a manager is the more likely he/she is to be familiar with 'hard' TQM aspects. Their familiarity with the use of such techniques makes them also be most favourable of the 'hard' side of TQM.

Table 6.8

Educational Background and 'hard' TQM Practices

	1*	2*	3*	4*	1*	2*	3*	4*	1*	2*	3*	4*
Hard TQM Education	<i>Statistical Process Control</i>				<i>Group Brainstorming</i>				<i>ISO 9000 series</i>			
High School	19%	28.6%	4.8%	47.6%	23.8%	28.6%	14.3%	33.3%	14.3%	23.8%	9.5%	52.4%
Technical College	19.4%	45.2%	22.6%	12.9%	41.9%	45.2%	9.7%	3.2%	19.4%	32.3%	25.8%	22.6%
Bachelor Degree	22.4%	36%	18.4%	23.2%	42.4%	28.8%	10.4%	18.4%	24%	30.4%	24%	21.6%
Postgraduate Degree	39.1%	46.9%	6.3%	7.8%	60.9%	29.7%	4.7%	4.7%	56.3%	29.7%	7.8%	6.3%
Chi-square	29.182	DF:9	-0.243	H1**	24.109	DF:9	-0.242	H1**	43.400	DF:9	-0.336	H1**
Hard TQM Education	<i>Pareto Analysis</i>				<i>Matrix Diagram</i>				<i>Histograms & Process Charts</i>			
High School	-	4.8%	19%	76.2%	-	4.8%	28.6%	66.7%	-	19%	14.3%	66.7%
Technical College	6.5%	19.4%	22.6%	51.6%	16.1%	12.9%	19.4%	51.6%	19.4%	25.8%	19.4%	35.5%
Bachelor Degree	8.8%	17.6%	24.8%	48.8%	4.8%	22.4%	23.2%	49.6%	28.8%	20%	14.4%	36.5%
Postgraduate Degree	34.4%	28.1%	12.5%	25%	26.6%	31.3%	21.9%	20.3%	50%	23.4%	12.5%	14.1%
Chi-square	43.680	DF:9	-0.354	H1**	39.311	DF:9	-0.319	H1**	31.596	DF:9	-0.338	H1**
Hard TQM Education	<i>Tree Decision Diagram</i>				<i>Critical Path Analysis</i>				<i>Fishbone or Ishakawa Diagram</i>			
High School	4.8%	23.8%	14.3%	57.1%	14.3%	23.8%	9.5%	52.4%	-	9.5%	14.3%	76.2%
Technical College	16.1%	25.8%	25.8%	32.3%	19.4%	12.9%	25.8%	41.9%	3.2%	16.1%	25.8%	54.8%
Bachelor Degree	16%	25.6%	13.6%	44.8%	12.8%	24.8%	16%	46.4%	5.6%	20%	16%	58.4%
Postgraduate Degree	35.9%	40.6%	12.5%	10.9%	45.3%	23.4%	14.1%	17.2%	20.3%	25%	20.3%	34.4%
Chi-square	35.054	DF:9	-0.293	H1**	35.680	DF:9	-0.233	H1**	25.024	DF:9	-0.261	H1**

*1= very familiar, 2 = quite familiar, 3 = I have heard it but I do not know how to use it, 4 = I do not know it

**Ho: Accept the null hypothesis, H1: Do not accept the null hypothesis

This finding can be further confirmed by our qualitative analysis presented in chapter nine. At this point though, some comments of those participated in the survey indicate the latter argument

...I believe that all these tools are dependent on the educational background that an employee has.

...These techniques are closely related with the expert knowledge that someone has. So, I do not know why we all have to know about them.

...People with training and education in the area of management science or quality control are those knowing how to use such practices. My role here is rather different though.

Finally, our analysis indicates that the MMs that have gained a bachelor and/or Masters' degree or PhD from foreign universities, they are likely to be more familiar with the use of TQM tools and systems than those educated in Greek universities (table 6.9).

Table 6.9
Country of Higher Education and 'hard' TQM Practices

	1*	2*	3*	4*	1*	2*	3*	4*	1*	2*	3*	4*
Hard TQM	<i>Statistical Process Control</i>				<i>Group Brainstorming</i>				<i>ISO 9000 series</i>			
Country												
Greece	23%	40%	16.4%	20.6%	41.8%	31.5%	10.3%	16.4%	22.4%	32.7%	23.6%	21.2%
Other	38.2%	41.8%	12.7%	7.3%	65.5%	30.9%	3.6%	-	63.6%	23.6%	7.3%	5.5%
No higher education	19%	28.6%	14.8%	47.6%	23.8%	28.6%	14.3%	33.3%	14.3%	23.8%	9.5%	52.4%
Chi-square	19.217	DF:6	-0.065	H1**	24.039	DF:6	-0.104	H1**	49.638	DF:6	-0.170	H1**
Hard TQM	<i>Pareto Analysis</i>				<i>Matrix Diagram</i>				<i>Histograms & Process Charts</i>			
Country												
Greece	7.9%	20%	21.8%	50.3%	9.7%	19.4%	22.4%	48.5%	26.1%	22.4%	15.2%	36.4%
Other	40%	23.6%	18.2%	18.2%	21.8%	36.4%	21.8%	20%	56.4%	20%	12.7%	10.9%
No higher education	-	4.8%	19%	76.2%	-	4.8%	28.6%	66.7%	-	19%	14.3%	66.7%
Chi-square	50.071	DF:6	-0.200	H1**	27.235	DF:6	-0.128	H1**	35.564	DF:6	-0.103	H1**
Hard TQM	<i>Tree Decision Diagram</i>				<i>Critical Path Analysis</i>				<i>Fishbone or Ishakawa Diagram</i>			
Country												
Greece	15.2%	28.5%	16.4%	40%	18.8%	20%	16.4%	44.8%	6.7%	18.2%	17.6%	57.6%
Other	41.8%	34.5%	10.9%	12.7%	36.4%	30.9%	18.2%	14.5%	18.2%	29.1%	21.8%	30.9%
No higher education	4.8%	23.8%	14.3%	57.1%	14.3%	23.8%	9.5%	52.4%	-	9.5%	14.3%	76.2%
Chi-square	30.582	DF:6	-0.175	H1**	20.189	DF:6	-0.181	H1**	20.429	DF:6	-0.122	H1**

*1= very familiar, 2 = quite familiar, 3 = I have heard it but I do not know how to use it, 4 = I do not know it

**Ho: Accept the null hypothesis, H1: Do not accept the null hypothesis

This finding can be explained by the late introduction of TQM and similar practices in Greece. On the other hand, they are common practices in western countries (from where the majority of those holding a postgraduate degree came), and thus, there are major courses within universities' curricula referring to these practices. The late introduction and development of such practices in Greece, however, was reflected in their complete lack in Greek universities' curricula (Papalexandis, 1992), a finding consistent with our evidence.

In short, MMs of our sample have reported a modest familiarity with ‘hard’ TQM aspects. The evidence presented in this section suggests that the degree of their familiarity with the knowledge and use of TQM techniques, tools and systems seems to depend on the sector that they work, their educational background, and the country where they have studied.

6.5 Managers’ Perceptions of the Development of TQM

Having presented MMs’ awareness about the ‘soft’ and ‘hard’ side of TQM approach, this section addresses their broad perceptions about the potential effective implementation of the TQM approach in the Greek NBS. The analysis of this section is based on a group of general questions. The research participants were asked to state whether they agree with a number of statements. All their answers were based on a 3-point scale from 1: *agree* to 3: *disagree*. Firstly the respondents were asked to assess whether they agree or not with the widespread belief that the Greek NBS in general and organisations (public and private) in particular need modernisation. Table 6.10 shows public and private sector managers’ responses to the statement: ‘*Greek NBS and organisations ought to be modernised and restructured*’.

Table 6.10
MMs’ Responses to Modernisation Process

<i>‘Greek NBS and organisations ought to be modernised and restructured’</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	96.7%	2.1%	1.2%	100.0%
	(233)	(5)	(3)	(241)
Public	97.2%	2.8%	-	100.0%
	(105)	(3)	-	(108)
Private	96.2%	1.5%	1.2%	100.0%
	(128)	(2)	(3)	(133)
Chi-square: 2.908	DF: 2	Pearson’s R: 0.062	Accept the null hypothesis	

The above table indicates that almost all of our respondents agree that the Greek business system in general and its organisations in particular, need to be modernised. The total agreement on this issue is also appeared among public and private sector MMs. This finding supports the view that the Greek system undergoing a modernisation process (‘Ta NEA’, 2000), and therefore everybody believes that the system needs to be modernised. Nevertheless, a more important issue is related to the ‘how’ of the modernisation process. It has been argued (Makridimitris, 1996) that a major component of this process is the adoption of new

management practices and mainly those associated with quality improvement initiatives (Vouzaz, 1997; DIAPA&D, 1998). Therefore, a critical point would be to assess MMs' opinion about the involvement of TQM in the modernisation process.

Table 6.11
MMs' Responses to the Involvement of TQM in the Modernisation Process

<i>'TQM ought to be part of the modernisation process that takes place in every aspect of Greek NBS'</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	91.7%	6.2%	2.1%	100.0%
	(221)	(15)	(5)	(241)
Public	87%	11.1%	1.9%	100.0%
	(94)	(12)	(2)	(108)
Private	95.5%	2.3%	2.3%	100.0%
	(127)	(3)	(3)	(133)
Chi-square: 8.021	DF: 2	Pearson's R: -0.109	Do not accept the null hypothesis	

Table 6.11 shows that almost all of the MMs in our sample agree that TQM should be a part of this process. Although this time we can observe a small difference between managers belonging to different sectors of employment. Private sector managers believe in TQM more than their colleagues in public services. This argument is illustrated when the survey participants were asked to assess their agreement or not with a series of statements related to the potential impact of TQM on a variety of organisational and individual aspects. Firstly, we asked the MMs of our sample to say whether they believe that TQM would not have been a successful organisational paradigm in Greece. MMs' responses are shown on table 6.12.

Table 6.12
MMs' Responses to the Potential Success of TQM in Greece²

<i>'TQM will not have any chance of success in Greece'</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	28.2%	9.5%	62.2%	100.0%
	(68)	(23)	(150)	(241)
Public	38%	12%	50%	100.0%
	(41)	(13)	(54)	(108)
Private	20.3%	7.5%	72.2%	100.0%
	(27)	(10)	(96)	(133)
Chi-square: 12.576	DF: 2	Pearson's R: 0.223	Do not accept the null hypothesis	

Their answers indicate a generally positive climate about the potential success of TQM. More specifically, almost two thirds of the whole sample support the view that TQM can be a successful management practice in Greek public and private organisations. This picture,

² This was a negative expressed statement. Thus, table 6.12 needs to be read in reserve order, with agree the negative response to TQM success and disagree the positive response to TQM success.

however, was considerably more positive among private sector managers than public sector ones. There is a strong tendency for people who work in public domain to be more pessimistic about the effectiveness of TQM in Greece. The reason for this pessimism, among else, seems to be a general belief that new management practices, such as TQM, are incompatible with Greek public services:

...I believe that Public Administration will face a lot of difficulties attempting to adopt TQM philosophy.
...Public organisations are too inflexible to change by introducing new management practices.
...If I understood well TQM requires a new work mentality. I do not think that Civil Servants' work mentality is compatible with what TQM requires in order to be successful.

Additional comments from several private sector managers illustrate their positive view on TQM implementation:

...We have plenty of quality improvement programmes that prove the success of TQM
...Without doubt TQM has already been applied in my company and in many others having a lot of positive results. I wonder why we still debating its adoption.

The picture is further developed in perceptions about the potential capability of TQM to reduce bureaucratic pathologies. According to table 6.13 whilst almost the half of the whole sample have responded positively to the potential reduction of the bureaucratic pathologies by TQM, the majority of these responses belong to private sector managers.

Table 6.13

MMs' Responses to the Potential Impact of TQM on Bureaucratic Pathologies³

<i>'The implementation of TQM will not reduce bureaucracy within any organization'</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	41.4%	12.4%	46.1%	100.0%
	(100)	(30)	(111)	(241)
Public	53.7%	15.7%	30.6%	100.0%
	(58)	(17)	(33)	(108)
Private	31.6%	9.8%	58.6%	100.0%
	(42)	(13)	(78)	(133)
Chi-square: 18.947	DF: 2	Pearson's R: 0.267	Do not accept the null hypothesis	

³ This was, also a negative expressed statement. Thus, table 6.13 needs to be read in reverse order, with agree the negative response to TQM success and disagree the positive response to TQM success.

In contrast, more than half of those participants working in the public sector seems to be negative on the potential reduction of bureaucratic obstacles by TQM approach. This finding indicates once again the different perception between private and public managers. This also seems to be the main message from those attempted to explain their answers:

...I cannot doubt TQM. But I can doubt its potentiality to eliminate bureaucracy in public sector

Furthermore, the different perceptions between public and private sector managers on TQM, also appear in their response to two statements referring to the potential impact of TQM on individual aspects. Table 6.14 shows managers' perception of the potential positive effect that TQM might have on autonomy and involvement of organisational members. There was a widespread belief among private sector managers that TQM will have a positive impact on employees' autonomy and it will enhance their participation in decision-making. On the other hand, the majority of public sector managers seem rather pessimistic on this point.

Table 6.14

MMs' Responses to the Potential Impact of TQM on Employees' Autonomy and Involvement in Decision-Making

<i>'The adoption of TQM will increase employees' autonomy and involvement in decision-making'</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	55.6%	10%	34.4%	100.0%
	(134)	(24)	(83)	(241)
Public	23.1%	9.3%	67.6%	100.0%
	(25)	(10)	(73)	(108)
Private	82%	10.5%	7.5%	100.0%
	(109)	(14)	(10)	(133)
Chi-square: 11.749 DF: 2 Pearson's R: -0.205 Do not accept the null hypothesis				

This situation is also reflected in their perceptions about the impact of TQM on employees' careers. We can observe (table 6.15) that substantial numbers of MMs of our sample stated that they do not know whether TQM will influence positively employees' career development. If we separate the sample between public and private organisations we can see that the majority of public sector managers were not able to give a positive or negative answer on the relation between TQM and career prospects. As we will see in chapter nine this is mainly due to differences in the concept of career between the two sectors of employment. The concept is

very limited in the public domain whilst it plays a critical role among managers working in private industry.

Table 6.15

MMs' Responses to the Potential Impact of TQM on Employees' Career Prospects

<i>'The introduction of TQM will improve career prospects among employees'</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	59.7%	24.8%	15.7%	100.0%
	(144)	(59)	(38)	(241)
Public	35.1%	39.8%	25%	100.0%
	(38)	(43)	(27)	(108)
Private	79.7%	12%	8.3%	100.0%
	(106)	(16)	(11)	(133)
Chi-square: 7.714	DF: 2	Pearson's R: -0.152	Do not accept the null hypothesis	

To sum up, we can argue that private and public sector managers' perceptions about the potential success of TQM are different. Whilst the great majority of those working in the private service industry seems to be optimistic about the impact of TQM, substantial numbers of their counterparts in public sector seem to be rather pessimistic about the successful implementation of it within their organisations.

6.6 Conclusions

This chapter has addressed MMs' awareness of quality improvement in general and TQM in particular. TQM clearly requires a level of understanding of its basic concepts and methods. In other words, it requires from the entire organisation, but especially from managers (Oakland, 1989; Dale, 1999), a level of awareness of its principles and practices.

Our evidence suggests that, though QM initiatives only recently entered the agenda of the Greek NBS, our sample of managers seem to recognise their importance, as well as to be aware of the 'soft' side of TQM. Consciousness of TQM ideas has entered their minds. It needs to be pointed out, though, that to some extent this finding was expected. The reason is associated with the nature of the people that participated to the research. As discussed in chapter five, through snowballing method of sampling we have reached managers that they have a kind of awareness of QM initiatives, such as the TQM approach. It is reasonable,

therefore, for these people to recognise the need for quality improvement and to be open to TQM notions.

However, the managers' perceived awareness of quality improvement efforts and 'soft' TQM aspects seems to be somewhat superficial. The present chapter offered the first argument towards this conclusion. The MMs of our sample tend to understand QM through the *scientific* approach (Pfefer and Coote, 1991). In other words, they seem to believe that quality improvement is a work of experts or scientists, who have the knowledge, and consequently, the ability to define what should be the quality outcome. In contrast, only few of them seem to agree with the managerial approach to quality, which is strongly related, according to Pfefer and Coote (1991), to TQM. In other words, they believe that quality (and consequently total quality) is a 'task' that can be achieved through systems and/or similar 'hard' practices. As we will see in a later chapter, in their minds, it is not so important to empower employees but to improve organisation's performance and outcome.

Although our evidence supports the view of a modest familiarity with several TQM techniques and tools, they seem to respond to them as the real picture of TQM. This response is common between those working in different sectors despite the fact that private sector managers are more aware of these techniques than public sector ones. Also, people that have postgraduate education are those being most familiar with TQM techniques and tools. Finally, among those with a higher educational background the most familiar with the 'hard' side of TQM are those that have been educated in foreign universities (mainly in the UK and US). Thus, we can argue firstly, that postgraduate education can be seen as a filter of TQM within the Greek NBS. Secondly, educated people coming mainly from the UK and US seem to operate as 'TQM agents', not only bringing total quality ideas and concepts, but most importantly bringing the know-how of TQM.

In addition, this chapter gives evidence towards MMs' realisation of the need of the modernisation and restructuring of Greek organisations. Similarly, it suggests that managers

agree that TQM ought to be part of the modernisation process. We have found, however, initial evidence supporting a wide shared skepticism among managers (especially among those working in public services), towards its effectiveness and its positive impact on employees and organisations.

In sum, beyond MMs' awareness of the need of QM and TQM, there is evidence suggesting that they have not clearly realised the notion of QM and TQM. They have not yet seen TQM as a new organisational paradigm, but rather view it as another management technique, which is included in the job of quality experts. This superficial awareness needs to be seen not as the overcoming of some serious resistance to change, but as an initial step towards the realisation of the TQM philosophy, which has started to play a substantial role within Greek public and private organisations.

These arguments are further developed in the next chapters. Whilst this chapter has addressed MMs' responses to TQM, the next two chapters adopt an alternative view exploring the potential impact that the perceived responses to the 'soft' and the 'hard' side of TQM might have on a set of individual (chapter seven) and organisational (chapter eight) issues.

CHAPTER 7

TQM and the Manager:

The Impact of Total Quality Concepts and Practices on Managers' Work

7.1 Introduction

Having examined MMs' responses to TQM, it is critical to explore whether a favourable attitude towards the 'soft' and 'hard' side of TQM affects a variety of aspects regarding the nature of managers' work. Thus, the purpose of this chapter is to address the second major research question of *what are the effects of the awareness of the TQM approach on managers' perceptions about their work?* The chapter argues that managers' awareness of the TQM approach has a positive effect on their perceptions about certain individual aspects. This positive impact of TQM is shown in MMs' responses to aspects like autonomy, loyalty, job security, and career development. Also, managers' awareness of TQM affects their views on stress and work effort. Nevertheless, this impact is related mostly to the 'hard' side of TQM rather than to the 'soft' side of it.

These arguments support the contingency view of the impact of TQM on managers. With respect to other theoretical views, managers' familiarity with the 'hard' side of TQM seems to influence both positively and negatively their perceptions of work-related issues, whilst is dependent on the sector of employment and, sometimes, the educational background of the manager. The strong impact of TQM practices on MMs' responses to aspects related to their work, as compared to the small impact of the 'soft' side, implies a pragmatic view of TQM. Managers see that the only road to quality improvement is through the use of 'hard' management practices giving less importance to concepts, such as empowerment and total employee involvement.

This chapter is structured into two sections. In the first section the analysis is based on cross-tabulations among people that work in different sectors as well as those having a different educational background. This method provides some interesting results about managers' views on the set of individual aspects under examination. In the second section, a more complex approach follows, which aims to reach some reliable conclusions regarding the relationship between middle management and TQM. Therefore, multivariate regression models¹ have been used to explore the interaction among three or more variables of particular interest. In essence, these multivariate models test whether managers' perceived awareness of the 'soft' and the 'hard' side of TQM influences their responses to the nature of their work.

7.2 Aspects of the Nature of Managers' Work

Seven items have been used in order to assess MMs' responses to their nature of work. These are autonomy, monitoring, stress, work effort, job security, career development and loyalty.

Autonomy can be defined as the freedom of an individual to perform tasks and control work (Drafke and Kossen, 2002). In other words, autonomy is associated with two things. The first is the freedom that an employee has as to make a variety of decisions without first having to consult a senior staff member. The second is the ability to work without much supervision and consequently the ability to control his/her own field of work. In order to identify the level of MMs' *autonomy* in Greek service organisations, our respondents were asked, firstly, to assess whether they agreed that their level of responsibility had increased during the last three years (table 7.1).

Table 7.1

MMs' Responses to the Responsibility over Work

<i>"During the last three years I have to take more initiatives and decisions concerning my work"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	79.7%	0.8%	19.5%	100.0%
	(192)	(2)	(47)	(241)
Public	65.7%	-	34.3%	100.0%
	(71)	-	(37)	(108)
Private	91%	1.5%	7.5%	100.0%
	(121)	(2)	(10)	(133)
Chi-square: 28.242	DF: 2	Pearson's R: - 0.326	Do not accept the null hypothesis	

¹ A detailed analysis of the development, presentation and interpretation of the regression models is given in chapter five.

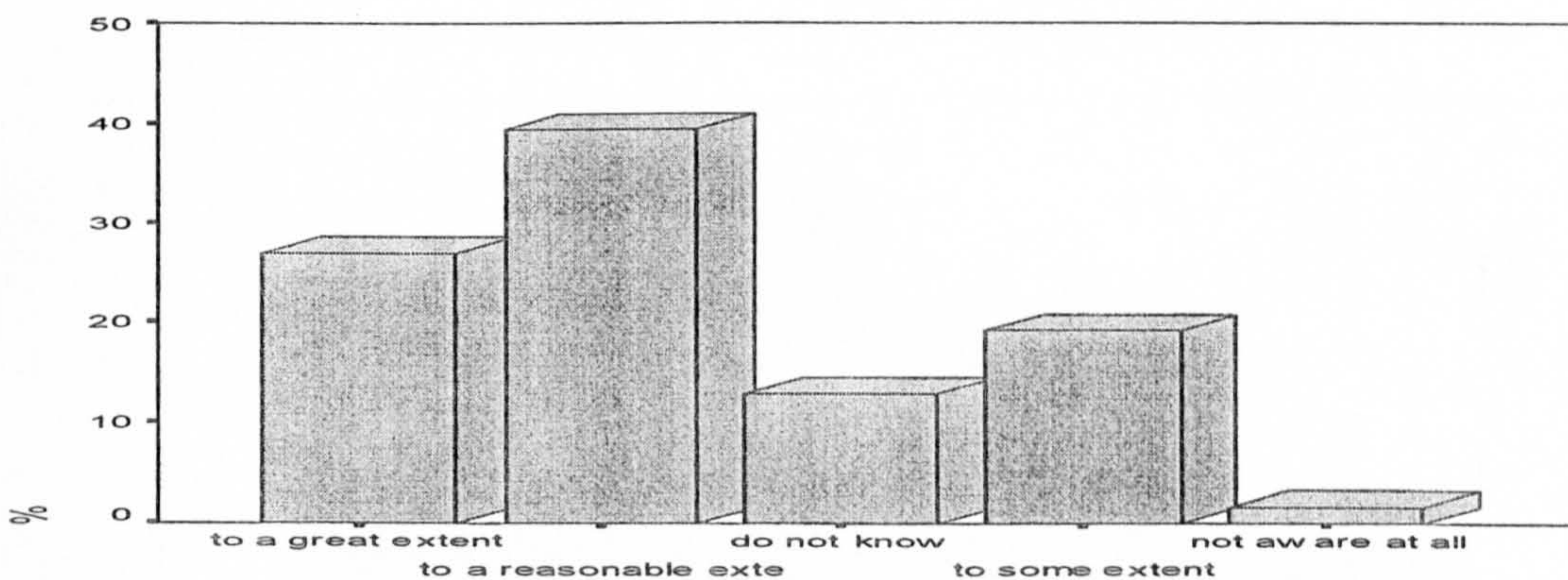
The above table shows that the majority of our respondents seem to agree that their responsibility over their own pace of work has been increased over the last three years. Nevertheless, if we separate private from public sector managers we can notice that the tendency is stronger among those working in the private sector. This conclusion seems to be further confirmed by respondents' views on their level of autonomy. As table 7.2 indicates, fewer public sector managers perceived an increased level of autonomy during the last three years.

Table 7.2
MMs' Responses to an Increased Level of Work Autonomy

<i>"During the last three years I feel more autonomous in doing my job"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	72.2%	0.4%	27.4%	100.0%
	(174)	(1)	(66)	(241)
Public	59.3%	-	40.7%	100.0%
	(64)	-	(44)	(108)
Private	82.7%	0.8%	16.5%	100.0%
	(110)	(1)	(22)	(133)
Chi-square: 18.096	DF: 2	Pearson's R: - 0.266	Do not accept the null hypothesis	

Alongside autonomy goes the level of *monitoring*, with which management controls employees' performance (Mullins, 1996). We have explored MMs' awareness of the degree of monitoring (figure 7.1)

Figure 7.1
MMs' Awareness of the Extent of the Monitoring Over their Work



The figure above illustrates that 39.4% of the MMs of our sample believe that they are aware to a *reasonable extent*, while 27% of them that are aware to a *great extent*. 19.1% states that the degree of their awareness over monitoring is small, while only 1.7% believes that they are *not aware at all*.

This widespread awareness of monitoring can be compared with other research evidence mainly from the UK. Collinson *et al.* (1998) in their study have found a similar high degree of employees' (including MMs) awareness of own work being observed or monitored. However, although in their research there have been variations on the level of awareness of monitoring among different organisations, in our case managers from both sectors of employment reported a high degree of awareness (table 7.3).

Table 7.3

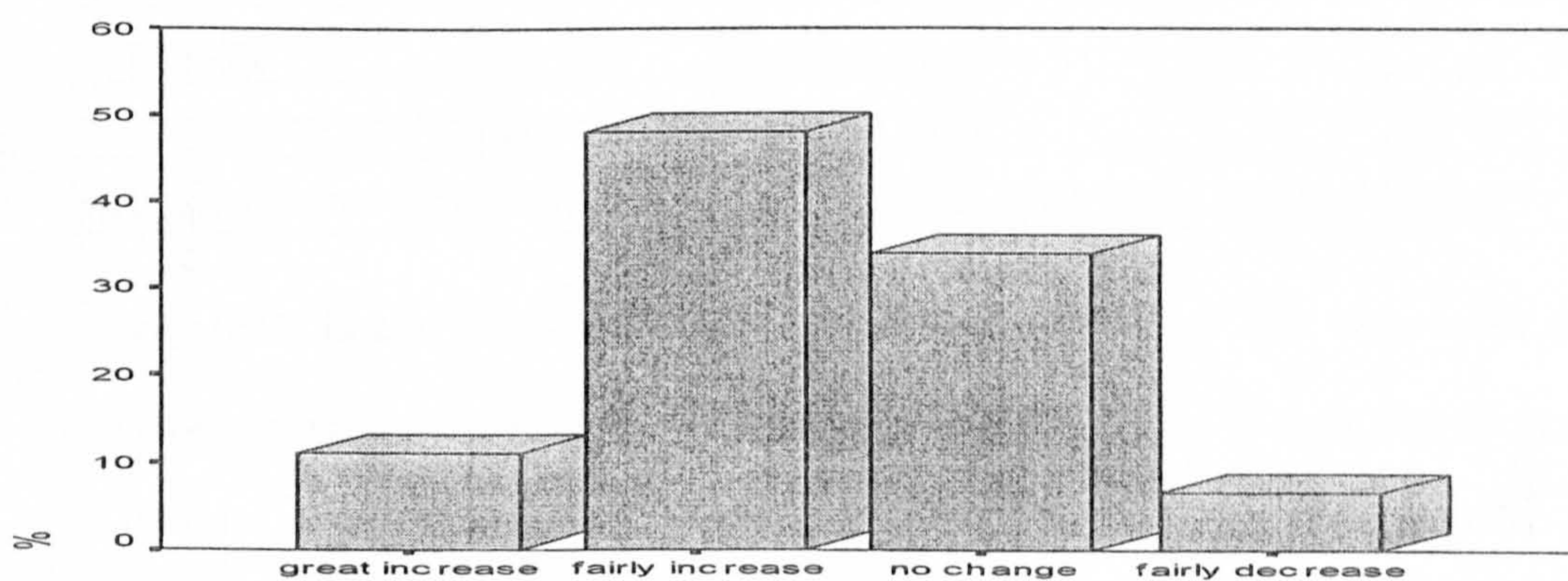
Public and Private Sector MMs' Awareness of the Extent of the Monitoring Over their Work

<i>"To what extent are you aware of your work being monitored?"</i>					
Sector of Employment	To a great extent	To a reasonable extent	Do not Know	To some extent	Not aware at all
Public	24.1%	35.2%	16.7%	21.3%	2.7%
	(26)	(38)	(18)	(23)	(3)
Private	29.3%	42.9%	9.8%	17.3%	0.7%
	(39)	(57)	(13)	(23)	(1)
Chi-square: 5.674	DF: 4	Pearson's R: - 0.118	Accept the null hypothesis		

This evidence suggests that monitoring in Greek service organisations is perceived as a clear procedure, which plays a dominant role in the daily work of managers. It is also clear that the level of monitoring, according to MMs' perceptions, constantly increases. This seems to be the message from figure 7.2 illustrating the respondents' views about changes in the level of monitoring during the previous three years.

Figure 7.2

MMs' Responses to Changes on the Level of Monitoring During the Last Three Years



The research by Collinson *et al.* (1998) has shown analogous evidence among managers working in UK companies or public organisations. Like their sample of employees, our sample of managers "...felt that [top] management had become more strict over the previous

three years” (p.66). Similar evidence seems to be indicated by table 7.4, which shows the distribution of answers between public and private sector managers.

Table 7.4
Public and Private Sector MMs’ Responses to Changes on the Level of Monitoring*

<i>“Changes on the level of monitoring during the last three years”</i>				
Sector of Employment	Great Increase	Fairly Increase	No Change	Fairly Decrease
Public	6.5%	43.5%	40.7%	9.3%
	(7)	(47)	(44)	(10)
Private	15%	51.9%	28.6%	4.5%
	(20)	(69)	(38)	(6)
Chi-square: 9.387 DF: 3 Pearson’s R: - 0.196 Accept the null hypothesis				

* It should be mentioned that the closed-ended question included a fifth answer: *Great Decrease*, for which we did not have any response at all.

A third aspect of the nature of managers’ work under examination is the level of *stress* during work. Stress is an important issue of work psychology that mainly emerges from pressures, demands and changes that exist in a person’s work environment (Drafke and Kossen, 2002). Several authors (Cooper *et al.*, 1988 and 1994; Handy, 1993; Cooper, 1995; Mullins, 1996) suggest that stress is present in every organisation irrespective of job, organisational structure and career development. Thus, our respondents were asked to assess the frequency of stress that they feel during their day-to-day work (table 7.5).

Table 7.5
MMs’ Responses to Stress Levels During Work

<i>“ I feel.....under stress during work”</i>						
Sector of Employment	Constantly	Very often	Often	Sometimes	Rarely	Never
Whole Sample	22.4%	37.8%	16.6%	16.6%	6.2%	0.4%
	(54)	(91)	(40)	(40)	(15)	(1)
Public	14.8%	33.3%	20.4%	21.3%	9.3%	0.9%
	(16)	(36)	(22)	(23)	(10)	(1)
Private	28.6%	41.4%	13.3%	12.8%	3.8%	-
	(38)	(55)	(18)	(17)	(5)	-
Chi-square: 14.459 DF: 5 Pearson’s R: 0.013 Do not accept the null hypothesis						

Many MMs in our sample reported that they feel *constantly* or *very often* under stress. In contrast, stress levels among employees in UK organisations seem to be lower according to Collinson *et al.* (1998). They found that 15% of the total sample felt under pressure ‘constantly’ in comparison to our survey where almost 23% felt ‘constantly’ under stress. A further 38% of our sample reported stress ‘very often’ whilst the additional percentage in their research was 29%. Moreover, a closer look on those working in separate sectors of employment suggests that MMs in private service industry stated that they feel more often

under stress than those in public domain. This evidence can support the view that in private industry managers feel under more stress due to pressures on them to perform well.

Also, the pressure to achieve targets makes private sector managers to report that they work harder than their counterparts in public services. This seems to be the case in table 7.6, which shows MMs' opinions on whether they work harder the last three years.

Table 7.6
MMs' Responses to Work Effort

<i>"During the last three years I am working harder"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	84.6%	5%	10.4%	100.0%
	(204)	(12)	(25)	(241)
Public	77.8%	10.2%	12%	100.0%
	(84)	(11)	(13)	(108)
Private	90.2%	0.8%	9%	100.0%
	(120)	(1)	(12)	(133)
Chi-square: 12.265	DF: 2	Pearson's R: - 0.122	Do not accept the null hypothesis	

The majority of the respondents reported that their work effort had increased during the previous three years. Additional evidence from UK companies has shown that 75% of respondents stated that they work a lot or a little harder over a similar period (Collinson *et al.*, 1998). However, whilst there are substantial numbers of response of those MMs that believe that they work harder in both sectors of employment, *work effort* in private services appears to have become more intense in comparison to public ones.

The reported changes in the levels of MMs' work effort during the last three years were pursued in relation to some specific aspects of their work. These are: *the number of hours per week, the time for rest and breaks, the working time from start to finish time, the pressure to achieve targets, the actual pace of work, and the time for training*. MMs were asked to assess change in these aspects. As table 7.7 shows our respondents indicated that almost all of the above aspects have shifted the last three years. Only the *time for rest and breaks* and *working form start to finish time* remained the same according to their perceptions. In contrast, the majority of MMs reported that they work harder whilst they deal with great pressures to achieve targets. Nevertheless, this mainly seems to be the case in the private service industry.

Public sector managers have not stated substantial changes in the above aspects. This evidence suggests that middle management work effort differs between the two sectors of employment.

Table 7.7
MMs' Responses to Changes in the Aspects of Work Effort

Aspects of Work Effort	Whole Sample			Public Sector			Private Sector		
	More/ Faster	No change	Less/ Slower	More/ Faster	No change	Less/ Slower	More/ Faster	No change	Less/ Slower
Number of hours per week	53.5%	40.7%	5.8%	28.7%	64.8%	6.5%	73.7%	21.1%	5.3%
Time for rest/breaks	12.4%	61.4%	26.1%	14.8%	67.6%	17.6%	10.5%	56.4%	33.1%
Working from start to finish time	46.9%	47.7%	5.4%	35.2%	60.2%	4.6%	56.4%	37.6%	6.0%
Pressure to achieve targets	62.7%	31.1%	6.2%	53.7%	39.8%	6.5%	69.9%	24.1%	6.0%
Actual pace of work	60.2%	34.4%	5.4%	45.4%	48.1%	6.5%	69.9%	25.6%	4.5%
Time for training	46.5%	34.4%	19.1%	38.9%	39.8%	21.3%	52.6%	30.1%	17.3%

Similar differences can be observed in another aspect of the nature of managers' work, which is *career prospects*. This aspect is composed of two interrelated elements: *job security* and *career development*. Continuous organisational change and restructuring makes job security and professional development more difficult for an individual (Torrington and Hall, 1998). The growing importance of quality within many organisations has often been felt to increase pressures on employees in terms of job insecurity. For example, quality improvement policies as well as the need for a lean and flexible organisation have contributed to job losses and reduced promotion opportunities (Dopson, 1992). Some writers see MMs as the group suffering the most negative impact from QM initiatives (Preece and Wood, 1993).

Thus, the MMs of our sample were asked to state whether they agree that TQM programmes negatively affected their job security and their career development. Table 7.8 shows that the majority of our respondents do not see TQM negatively in relation to their career development. This seems to be the case only among a small proportion of MMs in our sample. Additional evidence have been found by Collinson *et al.* (1998), where UK employees reported very high (37%) or moderate (42%) job security in relation to the TQM initiative.

Table 7.8

MMs' Responses to TQM and Job Security

<i>"I feel that my job security has been negatively affected by the introduction of TQM policies within my organisation"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	15.8%	19.1%	65.1%	100.0%
	(38)	(46)	(157)	(241)
Public	17.6%	25.9%	56.5%	100.0%
	(19)	(28)	(61)	(108)
Private	14.3%	13.5%	72.2%	100.0%
	(19)	(18)	(96)	(133)
Chi-square: 7.463 DF: 2 Pearson's R: 0.126 Do not accept the null hypothesis				

Also, private sector managers were the more likely to deny that TQM had a negative impact on their careers. However, as we will analyse in a later chapter this difference has to be seen in the context of the fact that the notion of career is rather limited among people working in public services.

Table 7.9 indicates a similar finding for public sector managers as a considerable number reported that, either they do not know or disagree whether their professional development would be promoted by a greater emphasis on the TQM approach. In contrast, according to private sector managers' views, TQM can improve their career prospects. This may lead to the acceptance of TQM implementation by MMs, insofar as their own career interests are promoted (Hill, 1995).

Table 7.9

MMs' Responses to TQM and Career Development

<i>"I think that a greater emphasis on TQM would promote my career development"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	60.2%	24.9%	14.9%	100.0%
	(145)	(60)	(36)	(241)
Public	49.1%	33.3%	17.6%	100.0%
	(53)	(36)	(19)	(108)
Private	69.2%	18%	12.8%	100.0%
	(92)	(24)	(17)	(133)
Chi-square: 10.521 DF: 2 Pearson's R: -0.175 Do not accept the null hypothesis				

The last individual aspect under examination is managers' *loyalty* to their organisations. Loyalty can be seen as synonymous with a feeling of participation and involvement of organisational members in the achievement of organisational goals. In other words, an employee who shows loyalty means - among else - that he/she is proud to be a member of the organisation. Therefore, MMs were asked to state whether they are proud of working in their

organisations and they are willing to work harder in order to help their organisations be more effective. Their answers are shown in table 7.10.

Table 7.10
MMs' Responses to Organisational Loyalty

<i>"I am proud to work for this organization and I am willing to work harder in order to help it succeed"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	61.4%	1.2%	37.3%	100.0%
	(148)	(3)	(90)	(241)
Public	46.3%	1.9%	51.9%	100.0%
	(50)	(2)	(56)	(108)
Private	73.7%	0.8%	25.6%	100.0%
	(98)	(1)	(34)	(133)
Chi-square: 18.889 DF: 2 Pearson's R: -0.277 Do not accept the null hypothesis				

The majority of our respondents reported that they are proud working for their organisations. Similar evidence has been found by Collinson *et al*, (1998). Nevertheless, a considerable percentage seems to report less loyalty. This can be further explained if we examine separately the responses of public and private sector managers. A substantial number of those working in private firms reported loyalty. Public managers seem to be less proud working for their organisations and consequently less loyal on them.

In conclusion, we can argue that almost all of the individual aspects of the nature of managers' work have been reported as shifting during the past few years. The majority of the MMs in our sample agreed with increased work autonomy, but monitoring as well. They have also reported that they feel under stress quite often as well as that they work harder and longer. Nevertheless, they are still loyal to their organisations and it seems that there is widespread sense of job security as far as they do not see negatively the implementation of TQM programmes for their personal career prospects. These results seem to agree with surveys mainly among UK organisations (Poole and Jenkins, 1996; Collinson *et al*, 1998), where it was very clear that many MMs reported similar changes on their loyalty, morale and sense of job security (Worrall and Cooper, 1999).

The picture, however, is changed when the sample was separated according to the sector of employment. Whilst private sector managers have perceived more autonomy, more stress and

work effort, more loyalty and better career prospects due to TQM programmes, at the same time public managers reported less loyalty to their organisations and less autonomy. Also, their work effort was perceived as the mainly unchanged during the previous three years. However, similarly to their counterparts in private industry, they have reported that their stress has increased as well as the monitoring. Finally, they do not see TQM as a threat to their careers. All these reported changes on the nature of managers' work lead the research to the question about the extent to which managers' perceived awareness of the TQM approach has influenced their responses to the above issues of their day-to-day work.

7.3 The Impact of TQM on Managers' Work

We have already explained in chapter five how we have measured the 'soft' and the 'hard' side of TQM. We have also described the dependent variables under examination. Thus, the next sections analyse the results of the multivariate regression models developed to explore the effects of the awareness of TQM on MMs' perceptions about autonomy, monitoring, stress, work effort, loyalty and career prospects.

7.3.1 Effects on Autonomy and Monitoring

Fundamental to TQM rhetoric is the total involvement of every member of an organisation in the quality improvement process. This principle assumes that a member of an organisation has the appropriate authority and autonomy to participate in decision-making. Thus, a TQM assumption is that it promotes autonomy of employees in general and MMs in particular. This assumption is mainly associated with the technical approach to TQM supported by several quality authors (Goetsch and Davis, 1994; Morgan and Murgatroyd, 1997; Dale, 1999). Nevertheless, as we have seen in chapter three, this approach is mainly prescriptive and lacks empirical evidence. Thus, another two views on TQM and autonomy emerged from QM literature. The first view, which is related to the critical approach to TQM, is broadly negative as to TQM's effects on employees' autonomy (Delbridge *et al.*, 1992; Sewell and Wilkinson, 1992). It argues that the application of TQM promotes greater upper-management control and thus less autonomy for individual workers.

There is a third view, however, according to which, although TQM can be seen as an attempt by top-managers to control employees, it may also "...appear to offer immediate, tangible benefits to employees" (Wilkinson, *et al.*, 1991, p.30) like autonomy. In our case, multivariate regression models have been developed attempting to identify the potential importance of the 'soft' and 'hard' TQM concepts and practices on the reported levels of autonomy² that have been found in the previous section. The multivariate models were developed for the whole sample of MMs as well as for public and private sector managers separately³. The regression analysis in table 7.11 suggests that managers' perceived awareness of both 'soft' and 'hard' aspects of TQM influence positively the change in the level of autonomy reported by the MMs of our sample.

Table 7.11
TQM Effects on MMs' Reported Changes on Autonomy

Ordered probit estimates	1 st Model		2 nd Model		3 rd Model	
	<i>Whole Sample</i>		<i>Public Sector</i>		<i>Private Sector</i>	
	<i>N=241</i>		<i>N=108</i>		<i>N=133</i>	
Independent Variables	<i>Coefficients</i>		<i>Coefficients</i>		<i>Coefficients</i>	
<i>Gender</i>	-0.032	0.027	-0.041	0.150	-0.084	-0.084
<i>Age</i>	0.003	0.031	-0.149	-0.123	0.171	0.309*
<i>Educational Background</i>	0.301***	0.296***	0.353***	0.372***	0.234*	0.246*
<i>Sector of Employment</i>	-0.338	-0.290	-	-	-	-
<i>Organisational Size</i>	0.027	0.037	0.053	0.044	-0.005	-0.060
<i>Organisational Age</i>	0.156**	0.146*	0.238	0.187	0.079	0.110
<i>Soft TQM</i>	0.108***	-	0.089**	-	0.134***	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.089**	-	0.018	-	0.101
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.090**	-	-0.062	-	0.297***
<i>Soft TQM3: Quality Driven Culture</i>	-	0.047*	-	0.127***	-	-0.127**
<i>Hard TQM</i>	0.035***	0.037**	0.033**	0.322*	0.038*	0.043*
<i>R²</i>	0.1970	0.1881	0.2102	0.2397	0.1205	0.2152

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

² Autonomy consists of the summation of two items asking whether MMs' work autonomy has increased and whether MMs have to take more initiatives and responsibilities over the last three years. These two items have been measured on a 3-point scale (1: 'agree', 2: 'Do not Know' and 3: 'disagree') and they compose a reliable statistical measurement with Coefficient Alpha: 0.7253.

³ Throughout the analysis, the public and private sectors are treated separately. This approach allows the effects of the independent variables to differ between the two sectors, and we can thus see whether there are distinct processes at work.

The more aware a manager is about the 'soft' side of TQM, the more likely he/she is to state that autonomy has increased over the past three years. The importance of the 'soft' aspects of TQM can also be seen when the *SoftTQM* variable is broken down into its three parts as analysed in chapter five. In addition, the more familiar a manager is with the 'hard' side of TQM the more likely is he/she to report that work autonomy had increased.

The second and the third model show the same regression analysis within the sample of public and private sector managers. The 'soft' TQM principles seem to have the same positive effect on both public and private sector managers' attitude towards changes on their autonomy. In particular, *Quality Driven Culture* seems to play a significant role on public and private sector managers' opinions about their autonomy. Thus, we can argue that elements of an organisational culture based on TQM concepts like customer satisfaction, participative management style, top-management commitment and support, empowerment and teamwork have begun to enter managers' consciousness, causing a positive view on the level of autonomy that they enjoy during day-to-day work.

A surprising finding comes though from the impact of the 'hard' side of TQM on public managers' perceptions about autonomy. We have seen in chapter six that the public managers of our sample are less familiar with TQM techniques and systems than their colleagues in private services. Therefore, we would not expect to find any particular significance of this side of TQM on the nature of public managers' work. However, as the second model shows their perceived familiarity with the 'hard' TQM practices influences positively their answers towards autonomy levels. As we will further analyse in chapter 9, the introduction of private sector management practices within public services initiated a new situation among civil servants that brought several changes in their nature of work.

One last point to be made is associated with the observed strong significance of the educational background of our participants on their attitudes towards autonomy. The results here were particularly surprising as well. It seems that the more educated someone is the less

autonomous he/she feels⁴. In contrast, the MMs with low levels of education have a more positive attitude towards their autonomy. One possible explanation of this finding is that the highly educated (postgraduates) people never feel autonomous enough in employment conditions. In contrast, people with lower educational backgrounds can have more flexible attitudes. The former cannot find easily their desired level of autonomy, especially if he/she works for someone else. A similar view has been supported by Marchington *et al.* (1994) who found that employee involvement initiatives could be welcomed, even if they are modest, when employees' existing autonomy is low. This argument is also confirmed by our qualitative results presented (chapter 9).

Autonomy though cannot be seen independently from top-management monitoring over employees. TQM theory argues in favour of a rather different form of monitoring and control than earlier management methods. As Oakland (1989) argues, TQM emphasises internal rather than external to employee control. "The objective being to make everyone accountable for their own performance and to get them committed to attaining quality in a high motivated fashion" (p.26). The TQM message is that people do not need to be coerced to perform well, but to be motivated to achieve quality results (Oakland, 1989). In other words, in a TQM context upper-management monitoring should be limited. Nevertheless, evidence-based studies have shown that in practice control over the labour force has not been diluted (Geary, 1994; Collinson, *et al.*, 1998). Similarly, this study has shown in section 7.2 that managers reported an increased level of monitoring⁵. It is interesting to explore whether their opinion has been affected by their perceived awareness of the TQM approach. Table 7.12 shows the multivariate models developed for the three samples of MMs.

⁴ Educational background has been measured in 4-point scale with 1=the lowest and 4=the highest. In addition, as we have seen in section 7.2 of the present chapter, change on autonomy levels has been measured on 3-point scale, with 1=positive answer and 3=negative answer. Thus, the positive sign on the coefficient score on table 7.11 means when education is rises autonomy declines.

Table 7.12

TQM Effects on MMs' Reported Changes on Monitoring

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.291	0.310*	0.294	0.372	0.128
<i>Age</i>	0.045	0.046	0.055	0.049	-0.015	-0.012
<i>Educational Background</i>	0.129***	0.125***	0.173***	0.163***	0.035*	0.036*
<i>Sector of Employment</i>	-0.511**	-0.498**	-	-	-	-
<i>Organisational Size</i>	-0.007	-0.101	-0.236*	-0.296***	0.097	0.094
<i>Organisational Age</i>	-0.023	-0.023	0.177	0.185	-0.066	-0.066
<i>Soft TQM</i>	0.004	-	0.036	-	-0.020	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	-0.020	-	-0.052	-	-0.009
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.010	-	0.018	-	0.008
<i>Soft TQM3: Quality Driven Culture</i>	-	0.006	-	0.038	-	-0.008
<i>Hard TQM</i>	-0.004	-0.007	0.004	-0.010	-0.015	-0.017
<i>R²</i>	0.0430	0.0445	0.080	0.092	0.029	0.022

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

The results indicate that the 'soft' and 'hard' sides of TQM have no influence at all on the increased level of monitoring reported by the whole sample of our respondents. In addition, there is no effect of the three factors on which 'soft' TQM can be broken down. Finally, the same result comes from the analysis of the other two samples. This evidence suggests that MMs' perceived awareness of TQM approach does not influence their attitudes towards the change of the degree of top-management control over them. In other words, TQM did not contribute to less monitoring as the technical approach to TQM emphasised. In contrast, top-management surveillance system is alive and well, confirming critical views of the total quality idea.

An interesting finding is associated with the significant effect of educational background of the respondents on their reported change of monitoring. The more educated MMs are the more likely they are to see that top-management control over them has decreased. The logic

⁵ Monitoring consists of an item asking about the degree of changes on MMs' work monitoring over the last three years. The measurement is a 5-point scale: 1: 'Great increase', 2: 'Some increase', 3: 'No change', 4: 'Some decrease' and 5: 'Great decrease'.

behind this evidence is that for many decades there was a lack of Masters' or PhD degree holders working in private and public domain (Papalexandris, 1992), which facilitate a tighter vertical control without any substantial resistance from shop-floor and middle level employees. The last ten years have seen a substantial rise in numbers of employees holding postgraduate degrees. Also there is a general tendency Greek companies to 'trust' these people more in the accomplishments of targets (Papalexandris and Nikandrou, 2000). Thus, top-managers are more willing to decrease monitoring over these people. This argument is further analysed in chapter 9.

The major conclusion from the above findings is that whilst the awareness of the 'soft' and 'hard' sides of TQM seems to influence positively managers' opinion about autonomy, at the same time it does not affect their perceived attitudes towards top-management control. This finding seems to support the *re-organisation of control* thesis (Geary, 1993; Rees, 1996; Collinson, *et al.*, 1998) as long as in some respects TQM enhance peoples' autonomy while in others did not reduce senior managers' control.

7.3.2 Effects on Stress and Work Effort

The assumption of the technical literature on TQM is that employees will derive from it job satisfaction and self-actualisation (Wilkinson, *et al.*, 1998), and thus TQM will reduce stress during work. However, the reality of management has shown that the experience of the TQM initiative has often increased stress that the employees feel (Tuckman, 1992). Therefore, our research explores to what extent MMs' attitudes towards TQM cause an effect on the level of stress⁶ that they have stated that they feel at work. Three regression models have been developed. Table 7.13 shows the results of the regression analysis. The first model that refers to the whole sample of MMs indicates that there is a small effect of managers' perceived familiarity with the 'hard' side of TQM on their views on stress. This means that the more MMs use and know TQM techniques and quality improvement systems the more likely they

are to report that they feel very often under stress. On the other hand, awareness of the 'soft' side of TQM seems not to have any particular importance.

Table 7.13
TQM Effects on MMs' Levels of Stress

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	-0.042	-0.010	0.169	0.212	-0.257
<i>Age</i>	-0.102	-0.102	-0.133	-0.159	-0.070	-0.060
<i>Educational Background</i>	-0.029	-0.041	0.042***	0.026**	-0.183***	-0.192***
<i>Sector of Employment</i>	-0.489	-0.479	-	-	-	-
<i>Organisational Size</i>	-0.053	-0.063	0.129	0.074	-0.113	-0.106
<i>Organisational Age</i>	-0.010	-0.005	-0.204*	-0.185*	0.036	0.040
<i>Soft TQM</i>	-0.001	-	0.003	-	-0.019	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	-0.049*	-	-0.059	-	-0.032
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.042	-	0.024	-	0.055
<i>Soft TQM3: Quality Driven Culture</i>	-	0.009	-	0.014	-	-0.001
<i>Hard TQM</i>	0.016*	0.007*	0.124*	0.014*	-0.001	-0.008
<i>R²</i>	0.0296	0.0396	0.0310	0.042	0.0358	0.041

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

However, in the second case that 'soft' TQM is represented by three factors, *Continuous Improvement & Training* seems to play a significant role this time. Table 7.14 shows another series of multivariate models developed using as separate variables the concepts of continuous improvement and training. Managers' perceptions on *Continuous Training* have a negative statistical significance in the model. This means that the more aware a manager is about the concept of continuous training, the more likely he/she is to state that he/she rarely feels under stress. As we will see in chapter nine, managers see training as a useful practice in quality improvement effort. This consequently causes a decrease in the level of stress that they reported that they feel. A more general conclusion would be that the more training programmes an organisation offers, the more chances employees to feel under less stress.

⁶ *Stress* includes one item asking MMs how stressful they feel during work. The measurement is a 6-point scale: 1: 'Every single day', 2: 'Very often', 3: 'Usually', 4: 'Some times', 5: 'Rarely' and 6: 'Never'.

Table 7.14

Continuous Improvement and Training Effects on MMs' Levels of Stress

Ordered probit estimates	Whole Sample
Independent Variables	N=241
	Coefficients
<i>Gender</i>	-0.008
<i>Age</i>	-0.123
<i>Educational Background</i>	-0.045
<i>Sector of Employment</i>	-0.504**
<i>Organisational Size</i>	-0.063
<i>Organisational Age</i>	-0.007
<i>Continuous Improvement</i>	-0.010
<i>Continuous Training</i>	-0.100*
<i>Hard TQM</i>	0.007*
<i>R²</i>	0.0415

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

Nevertheless, the most important result, regarding the above analysis, is related to the significance of 'hard' TQM practices. Surprisingly, familiarity with TQM tools seems to influence the perceptions only of those managers working in the public domain. We have seen in section 7.2 that, in general, public sector managers reported that they feel under stress less often than their counterparts in private service industry. However, it seems that the more familiar they are with TQM techniques, the more stress they have reported that they feel. There is not a similar picture among private sector managers though. This finding can be explained by the fact that the adoption of TQM 'hard' practices is relatively new and therefore, they can be seen as threat by MMs. The pressure to learn and to use these practices may lead to change in work habits and consequently to increase their level of stress. In contrast, the use of similar management practices is very common among employees and managers in private firms. Thus, these techniques have not been seen as threat and consequently they do not affect their levels of stress.

However, the situation seems to be different in relation to work effort. Several authors (Goetsch and Davis, 1997; Foster, 2001) argue that the TQM movement is synonymous with managerial change. The emphasis on quality brings a change in the work pace, which means a change at the time required from an individual employee to perform a job task and the time

between tasks (Drafke and Kossen, 2002). In other words, the more an organisation emphasises quality improvement policies, the harder employees work. This assumption seems to be supported by the regression analysis shown in table 7.15.

Table 7.15
TQM Effects on MMs' Work Effort

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.352	0.309	0.286	0.255	0.289
<i>Age</i>	0.037	0.033	0.128	0.133	-0.119	-0.089
<i>Educational Background</i>	-0.029	-0.025	-0.078	-0.080	0.168	0.217
<i>Sector of Employment</i>	-0.238	-0.294	-	-	-	-
<i>Organisational Size</i>	-0.072	-0.064	-0.253	-0.248*	0.100	0.077
<i>Organisational Age</i>	-0.062	-0.052	0.061	0.066	-0.128	-0.136
<i>Soft TQM</i>	-0.008	-	-0.065	-	0.091*	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.017	-	-0.171	-	0.295
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.042	-	-0.059	-	0.072
<i>Soft TQM3: Quality Driven Culture</i>	-	0.060*	-	-0.057	-	0.032
<i>Hard TQM</i>	0.023*	0.027*	0.009	0.011	0.065**	0.087***
<i>R²</i>	0.0527	0.0668	0.0748	0.0844	0.1489	0.1926

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

Only managers' familiarity with 'hard' TQM aspects seems to influence their views on their work effort⁷. The more MMs are familiar with and use TQM tools, the more likely they are to report that they work harder. Nevertheless, the second and the third model indicate that 'hard' TQM practices play a significant role only for the perception of the work effort of private sector managers. This result contrasts with the last one on stress level, and it is related to the fact that there is more pressure to achieve targets in private industry than in public one; these pressures cause a similar demand for more effort from employees and managers.

Moreover, 'soft' aspects of total quality seem to be of some importance when they are broken down into three variables. *Quality Driven Culture* affects MMs' work effort. Nevertheless, we need to be more specific here identifying exactly MMs' awareness of which aspects of this

variable influence their perceptions about work effort. Table 7.16 shows that managers' focus on *customer/citizen satisfaction* is the only concept that influences their views on effort. Thus, we can say that the more aware MMs are about customer/citizen satisfaction, the more they state that they work longer and harder the last three years. The increasingly demanding situation of serving the customer properly seems to be a major factor that increases MMs' work effort. This picture is also confirmed by our qualitative findings as analysed in chapter 9.

Table 7.16
Quality Driven Culture Effects on MMs' Work Effort

<i>Ordered probit estimates</i>	<i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>
<i>Independent Variables</i>	
<i>Gender</i>	0.259
<i>Age</i>	0.067
<i>Educational Background</i>	-0.027
<i>Sector of Employment</i>	-0.217
<i>Organisational Size</i>	-0.079
<i>Organisational Age</i>	-0.074
<i>Open and Democratic Management Style</i>	0.031
<i>Top-management Commitment & Support</i>	0.022
<i>Focus on Customer/Citizen Satisfaction</i>	0.199*
<i>Culture Change</i>	0.085
<i>Hard TQM</i>	0.007
<i>R²</i>	0.0852

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

In conclusion, two things can be said regarding to the effect of the TQM approach on MMs' opinions about stress and work effort. First, only managers' familiarity with the 'hard' side of TQM really matters in the reported changing nature on these two aspects of their work. However, its effect varies by sector of employment. Second, the more the public sector managers know and use TQM tools and systems, the more stress they report. In addition, the more the private sector managers are familiar with these tools, the harder they have reported that they work.

7.3.3 Job Security, Career Development and TQM

In relation to job security and career development there is a reasonable assumption that security and career promotion will encourage a favourable view of TQM. On the other hand,

⁷ *Work effort* assessing whether MMs agree that the last three years they work harder and longer. Its

as mentioned in section 7.2, MMs' career interests may receive the most negative effect from TQM. Thus, the relationship between TQM and MMs' career prospects can be classified into two distinct views. The first one sees TQM as threat to managers' power and control over their specialist expertise and thus to be likely to make them feel less secure in their jobs (Wilkinson, 1993). The second view points out that TQM can be an effective organisational paradigm as long as it is not seen by MMs as a threat to their careers, but in contrast a good opportunity for personal development and promotion (Hill, 1995). We have seen (section 7.2) that MMs of our sample mainly disagree with a potential negative impact of TQM on their jobs. It is critical to explore, however, whether these views have been affected by their perceived awareness of the TQM approach (table 7.17).

Table 7.17
TQM Effects on MMs' Job Security

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	-0.117	-0.173	-0.347	-0.387	0.126
<i>Age</i>	-0.213**	-0.215**	0.000	0.011	-0.543***	-0.543***
<i>Educational Background</i>	-0.066	-0.059	-0.136*	-0.127*	0.013	0.023
<i>Sector of Employment</i>	0.055	0.003	-	-	-	-
<i>Organisational Size</i>	-0.018	-0.012	-0.223*	-0.174	0.083	0.062
<i>Organisational Age</i>	0.098	0.104	0.211*	0.212*	0.153	0.158*
<i>Soft TQM</i>	-0.010	-	0.010	-	-0.027	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.055	-	0.079	-	0.033
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.015	-	0.049	-	-0.007
<i>Soft TQM3: Quality Driven Culture</i>	-	-0.023	-	-0.022	-	-0.041
<i>Hard TQM</i>	-0.029***	-0.023**	-0.005	-0.002	-0.068***	-0.066***
<i>R²</i>	0.0441	0.0192	0.0518	0.0676	0.1601	0.1601

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

As we can observe, there is a significantly negative⁸ effect of the familiarity with 'hard' aspects of TQM on MMs' responses to TQM's negative impact on their job security. This

measurement is a 3-point scale (1: 'agree', 2: 'Do not Know' and 3: 'disagree').

⁸ Negative impact on MMs' job security has been measured in a 3-point scale with 1=agree (the negative impact) and 3=disagree (the positive impact). In addition, 'HardTQM' is measured on a 4-point scale, with 1=very familiar to 4=not familiar at all. Thus, the negative sign on the coefficient score of 'HardTQM' on table 7.17, means while managers are familiar with TQM techniques they tend to disagree with the negative impact of TQM on their jobs.

means that the more familiar MMs are with TQM techniques, the less negative they see the relation between TQM and their personal job security. However, this picture is different among public sector managers. The reason is related to the fact that they can hardly feel any threat of job loss by the use of management methods, due to their permanent status. On the other hand, the 'soft' elements of TQM have no particular impact. This result suggests that 'hard' management practices are much more important in MMs' views of their professional status. This scenario is further confirmed by the multivariate models developed to explore the potential effect of MMs' awareness of the two sides of TQM on their responses to career development⁹ (table 7.18).

Table 7.18
TQM Effects on MMs' Career Development

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.313	0.434	0.347	0.123	0.653
<i>Age</i>	0.151*	0.655*	0.000	0.221	0.321***	0.464***
<i>Educational Background</i>	0.087	0.987	0.136*	0.231*	0.784	0.043
<i>Sector of Employment</i>	0.032	0.045	-	-	-	-
<i>Organisational Size</i>	0.112	0.201	0.765	0.188	0.094	0.064
<i>Organisational Age</i>	0.087	0.658	0.012	0.324	0.345	0.238
<i>Soft TQM</i>	0.011	-	0.083	-	0.057	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.089	-	0.123	-	0.006
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.052	-	0.053	-	0.092
<i>Soft TQM3: Quality Driven Culture</i>	-	0.002	-	0.065	-	0.079
<i>Hard TQM</i>	0.037**	0.056**	0.011	0.032	0.031**	0.005**
<i>R²</i>	0.1841	0.1391	0.0987	0.0856	0.1985	0.1597

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

As mentioned in section 7.2 the majority of MMs see positively the implications of TQM for their career. This picture is confirmed, however, mainly among private sector managers and less among those that work in public services. Table 7.12 shows that these opinions are influenced by their familiarity with the 'hard' TQM practices. The more familiar a MM is, the

⁹ *Career development* includes one item assessing whether MMs agree that the greater emphasis on TQM would promote their career prospects. The measurement is a 3-point scale (1: 'agree', 2: 'Do not Know' and 3: 'disagree').

more chances to see positive career prospects. Once again, though, this picture holds only for managers working in private service industry. For their counterparts in public organisations more emphasis on TQM does not affect their personal development.

The last two points to be made here are about the effect of educational background and age on opinions about TQM's negative impact on job security as well as its positive impact on career development. It would be reasonable to suppose that the higher the education qualification, the higher the possibilities for people to adopt favourable views about TQM. Surprisingly this is not happening for the whole sample of MMs but only for those working in public services. This means that educational skills contribute to widespread acceptance of managerial changes more in public services than in private ones. In the latter services, there are issues other than educational level that may affect MMs' willingness to accept changes.

One of these seems to be age. From both tables 7.17 and 7.18, we can observe that age plays a significant role in MMs' attitude towards TQM and career prospects. According to table 7.17, the younger the managers are, the less likely they are to see their career threatened by the TQM implementation¹⁰. In addition, as table 7.18 shows, younger managers in private service industry strongly believe that their careers will be promoted through a greater emphasis on TQM. Thus, we can conclude that, at least for the private sector managers, age plays a critical role on how easily they will accept changes.

Beyond these points, the general conclusion is that the awareness of the 'hard' side of TQM plays the most substantial role in private sector managers' views about the aspect of their career prospects. For public managers, though, the familiarity with TQM techniques does not affect their careers. As we will see in chapter nine according to their views, 'hard' TQM methods are useful for their organisation's performance, but have little to do with their job security and career development.

¹⁰ The negative sign on the coefficient score of independent variable: 'age' indicates that while age is decreasing the disagreement of the negative impact of TQM on MMs' job security is increasing.

7.3.4 TQM and Managers' Loyalty to Organisation

The last question related to the nature of managers' work is how far did the awareness of the TQM approach influence their perceived confidence and loyalty to their organisations? In almost every QM text book one of the major requirements of TQM is employees' commitment to quality improvement. As mentioned, managers' loyalty can be expressed by the degree of their pride as members of the organisation. We have also seen that private sector managers seem to have the more developed sense of loyalty.

Table 7.19 shows the regression models which explore the impact that the 'soft' and 'hard' side of TQM have on managers' perceived loyalty¹¹ to their organisations. There are significant elements of TQM that influence positively MMs' sense of loyalty. To be more specific, the more aware and familiar MMs are with the 'soft' and 'hard' sides of TQM, the more likelihood of reporting that they are proud to work for their organisations. Furthermore, if the *SoftTQM* variable is broken down into its three parts then we can see that managers' perceived awareness of aspects related to *Empowerment & Teamwork* and *Quality Driven Culture* plays a significant role in their responses on loyalty. In addition, if we develop the same model controlled for public and private sector managers then we can come up with several interesting conclusions. First of all, the second and the third model in table 7.19 indicate once again that there are substantial differences between managers work in different sectors. Private sector MMs' opinion about their loyalty seems to be more influenced by their perceived awareness of the TQM approach than public sector managers' one. We need to specify however, that the effect comes mainly from managers' familiarity with the 'hard' side of TQM. In other words, the more a MM in private service industry is familiar with TQM techniques the more likely he/she is to report that pride in being a member of the company and consequently that he/she is loyal to it. A possible explanation is that, having the know-how of specific management tools, individuals become specialists in their field of work. This knowledge makes their organisations consider them as very important individuals. In addition,

their sense of being important for their companies makes them automatically proud to work for them. This finding does not apply among those working in public services though.

Table 7.19
TQM Effects on MMs' Loyalty to Organisation

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	-0.132	-0.050	-0.283	-0.176	0.183
<i>Age</i>	-0.108	-0.101	-0.206	-0.266*	0.068	0.127
<i>Educational Background</i>	-0.432***	-0.439***	-0.399***	-0.420***	-0.430***	-0.446***
<i>Sector of Employment</i>	-0.674***	-0.623**	-	-	-	-
<i>Organisational Size</i>	0.127	0.128	0.252*	0.160	0.030	0.039
<i>Organisational Age</i>	-0.188**	-0.198**	-0.233*	-0.239*	-0.222**	-0.233**
<i>Soft TQM</i>	0.057*	-	0.040	-	0.063	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	-0.013	-	-0.059	-	0.020
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.067*	-	0.020	-	0.111*
<i>Soft TQM3: Quality Driven Culture</i>	-	0.050*	-	0.084**	-	0.003
<i>Hard TQM</i>	0.033**	0.026*	0.022	0.008	0.054**	0.050**
<i>R²</i>	0.2730	0.2873	0.2186	0.2542	0.2875	0.3023

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

On the other hand, the perceived awareness of the 'soft' concepts of TQM seems to have a limited effect on public and private managers' opinions about their loyalty. Only the awareness of some specific concepts of the 'soft' side of TQM is likely to be seen as influencing whether managers feel proud to work in their organisations. These are *Empowerment & Teamwork* and *Quality Driven Culture*. Models 2 and 3 (table 7.19) indicate that public managers' awareness of *Quality Driven Culture* and private sector managers' awareness of *Empowerment & Teamwork* affects their loyalty on their organisations.

Beyond these findings, there is another point that needs to be made. All models show a strong negative statistical significance of educational level. This means that the less educated a MM is the less loyal he/she has reported that he/she feels. This is quite surprising due to the fact that we would expect high educated people to feel more independent in terms of loyalty,

¹¹ *Loyalty* assesses whether MMs feel proud of working for their organisations. The measurement is a

because they are career hunters, and thus can easily change jobs and companies in order to find better career opportunities. The picture is different for the MMs in our sample though. An explanation would be that, in Greece, private sector managers' career progress is not related to frequent changes of jobs and positions among firms. In contrast, they feel more secure in an organisational environment where they have been initially employed and developed. Moreover, several highly educated managers of our sample work in public services. As mentioned earlier in the chapter, the notion of career in these organisations is rather limited. Therefore, many of them believe that their organisations need them due to their specialised knowledge and thus, they feel that they can offer much. This makes them proud of working in the public domain.

In short, we can say that MMs' familiarity with the 'hard' side of TQM seems to be important in their responses to their loyalty to their organisations. Their awareness of the 'soft' aspects of TQM seems to have a limited effect, which differs between the two sectors of employment. Finally, the knowledge and use of TQM techniques influences private sector managers' views about how proud they feel. In contrast, these techniques cannot lead public sector managers to report higher levels of loyalty.

7.4 Conclusions: Towards the Total Quality Manager?

This chapter has shown that the most positive perceptions about the nature of work are taken by those MMs that seem to be most aware about the 'soft' and the 'hard' side of TQM. In other words, this chapter has found patterns of relations between MMs' awareness of the TQM approach and their perceived opinions about particular aspects of their work. More specifically, those managers that are most aware about TQM seem to agree that their work autonomy has increased, their career development has been promoted and their loyalty has become greater. On the other hand, they have also reported that their work effort and stress have increased. Finally, their perceived awareness of TQM has not influenced their views

3-point scale (1: 'agree', 2: 'Do not Know' and 3: 'disagree').

about the increased level of monitoring and control from the top of their organisations. This evidence suggests that there is not a 'perfect' picture delivered by the TQM approach according to the promises of many quality gurus and authors. On the other hand, we cannot adopt a pessimistic view according to which TQM established only new methods of control and intensification of the workforce, which is represented by arguments of the critical approach to TQM. In contrast, our evidence supports a more contingent view of TQM.

The analysis in section 7.2 and 7.3 indicates that, in general, the nature of MMs' work is reported as shifting. TQM plays its particular role in this change. Beyond this central argument though there are several others indicating the special conditions of this change. More specifically, although most of our respondents see TQM programmes as useful chance for autonomous performance and promotion, there are different views among people working in different sector of employment as well as those with different educational background. Table 7.20 summarises the findings of our multivariate models developed for each individual aspect and controlled for the three different samples of MMs.

Table 7.20

Effects of the 'soft' and 'hard' Aspects TQM on the Aspects of the Nature of MMs' Work

Soft TQM MMs' Work Aspects	Whole Sample			Public Sector			Private Sector		
	Effect +	No Effect	Effect -	Effect +	No Effect	Effect -	Effect +	No Effect	Effect -
Autonomy	√			√			√		
Monitoring		√			√			√	
Levels of Stress			√*		√			√	
Work Effort	√*				√		√		
Job Security		√			√			√	
Career Development		√			√			√	
Loyalty	√			√*			√*		
Hard TQM MMs' Work Aspects	Effect +	No Effect	Effect -	Effect +	No Effect	Effect -	Effect +	No Effect	Effect -
Autonomy	√			√			√		
Monitoring		√			√			√	
Levels of Stress	√			√				√	
Work Effort	√				√		√		
Job Security			√		√				√
Career Development	√				√		√		
Loyalty	√				√		√		

* Effect caused by at least one of the three factors related to 'soft' TQM

One major argument that can be supported is that what really matters is the 'hard' side of TQM. 'Soft' principles of TQM play a less important role in the reported changes of their work aspects. In contrast, TQM techniques and systems affected most MMs' professional life. Furthermore, perceptions of autonomy and loyalty are the only aspects that have been positively influenced by MMs' awareness of both sides of TQM. In contrast, no effect has been observed on the reported levels of top management's monitoring over MMs. There is a variety of effects on the other aspects. Views on the levels of stress and work effort seem to be influenced negatively from some particular 'soft' TQM concepts. In addition, MMs' familiarity with TQM tools caused opinions of increased stress and on work effort. Finally, their familiarity with 'hard' TQM practices indicates that they see positive their career prospects.

If we separate the sample of managers according to the sector of employment, table 7.20 confirms that public and private managers' familiarity with 'hard' TQM aspects mainly influences their opinions about their jobs. However, the effect is much stronger among private sector managers than public sector ones. The former managers that have reported that they work harder, enjoy more autonomy and their careers have promoted are those with perceived awareness of the TQM approach. In addition their colleagues in public organisations that have stated that enjoy more autonomy and feel more stress are, also those with the more develop views and understanding of TQM.

The above quantitative result cannot support a critical approach best expressed by the *work intensification/exploitation* thesis (Delbridge et al, 1992; Sewell and Wilkinson, 1992), which argues that TQM and similar management practices have a negative impact on employees' conduct of work and inhibited their career prospects. In contrast, the evidence suggests that we need to adopt a more contingency as well as pragmatic view of the impact of TQM on managers (Wilkinson *et al.*, 1991 and 1992; Wilkinson, 1993 and 1999; Hill, 1991 and 1995). This is mainly supported by the fact that the majority the MMs that are aware about the TQM

approach have reported an increased level of autonomy and loyalty as well as more career opportunities, but they also work harder and feel more stress in order to achieve quality results. In addition, monitoring and control are perceived as increasing for almost all of our respondents.

In other words, we can argue that MMs are willing to accept tighter top-management control and work harder in order to contribute to the improvement of the quality outcome, whilst their own career interests are not threatened but instead they are promoted by TQM changes. This argument seems to support what has been called by Collinson *et al.* (1998) a *disciplined worker* thesis. According to this thesis those workers that are most likely to say they work harder and they have tighter management monitoring over them are also those where trust in top-management and acceptance of QM is the highest.

Beyond these findings though, a general conclusion would be that TQM has started to cut into managers' consciousness. It seems that - at least through the adoption of new 'hard' management practices of quality improvement - their role has begun to be wider as the nature of their work is reported as changing. This conclusion suggests that in Greek service industry MMs are moving slowly towards their transformation to total quality MMs. Another question that now emerges is whether they believe that their organisations are moving in the same direction.

CHAPTER 8

TQM and Organisational Performance and Processes

8.1 Introduction

This chapter addresses the third major research question of the study: *What is the impact of MMs' awareness of TQM on their views about organisational performance, and organisational processes?* This chapter is divided into three sections. The first section examines MMs' responses to organisational performance and processes. It needs to be pointed out that this section does not assess the actual organisational performance and processes but it is interested in showing managers' perceptions of them. The second one explores the effect of managers' awareness of the 'soft' and the 'hard' side of TQM on their reported views of performance and process. Finally, this chapter by summarising its findings tries to analyse whether Greek service organisations are moving towards TQM.

8.2 Managers' Responses to Organisational Aspects

Organisational performance and processes include a variety of aspects. The former includes Performance Improvement, Top Management Commitment & Support to Employees, and Customer/Citizens' satisfaction. The latter include Trust, Communication, Employee Empowerment and Involvement, Teamwork, and Training.

The first aspect is *performance improvement*, which is closely related to the concept of total quality. According to Crosby (1979), work and performance should be measurable in order to help employees and working groups to monitor the level of defects within the process. In addition, Garvin (1984) points out that one of the eight basic dimensions of quality is performance. He argues that performance is related to the efficiency with which a product (or service) achieves its intended purpose. In this respect, the MMs were asked to assess whether they agree that their organisation's performance has improved during the last three years.

Table 8.1 shows that the majority of our respondents reported an improved performance outcome during the specific period. If we separate the sample according to the two sectors of employment, the results indicate that, although many public sector managers support this view, there is a considerable percentage of them that seems to disagree with an improved organisational performance. The situation though is clearer for private sector MMs who see their organisations' performance as having improved.

Table 8.1
MMs' Responses to Organisational Performance

<i>"During the last three years my organisation has improved its performance"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	77.6%	10%	12.4%	100.0%
	(187)	(24)	(30)	(241)
Public	68.5%	13.9%	17.6%	100.0%
	(74)	(15)	(19)	(108)
Private	85%	6.8%	8.3%	100.0%
	(113)	(9)	(11)	(133)
Chi-square: 9.273	DF: 2	Pearson's R: -0.186	Do not accept the null hypothesis	

One of the main reasons why performance improvement is perceived as more limited in public services can be related to the degree of *top-managers' commitment and support to employees*. According to Juran's (1988) argument, there are two dimensions of customers within an organisation: the internal and the external customer. The former refers to what extent an organisation satisfies its employees who must be seen as internal 'customers' with specific needs and requirements. The satisfaction of internal customers is related to top-managers' willingness to satisfy them. According to many authors (Tack, 1984; Goetsch and Davis, 1994; Gretton, 1995), the new fashion of top-management leadership is associated with motivation, interpersonal behaviour, communication process and an environment of coaching, support, and empowerment of employees. In other words, the leadership approach of top managers includes both their commitment to employees, as well as their support for them. Commitment means that top executives keep their words and promises to their employees, whilst support means that they help them improve their performance (Goetsch and Davis, 1994; Besterfield *et al.*, 1999).

We have tried to measure top managers' commitment and support to employees by asking the MMs of our sample two distinct questions. The first referred to the extent that they agree that their top managers are committed to the employees by keeping their words and promises. The second questions asked whether senior managers are supportive to their employees. Table 8.2 indicates that according to half of the MMs of our sample, many top-managers seem to be poorly committed to their employees. This finding changes when the sample of managers is separated according to their sector of employment. Most private sector managers indicate that their firms keep their words to them and to other employees. In contrast, only one third of the public sector managers support this view. Also, as we will see in the next chapter, there is a strong argument supporting the fact that chief executives in private industry are more committed to external customers than internal ones.

Table 8.2
MMs' Responses to Top managers' Commitment to Employees

<i>"Top managers keeps their promises and commitments to their employees"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	49%	1.7%	49.4%	100.0%
	(118)	(4)	(119)	(241)
Public	33.3%	0.9%	65.7%	100.0%
	(36)	(1)	(71)	(108)
Private	61.7%	2.3%	36.1%	100.0%
	(82)	(3)	(48)	(133)
Chi-square: 21.010	DF: 2	Pearson's R: -0.291	Do not accept the null hypothesis	

In addition, table 8.3 shows that almost two thirds of the whole sample of MMs gives a negative answer in a question asking them to assess senior managers' support to employees.

Table 8.3
MMs' Responses to Top managers' Support over Employees

<i>"In my organisation top management are supportive in helping employees improve performance"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	39.8%	0.8%	59.3%	100.0%
	(96)	(2)	(143)	(241)
Public	23.1%	.9%	75.9%	100.0%
	(25)	(1)	(82)	(108)
Private	53.4%	.8%	45.9%	100.0%
	(71)	(1)	(61)	(133)
Chi-square: 22.777	DF: 2	Pearson's R: -0.307	Do not accept the null hypothesis	

The situation for those working in public organisations is worse. Only one fifth of them argue in favour of the view of top managers' support. In private services the majority recognise that their chief executives help employees to improve their performance. Nevertheless, a

considerable percentage that cannot be ignored seems to disagree with this view. The same picture about the two sectors has been identified in the follow-up interviews (chapter nine).

Another related organisational aspect that confirms the difference between the two sectors of employment is *customers/citizens' satisfaction*. Whitley (1991) argues that customer-driven organisations show their commitment to customers by establishing a climate in which the satisfaction of customers' needs prevails. Therefore, the managers of our sample were asked to state whether their organisations gave a high priority to customer/citizen satisfaction. Table 8.4 shows their answers for the whole sample as well as for the two sectors of employment.

Table 8.4
MMs' Responses to Customers/Citizens' Satisfaction

<i>"My organisation keeps its promises and commitments to its customers"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	65.6%	0.8%	33.6%	100.0%
	(158)	(2)	(81)	(241)
Public	41.7%	1.9%	56.5%	100.0%
	(45)	(2)	(61)	(108)
Private	85%	-	15.0%	100.0%
	(113)	-	(20)	(133)
Chi-square: 49.693	DF: 2	Pearson's R: -0.447	Do not accept the null hypothesis	

85% of the MMs working in private services reported that their firms were very committed to the satisfaction of customers' needs. A rather different situation can be observed for those working in public services. It seems that the satisfaction of citizens is not at the top of the priority list of public organisations. This finding reflects the fact that, although the last decade saw substantial efforts from different Greek governments to improve the relationship between the state and the citizen by delivering better services to them, the concept of customer satisfaction is still far away from being a core operational principle for public organisations.

The fourth organisational aspect under investigation is intra-organisational *trust*. Bennis and Nanus (1985) point out that "...trust is the lubrication that makes it possible for organisations to work,...It is hard to imagine an organisation without some semblance of trust operating somehow somewhere" (p.43). In organisations where distrust is present, systems of employee control are put into operation inhibiting organisational capacity and flexibility. This situation seems to be reflected in Greek service industry as the managers of our sample reported a lack

of trust within their organisations (table 8.5). More than half of them do not agree with the existence of trust relationships among organisational members. However, the table 8.5 also indicates that the lack of trust is greater within public service organisations than within private sector ones. Public sector managers are far from placing trust at the centre of public service operations and inter-relationships.

Table 8.5
MMs' Responses to Intra-Organisational Trust

<i>"In my organisation there are trust relationships between its members"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	39.4%	4.1%	56.4%	100.0%
	(95)	(10)	(136)	(241)
Public	26.9%	1.9%	71.3%	100.0%
	(29)	(2)	(77)	(108)
Private	49.6%	6.0%	44.4%	100.0%
	(66)	(8)	(59)	(133)
Chi-square: 17.993	DF: 2	Pearson's R: -0.256	Do not accept the null hypothesis	

Directly related to trust relationships is the existence of an open and clear flow of *communication* within organisations. Goetsch and Davis (1994) define communication as the process with which a message is transferred and is both received and understood. The majority of the MMs' in our sample report, however, that there is not such an open and clear process among the members of their organisations. Also, table 8.6 shows once again a great difference between the sectors of employment. More specifically, the communication gap is wider in public services in comparison to the private ones. As we will see in chapter nine, one of the major reasons for such a gap in both sectors is related to the fact that the top executives do not allow the open flow of information because they fear that they will lose control over people and processes.

Table 8.6
MMs' Responses to Organisational Communication

<i>"In my organisation there is open and clear communication among its members"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	41.5%	2.5%	56%	100.0%
	(100)	(6)	(135)	(241)
Public	22.2%	1.9%	75.9%	100.0%
	(24)	(2)	(82)	(108)
Private	57.1%	3%	39.8%	100.0%
	(76)	(4)	(53)	(133)
Chi-square: 31.684	DF: 2	Pearson's R: -0.361	Do not accept the null hypothesis	

The communication gap affects other aspects associated with organisational processes like *teamwork*. Teamwork can be defined as a set of cumulative actions of a group of people during which each member subordinates his/her individual interests and opinions in order to accomplish the objectives and goals of the team (Besterfield *et al.*, 1999). Johnson *et al.* (1990) point out that work-groups are very useful for quality improvement because they perform better, they can develop a mutual trust among their members and finally, they can promote clear and open communication. This message seems to be clear among Greek service organisations, which according to table 8.7 commonly use this work method. Also, this table indicates that private services use more often teams than public ones.

Table 8.7
MMs' Responses to the Use of Teamwork

<i>"Does your organisation use teamwork?"</i>			
Sector of Employment	YES	NO	Total
Whole Sample	66.8%	33.2%	100.0%
	(161)	(80)	(241)
Public	49.1%	50.9%	100.0%
	(53)	(55)	(108)
Private	81.2%	18.8%	100.0%
	(108)	(25)	(133)
Chi-square: 27.744 DF: 1 Pearson's R: -0.339 Do not accept the null hypothesis			

It is also critical to examine whether the MMs of our sample agree that the degree of team participation in decision-making process had increased during the past three years as well as to analyse their views about an improvement on organisational performance due to the use of this working practice. Table 8.8 shows that the majority of our respondents agree that work-groups' involvement in decision-making process has increased.

Table 8.8
MMs' Responses to Involvement of Teams in Decision-making Process*

<i>"The responsibility and involvement of working groups in decision-making has increased over the last three years"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	63.3%	7.4%	28.5%	100.0%
	(102)	(12)	(46)	(161)
Public	45.2%	9.4%	45.2%	100.0%
	(24)	(5)	(24)	(53)
Private	72.2%	7.4%	20.3%	100.0%
	(78)	(8)	(22)	(108)
Chi-square: 34.290 DF: 2 Pearson's R: -0.280 Do not accept the null hypothesis				

*This table does not include those MMs that answered 'no' in the question shown in table 8.7.

Nevertheless, a considerable percentage was not able to answer this question. If the whole sample is separated into the two sectors of employment then we can understand that the latter

percentage comes mainly from those in public services and less from those in private companies. Also, this table indicates that work-groups are more involved in decision-making process in private firms than in public organisations.

A similar picture comes from the next table (8.9) regarding the degree of effectiveness of teamwork. The MMs were asked to assess the contribution of teams in the improvement of organisational performance.

Table 8.9

MMs' Responses to Improved Performance by the Use of Teamwork*

<i>"Teamwork has improved my organisation's performance the last three years"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	63.9%	6.8%	29.1%	100.0%
	(103)	(11)	(47)	(161)
Public	41.5%	9.4%	49.1%	100.0%
	(22)	(5)	(26)	(53)
Private	75.0%	5.5%	19.4%	100.0%
	(81)	(6)	(21)	(108)
Chi-square: 34.290	DF: 2	Pearson's R: -0.280	Do not accept the null hypothesis	

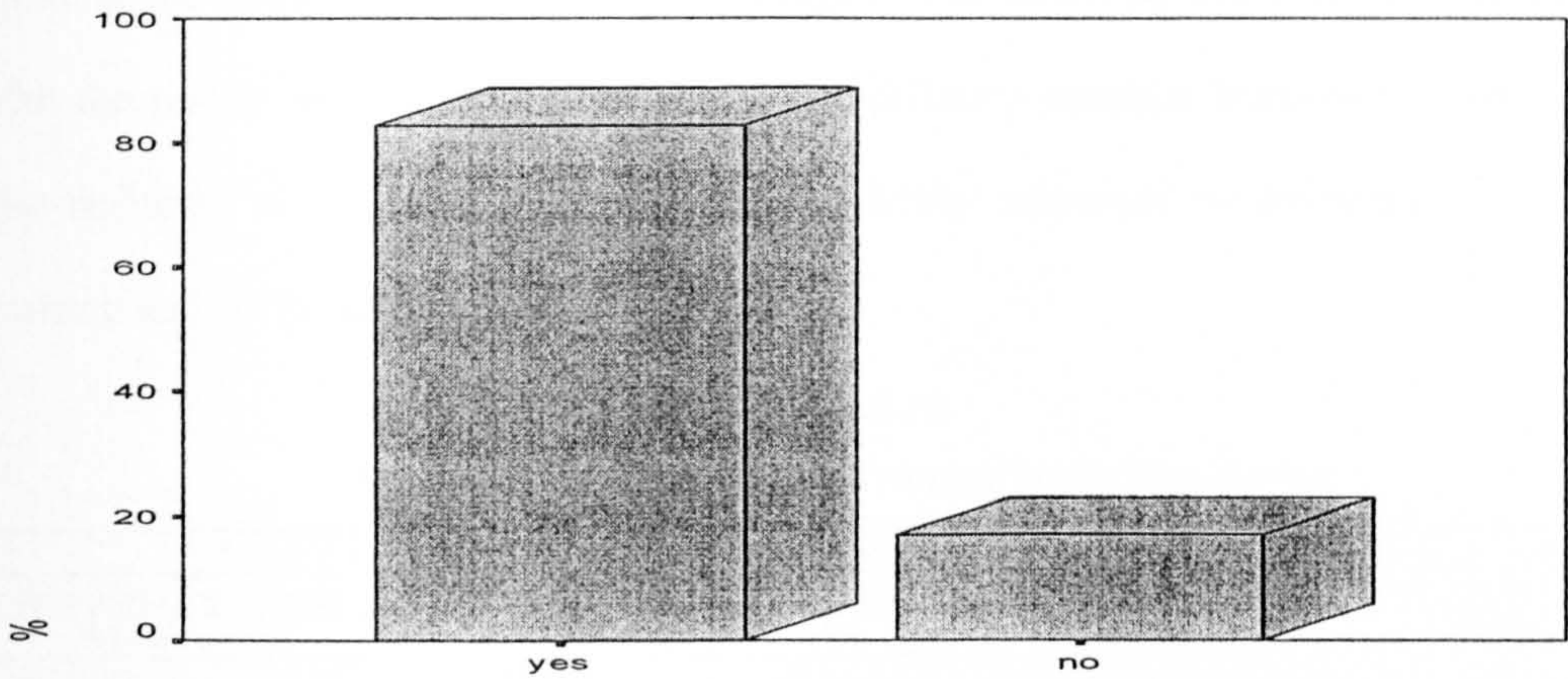
*This table does not include those MMs that answered 'no' in the question shown in table 8.7.

Once again a considerable percentage seems to deny the potential effect of teamwork on performance improvement. Moreover, the difference between the two sectors is still high. Only one fifth of the public sector managers believe that teamwork influences positively their organisation's performance in comparison with the two thirds of the private sector managers that support the same view.

Another important aspect of the organisational processes is *training*. Very few people would argue against the significance of training in day-to-day working life of employees. Its importance in quality improvement efforts has long been recognised by classical management writers (Drucker, 1977; Juran, 1988; Oakland, 1989). Training is a key element of improving organisational performance (Mullins, 1996). It aims to improve employees' knowledge and skills as well as to help them have a better understanding of work related issues (Goetsch and Davis, 1994). Nevertheless, sometimes organisations do not understand the advantages that training programmes can offer. Research evidence indicates that training programmes are a standard means to improving performance in countries like the US, Japan, Germany,

Denmark and Sweden (Peters, 1987; Hoerr, 1990). Figure 8.1 shows that the majority of the MMs in our sample stated that their organisations offer training programmes.

Figure 8.1
MMs' Responses to the Use of Training



However, table 8.10 indicates that the offer of training programmes was higher in private services. However, the evidence does not show any lack of training for civil servants in Greek public domain.

Table 8.10
MMs' Responses to the Use of Training

<i>"My organisation offers raining programs in order to improve organizational performance"</i>			
Sector of Employment	YES	NO	Total
Public	72.2%	27.8%	100.0%
	(78)	(30)	(108)
Private	91.7%	8.3%	100.0%
	(122)	(11)	(133)
Chi-square: 16.064	DF: 1	Pearson's R: -0.258	Do not accept the null hypothesis

In relation to the adequacy of these programmes the responses of the MMs of our sample differ between the two sectors of employment (table 8.11).

Table 8.11
MMs' Responses to the Level of Sufficiency and Adequacy of the Training Programmes*

<i>"How adequate and sufficient was the level of the training?"</i>						
Sector of Employment	More than adequate	Adequate but no more	Barely adequate	Not at all adequate	Do not know	Total
Whole Sample	25%	40%	22%	6%	7%	100.0%
	(50)	(80)	(44)	(12)	(14)	(200)
public	11.5%	32%	43.6%	7.7%	5.1%	100.0%
	(9)	(25)	(34)	(6)	(4)	(78)
private	33.6%	45.1%	8.2%	4.9%	8.2%	100.0%
	(41)	(55)	(10)	(6)	(10)	(122)
Chi-square: 39.893	DF: 4	Pearson's R: -0.293	Do not accept the null hypothesis			

*This table does not include those MMs that answer 'no' in the question shown in table 8.10

Private services are perceived as offering more sufficient and more adequate training than public ones. As chapter nine will show, whilst there is a general agreement among the MMs about the usefulness of training in modern organisations, at the same time MMs, especially those in the public domain, see training programmes as boring and that they are not linked with the reality of their day-to-day work. The different situation between the two sectors is also reflected on the table 8.12, which shows MMs' responses on the relationship between training and performance.

Table 8.12
Personal Performance and Training in the Two Sectors

Sector of Employment	"Training has improved personal performance"			Total
	Agree	Do not know*	Disagree	
Whole Sample	57.3%	20.7%	22%	100.0%
	(138)	(50)	(53)	(241)
Public	39.8%	30.6%	29.6%	100.0%
	(43)	(33)	(32)	(108)
Private	71.4%	12.8%	15.8%	100.0%
	(95)	(17)	(21)	(133)
Chi-square: 24.669 DF: 2 Pearson's R: -0.277 Do not accept the null hypothesis				

*The column 'do not know' also includes those MMs that answered 'no' in the question shown in table 8.10.

It seems that the majority of the managers reported that their personal performance has been improved after having attended a training programme. However, only 40% of the public sector managers agree that their performance has been improved in comparison with almost 70% of their private sector counterparts.

The last aspect of organisational processes is employee *empowerment and involvement*. Empowerment and involvement have been two business buzzwords the last decades (Bonnet, 2000). The two terms have become parts of every day management language (Wilkinson, 1998) and they are associated with popular management movements. According to Morgan and Murgatroyd (1997), in order to achieve total employee empowerment and involvement, organisations should be prepared to change their attitudes towards personnel. In other words, as Dale (1999) argues, top managers need to delegate some of their power and responsibilities and loosen the reins. One way of doing so, as Kobayashi (1990) points out, is through encouraging workers to develop ideas for improvements. In addition, Kizilos (1990) notes that many companies are attempting to introduce employee empowerment and involvement

without first changing their management style. Such an effort attempts "...only half-heartedly to empower employees" (ibid, p.56). Thus, employee empowerment and involvement can be achieved through the delegation of power downwards as well as the enhancement of people to take responsibilities and to express their ideas and concepts about work.

Therefore, we asked the MMs of our sample to assess two specific things. The first is the extent that top managers encourage employees to express their opinions and ideas. The second issue is the extent that top management gives appropriate consideration to those ideas. Table 8.13 indicates that more than half of our respondents reported that top managers do not encourage employees to freely express their ideas participating in decision-making process. If we separate the sample according to the sector of employment we can see that those MMs that reported a negative answer to the question came mainly from the public sector.

Table 8.13

MMs' Responses to Free Expression of Ideas and Participation in Decision-making

<i>"My organisation encourage employees to express their ideas and to participate in decision-making process"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	46.1%	2%	51.9%	100.0%
	(111)	(5)	(125)	(241)
Public	27.8%	2%	70.2%	100.0%
	(30)	(3)	(75)	(108)
Private	64.7%	-	35.3%	100.0%
	(73)	-	(58)	(133)
Chi-square: 34.479	DF: 2	Pearson's R: -0.367	Do not accept the null hypothesis	

Table 8.14 shows MMs' responses to the extent that senior staff consider seriously employees' ideas and opinions.

Table 8.14

MMs' Responses to Top managers' Degree of Consideration of Employees Ideas

<i>"In my organization top management gives a high degree of consideration to employee's ideas"</i>				
Sector of Employment	Agree	Do not know	Disagree	Total
Whole Sample	39.8%	2.1%	58.1%	100.0%
	(96)	(5)	(140)	(241)
Public	21.3%	2.8%	75.9%	100.0%
	(23)	(3)	(82)	(108)
Private	54.9%	1.5%	43.6%	100.0%
	(73)	(2)	(58)	(133)
Chi-square: 28.056	DF: 2	Pearson's R: -0.337	Do not accept the null hypothesis	

Although almost two thirds of the whole sample seem to disagree with this statement, once again the majority work for public organisations. These two findings suggest that in general

MMs' can hardly see their 'bosses' empowering employees to be involved in decision-making process.

The conclusion that we can draw from the above analysis is that the majority of the aspects of the organisational context that have been examined are not consistent with what TQM requires. Concepts like trust, communication, empowerment and involvement, and top management commitment and support to employees are perceived as limited. On the other hand, organisations are felt to give more emphasis to concepts like training, teamwork and customer satisfaction. It is important to explore now whether managers' awareness of TQM initiative influences their views on the above organisational aspects. This investigation will help us to understand better whether Greek organisations are moving towards a TQM paradigm.

8.3 The Impact of TQM on Organisations

To explore the relationship between TQM and organisations in Greek service industry, we have developed various multivariate regression models. Each of these models shows the potential impact that the 'soft' and 'hard' sides of TQM might have on responses to organisational performance and processes.

8.3.1 TQM's Effects on Organisational Performance

According to the contingency approach (Wilkinson *et al.*, 1991 and 1992; Wilkinson, 1999; Hill, 1991 and 1995), TQM has the potential to improve the performance and thus the quality of products and/or services as long as the social factors of an organisation are not ignored. In our case we have seen that the majority of the MMs' in our sample reported that their organisation's performance¹ improved during the previous three years. How far did the TQM approach affect this reported change? Table 8.15 shows the results of the multivariate models.

¹ *Organisation's performance* assesses whether MMs agree that performance as a whole has been improved over the last three years. The measurement is a 3-point scale (1: 'Agree', 2: 'Do not Know' and 3: 'Disagree').

Table 8.15

TQM Effects on MMs' Reported Changes on Organisational Performance

Ordered probit estimates	1 st Model		2 nd Model		3 rd Model	
	<i>Whole Sample</i> <i>N=241</i>		<i>Public Sector</i> <i>N=108</i>		<i>Private Sector</i> <i>N=133</i>	
Independent Variables	<i>Coefficients</i>		<i>Coefficients</i>		<i>Coefficients</i>	
<i>Gender</i>	0.031	0.037	0.179	0.203	-0.507	-0.353
<i>Age</i>	-0.117	-0.106	-0.160	-0.191	-0.147	-0.075
<i>Educational Background</i>	0.127**	0.125**	0.285***	0.300**	-0.053	-0.028
<i>Sector of Employment</i>	-0.493*	-0.504**	-	-	-	-
<i>Organisational Size</i>	-0.424	-0.034	-0.112	-0.214	0.110	0.054
<i>Organisational Age</i>	0.422	0.052	-0.027	-0.005	0.107	0.107
<i>Soft TQM</i>	0.027	-	-0.021	-	0.129***	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.004	-	0.115	-	0.243**
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.062*	-	-0.031	-	0.122**
<i>Soft TQM3: Quality Driven Culture</i>	-	-0.033	-	0.022	-	-0.056
<i>Hard TQM</i>	0.013	0.137	0.009	-0.002	0.008	0.017
<i>R²</i>	0.0528	0.0602	0.0896	0.1193	0.0763	0.1112

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

We can notice that there is no particular significance for the first model as far as it concerns 'soft' and 'hard' TQM aspects. If we now break down the *SoftTQM* variable into three factors then we can see a marginal level of significance of the second factor, *Empowerment & Teamwork*. This result indicates that the more aware MMs are about the concept of *Empowerment & Teamwork*, the more likely they are to report that their organisations have improved their performance during the past three years.

In addition, from the samples of public and private sector managers we can come up with two interesting conclusions. First, the awareness of the 'soft' TQM aspects influenced only private sector MMs' perceptions on performance improvement. Second, managers' awareness of two of the three 'soft' TQM factors seem to play a significant role in private sector managers' views on performance. These are *Continuous Improvement & Training* and *Empowerment & Teamwork*. The more aware MMs are about them the more likely they are to report that their companies' performance is better than three years before. However, the above table does not indicate exactly which elements of these two factors have the most significant impact on

managers' opinions. Thus table 8.16 shows the model developed only for the sample of private sector managers.

Table 8.16

Effects of Particular Soft Concepts of TQM on MMs' Responses on Organisational Performance

Ordered probit estimates Independent Variables	Private Sector N=133 Coefficients
<i>Gender</i>	-0.238
<i>Age</i>	-0.082
<i>Educational Background</i>	-0.098
<i>Organisational Size</i>	0.093
<i>Organisational Age</i>	0.172
<i>Continuous Improvement</i>	0.123
<i>Continuous Training</i>	0.356**
<i>Total Employee Involvement</i>	0.201
<i>Employee Empowerment</i>	0.010
<i>Teamwork</i>	0.143**
<i>Hard TQM</i>	0.034
<i>R²</i>	0.1356

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

We can observe that only training and teamwork seem to play an important role in managers' views about the improvement of organisational performance. In other words, the less aware MMs are about training and teamwork, the less likely they are to report that their organisations have improved their performance. This finding suggests that the use of teamwork and training programmes are well-linked with performance improvement policies implemented by several private service organisations. The qualitative analysis, in the next chapter, confirms that MMs who are favourable to 'soft' concepts of TQM seem to understand better and to recognise that they are related to actual performance and consequently to quality improvement.

Organisational performance is also dependent on other aspects like *top managers' commitment and support to employees* as well as *satisfaction of external customers*. Top management commitment is critical for TQM. Goetsch and Davis (1994) talk about 'leadership for quality', which emphasises the continuous improvement of management, as well as work methods and processes. In addition, Morgan and Murgatroyd (1997) note that

“the commitment of all senior staff towards culture change based on continuous quality improvement...has been demonstrated to be the most important determinant of a successful TQM implementation...” (p.14).

We have seen previously that the MMs of our sample have reported a limited commitment and support from the top of their organisations’ hierarchy. It would be also interesting to see whether the perceived awareness of the TQM has any effect on this view. Table 8.17 shows the results from the multivariate models².

Table 8.17

TQM Effects on MMs’ Responses to Top Management Commitment and Support to Employees

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.382	0.388*	0.619*	0.744**	0.233
<i>Age</i>	0.139	0.154	-0.020	-0.036	0.236*	0.267*
<i>Educational Background</i>	-0.430***	-0.433***	-0.445**	-0.478**	-0.430***	-0.433***
<i>Sector of Employment</i>	-0.508**	-0.503*	-	-	-	-
<i>Organisational Size</i>	0.017	0.021	0.060	0.015	0.009	-0.013
<i>Organisational Age</i>	-0.135*	-0.132*	-0.266*	-0.272*	-0.112*	-0.107
<i>Soft TQM</i>	0.056	-	0.053	-	0.052	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.047	-	-0.004	-	0.089
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.071	-	0.078	-	0.077
<i>Soft TQM3: Quality Driven Culture</i>	-	0.002	-	0.051	-	-0.037
<i>Hard TQM</i>	0.032**	0.033**	0.036**	0.026	0.032*	0.037*
<i>R²</i>	0.2581	0.2580	0.2231	0.2381	0.2119	0.2253

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

It seems that only managers’ perceived awareness of the ‘hard’ side of TQM had a positive effect on their responses to top management commitment and support. The more familiar MMs are with TQM techniques, the more likely they are to report that senior executives are committed and supportive to employees. In contrast, the ‘soft’ side of this approach seems to be of no importance for managers’ opinion. The same conclusion applies for both public and

² *Top-management commitment & support* consists of the summation of two different items asking MMs to assess whether they agree that top-executives keep their words and promises as well as they help employees in improving their skills and performance. Statistical analysis showed that these two

private sector managers. As argued in chapter six, the importance of management tools and systems for organisational performance is widespread among managers in Greece. Therefore, the need to achieve targets leads top managers to be supportive over those people that use 'hard' management methods and to ignore others that, for example, they would like to express their own ideas about decisions.

At this point it is interesting to see how far the TQM approach has affected the concept of the satisfaction of the external customer/citizen. The customer is at the core of TQM rhetoric. Several TQM writers (Goetsch and Davis, 1994; Fosters, 2001) argue that organisations need to build a culture that is customer driven. How far did their awareness of the whole idea of TQM influence their perceptions about customer/citizens' satisfaction³? Table 8.18 shows that there is a strong positive effect of the 'hard' side of TQM in each multivariate model.

Table 8.18

TQM Effects on MMs' Responses to Organisational Commitment to Customers

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.052	0.117	0.045	0.116	0.128
<i>Age</i>	-0.186	-0.182	-0.089	-0.110	-0.197	-0.188
<i>Educational Background</i>	-0.307***	-0.319***	-0.222***	-0.241***	-0.431***	-0.425***
<i>Sector of Employment</i>	-1.231***	-1.201**	-	-	-	-
<i>Organisational Size</i>	-0.045	-0.052	0.084	0.029	-0.178	-0.179
<i>Organisational Age</i>	-0.080	-0.085	-0.117	-0.113	-0.072	-0.071
<i>Soft TQM</i> (Marg.)	0.042*	-	0.037	-	0.059	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.001	-	-0.010	-	0.079
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.036	-	0.047	-	0.008
<i>Soft TQM3: Quality Driven Culture</i>	-	0.047	-	0.052	-	0.052
<i>Hard TQM</i>	0.040***	0.035**	0.037**	0.027*	0.039*	0.044*
<i>R²</i>	0.3184	0.3253	0.1226	0.1389	0.3512	0.1940

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

items have a regular reliability with alpha coefficient over 0.7 (0.7850). Moreover, both of them are measured on 3-point scale from 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'.

³ Satisfaction of external customer consists of one item asking MMs to assess whether their organisations satisfy their external customers. This item is measured on a 3-point scale from 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'.

The more familiar MMs are with TQM techniques and tools the more likely they are to answer that their organisations are committed to the satisfaction of external customers or citizens. This is a surprising result since customer satisfaction is considered as a ‘soft’ management concept rather than a ‘hard’ one. Therefore, we would expect that MMs’ awareness of ‘soft’ TQM aspects would have a stronger effect on managers’ views about organisation’s commitment to external customers. In contrast, we can only marginally accept the statistical significance to the model. This finding supports once again the view that in MMs’ minds customer satisfaction is related to the knowledge and use of ‘hard’ management techniques and tools. According to them, through these techniques quality outcomes can be achieved, and thus customers can be satisfied. This is the picture for both public and private sector managers.

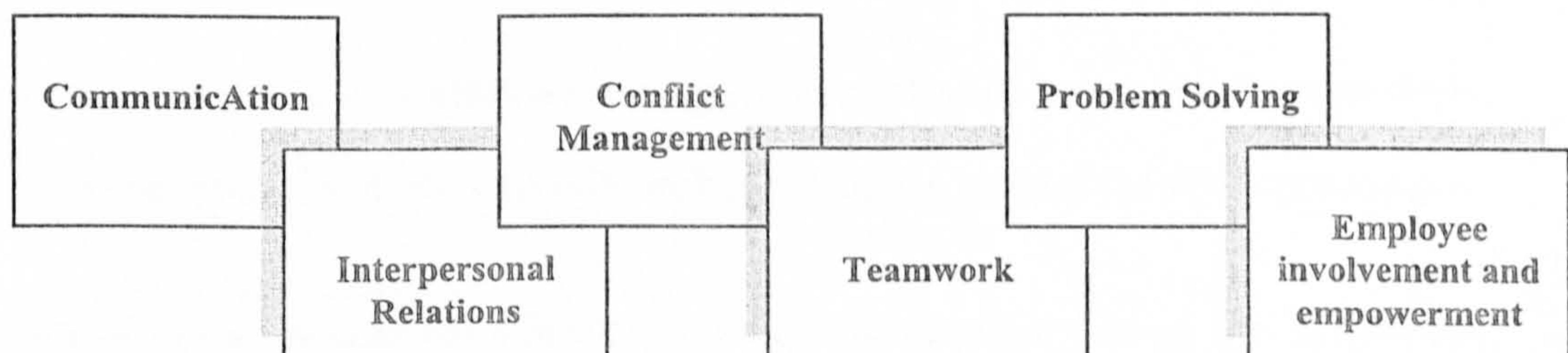
In conclusion, MMs’ responses to the three aspects of organisational performance seem to be influenced mainly by their familiarity with TQM techniques and secondarily by their awareness of ‘soft’ concepts and especially those of teamwork and training. However, the majority of ‘soft’ TQM elements seem to be of no importance for MMs’ perceptions about organisational performance.

8.3.2 TQM’s Effects on Organisational Processes

The first aspect of organisational processes refers to *trust relationships* among organisational members. As diagram 8.1 shows, total quality management is based on various actions that

Diagram 8.1

TQM Initiatives that Need High Degree of Trust Relationships



Source: adapted from Goetsch and Davis (1994), p. 97

need trust relationships among organisational members. According to Peterson (1998), TQM can emerge from an environment that is based on mutual systems of trust developed among the people of that environment. Similarly, Goetsch and Davis (1994) note that TQM cannot be implemented in an organisation that lacks high standards of ethical behaviour.

Nevertheless, we have identified in section 8.2 that according to our respondents there is a lack of trust within service organisations. The question that follows is how far did their awareness of TQM make them favourable towards this view? Table 8.19 shows that there is positive significance of 'hard' and 'soft' aspects of TQM on the reported opinions about the existence of organisational trust⁴.

Table 8.19
TQM Effects on MMs' Responses to Organisational Trust

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.010	0.007	0.068	0.209	-0.055
<i>Age</i>	-0.169*	-0.153	-0.384**	-0.426**	-0.082	-0.070
<i>Educational Background</i>	-0.344***	-0.348***	-0.257**	-0.281***	-0.485***	-0.507***
<i>Sector of Employment</i>	-0.488**	-0.488**	-	-	-	-
<i>Organisational Size</i>	0.059	0.067	0.049	-0.028	0.080	0.044
<i>Organisational Age</i>	-0.005	-0.002	-0.145	-0.154	-0.289	-0.049
<i>Soft TQM</i>	0.061**	-	0.104**	-	0.011	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.068	-	0.029	-	0.102
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.072*	-	0.146*	-	0.058
<i>Soft TQM3: Quality Driven Culture</i>	-	-0.033*	-	0.100**	-	-0.097**
<i>Hard TQM</i>	0.020*	0.022*	0.034*	0.022	0.006*	0.013
<i>R²</i>	0.1599	0.1608	0.1845	0.2141	0.1342	0.1739

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

The more aware and familiar MMs are about TQM principles and techniques, the more likely they are to report that there are trust relationships among the members of their organisations.

⁴ *Organisational trust* includes one item asking whether MMs agree that there are trust relationships within their organisations. It is measured on a 3-point scale from 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'.

This finding indicates that the TQM notion has the potential to improve corporate trust. Additional arguments are supported by Dawson (1995) and Collinson *et al.*, (1998) who found that TQM can promote trust, but only under specific conditions and to a limited extent. Table 8.19 also shows the models controlling for the two sectors of employment. Surprisingly, it seems that the 'hard' and 'soft' sides of TQM influence more the public sector managers' perceptions about organisational trust than the perceptions of those in private companies. More specifically, the more aware public sector managers are about the TQM approach, the higher levels of trust seem to be reported by them.

If we break down the *SoftTQM* variable into its three parts then two of them (*Empowerment & Teamwork* and *Quality Driven Culture*) play a positive significant role for public managers' opinion. Table 8.20 indicates that this opinion is influenced by their awareness of teamwork and employee involvement. This finding suggests that the encouragement of civil servants to be involved in operations through the use of teamwork can promote organisational trust. This can also happen through an increased top management commitment and support. Finally, the adoption of a participative management style brings a similar result.

Table 8.20

Effects of Particular 'soft' Concepts of TQM on MMs' Responses on Organisational Trust

Ordered probit estimates Independent Variables	Public Sector N=108 Coefficients	Private Sector N=133 Coefficients
<i>Gender</i>	0.098	-0.186
<i>Age</i>	-0.002**	-0.009
<i>Educational Background</i>	-0.018**	-0.632***
<i>Organisational Size</i>	-0.048	0.004
<i>Organisational Age</i>	-0.127	0.096
<i>Total Employee Involvement</i>	0.093*	-
<i>Employee Empowerment</i>	0.067	-
<i>Teamwork</i>	0.005**	-
<i>Open and Democratic Management Style</i>	0.049*	0.067
<i>Top-management Commitment & Support</i>	0.075*	-0.456
<i>Focus on Customer/Citizen Satisfaction</i>	0.097	-0.672**
<i>Culture Change</i>	0.147	-0.083
<i>Hard TQM</i>	0.082*	0.064
<i>R²</i>	0.2568	0.1787

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

A contradictory result comes from the sample of MMs in private services. Table 8.19 shows that *Quality Driven Culture* has a negative significance for the reported responses on trust. In addition, table 8.20 indicates that this negative impact comes mainly from the concept of customer satisfaction. In other words, the more aware private sector managers are about customer satisfaction the less likely they are to report that there are trust relationships among the members of their firms. This surprising result can be explained through the fact that the need for private services to be more competitive and, thus, customer orientated might cause more problems related to the lack of trust among employees. As we will see in the next chapter, our interviewees in the private sector seem to agree that several times the focus on the satisfaction of customers' wants causes more problems than it solves.

The second aspect of organisational processes under investigation is *organisational communication*. TQM theory implies the involvement and cooperation of every person within the organisation. This means that open and clear communication needs to occur in every level of relationships: one-on-one, team, corporate and community level (Goetsch and Davis, 1994). Therefore, communication plays a dominant role in the establishment of a total quality culture (Besterfield *et al.*, 1999). In order to explore the relationship between communication and TQM from a MMs' perspective, multivariate models were developed that assessed the effects of both 'soft' and 'hard' aspects of TQM on managers' perceived opinions about communication⁵ in their organisations.

Table 8.21 shows the analysis for the three different samples of the study. The familiarity with 'hard' TQM practices had a positive effect on MMs' views about organisational communication. This means that the more familiar MMs are with these techniques, the more likely they are to state that there are effective communication channels within their corporations. An additional positive statistical significance of 'soft' TQM concepts is shown

⁵ *Organisational communication* includes one item trying to identify whether MMs agree that there are clear and open communication within their organisations. It is measured on a 3-point scale from 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'.

in the first model. Nevertheless, when the *SoftTQM* variable is broken down into its three distinct parts, then none of them seem to play any important role to the model.

Table 8.21

TQM Effects on MMs' Responses to Organisational Communication

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.308	0.359*	0.457	0.689**	0.274
<i>Age</i>	0.037	0.052	-0.318*	-0.431**	0.251*	0.270**
<i>Educational Background</i>	-0.386***	-0.388***	-0.467**	-0.546**	-0.382***	-0.379***
<i>Sector of Employment</i>	-0.623**	-0.581**	-	-	-	-
<i>Organisational Size</i>	-0.006	-0.002	0.056	-0.035	-0.066	-0.079
<i>Organisational Age</i>	-0.011	-0.014	-0.125	-0.118	-0.005	-0.004
<i>Soft TQM</i>	0.064**	-	0.062	-	0.060*	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.028	-	-0.064	-	0.126*
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.051	-	0.138	-	0.030
<i>Soft TQM3: Quality Driven Culture</i>	-	0.039	-	0.080	-	0.026
<i>Hard TQM</i>	0.031**	0.028**	0.048**	0.034*	0.020	0.027
<i>R²</i>	0.2511	0.2499	0.2470	0.3041	0.1870	0.1940

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

The picture is considerably different between the two sectors of employment. As model 2 in table 8.21 indicates, attitude towards communication in public services seems to be influenced positively by managers' familiarity with TQM tools and systems.

Table 8.22

Effects of Particular 'soft' Concepts of TQM on MMs' Responses on Communication

Ordered probit estimates Independent Variables	<i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>
<i>Gender</i>	0.267
<i>Age</i>	0.270*
<i>Educational Background</i>	-0.379**
<i>Organisational Size</i>	-0.085
<i>Organisational Age</i>	-0.006
<i>Continuous Improvement</i>	0.004*
<i>Continuous Training</i>	0.065**
<i>Hard TQM</i>	0.186
<i>R²</i>	0.1107

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

The situation differs in private service industry, where reported opinions on communication are affected by managers' awareness of 'soft' TQM principles. Furthermore, only *Continuous Improvement & Training* had significance for the model. A further statistical analysis of this model (table 8.22) shows that managers' awareness about both concepts of *continuous improvement* and *continuous training* play an important role in their opinions about effective communication.

The above findings lead to interesting conclusion on the relationship between TQM and communication. Whilst familiarity with the 'hard' side of TQM influences public sector managers' positive responses to communication, at the same time 'soft' TQM concepts seem to be more important for private sector managers' views.

Turning to, *employee empowerment*, Peters (1987) argues that it is the process through which all personnel are enabled to participate "...at all levels in all functions in virtually everything" (p.342). In section 8.2 we have examined whether there were favourable views of MMs towards this concept. The question that now emerges is whether these favourable views on empowerment⁶ have been affected by managers' awareness of the TQM approach.

Table 8.23 shows the multivariate models developed to assess the statistical significance of the awareness of the 'soft' and 'hard' sides of TQM on managers' perception about empowerment within their organisations. 'Soft' concepts of TQM are associated with positive views of employee empowerment. Managers' awareness of TQM principles influences their responses to the existence of a climate of empowerment within their organisations. On the other hand, their familiarity with TQM tools does not affect their opinions on this issue. Surprisingly this result changes if we separate the sample of managers according to the sector

⁶ *Empowerment* consists of the summation of two different items asking whether organisations encourage employees to express their ideas and participate in decision-making process as well as whether top-managers give any degree of consideration to employees' ideas. Both of them they are measured in a 3-point 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'. Reliability analysis has shown that these two items can be treated as a coherent set, with a score of standardised item alpha: 0.8244.

of employment. The perceptions of public sector managers are equally affected by their awareness and familiarity with 'soft' and 'hard' aspects of TQM.

Table 8.23

TQM Effects on MMs' Responses to Employee Empowerment

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.302	0.356*	0.325	0.466	0.468
<i>Age</i>	0.135	0.148	-0.153	-0.189	0.378***	0.383***
<i>Educational Background</i>	-0.381***	-0.378***	-0.429**	-0.451***	-0.374***	-0.370***
<i>Sector of Employment</i>	-0.816***	-0.763***	-	-	-	-
<i>Organisational Size</i>	0.072	0.077	0.251*	0.201	-0.064	-0.080
<i>Organisational Age</i>	-0.141*	-0.148**	-0.253*	-0.256*	-0.145*	-0.145*
<i>Soft TQM</i>	0.067**	-	0.086*	-	0.035	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.032	-	0.001	-	0.112
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.033	-	0.102	-	-0.006
<i>Soft TQM3: Quality Driven Culture</i>	-	0.042	-	0.062	-	0.014
<i>Hard TQM</i>	0.020	0.020	0.034*	0.024*	0.011	0.018
<i>R²</i>	0.2741	0.2683	0.2544	0.2658	0.2198	0.2300

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

The more aware and familiar these managers are with TQM concepts and techniques, the more likely they are to report that their organisations allow employees to freely express their ideas attempting to create an environment of empowerment and involvement. This finding does not seem to be confirmed for private sector managers though. This was an unexpected result since TQM approach is introduced more in the private sector than the public one (Vouzias, 1997; Kufidu *et al.*, 1997a and b).

The last two aspects of organisational processes under investigation are associated with two widely known working methods, *teamwork* and *training*. Both of them are also at the core of TQM approach. Oakland (1989) argues that "teamwork throughout any organisation is an essential component of the implementation of TQM for it builds up trust, improves communications and develops interdependence" (p.236). We have seen in section 8.2 that the majority of the service organisations are perceived to use this work practice. We have also

seen though that their effectiveness varies according to the sector of employment. Therefore, in order to identify linkages between the awareness of TQM and managers' responses to teamwork effectiveness⁷, we have developed three multivariate models that explore the potential impact of 'hard' and 'soft' aspects of TQM on it.

Table 8.24 indicates that only 'soft' TQM aspects have a small positive influence on teamwork's effectiveness. The more aware MMs are about TQM principles, the more likely they are to agree that teams are more involved in decision-making process as well as that they contribute to better organisational performance during the past three years. In other words, the managers of our sample that are most favourable towards the effectiveness of workgroups are those that seem to be most favourable about the 'soft' TQM principles. In contrast, the 'hard' side of TQM seems not to have any particular statistical significance.

Table 8.24
TQM Effects on MMs' Responses to Teamwork Effectiveness

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	0.370**	0.402**	0.561**	0.645***	0.123
<i>Age</i>	0.031	0.402	-0.054	-0.070	0.139	0.154
<i>Educational Background</i>	-0.201***	-0.203***	-0.133**	-0.151**	-0.330***	-0.327***
<i>Sector of Employment</i>	-0.481**	-0.453**	-	-	-	-
<i>Organisational Size</i>	-0.107	-0.104	-0.083	-0.137	-0.115	-0.125
<i>Organisational Age</i>	-0.013	-0.016	0.109	0.114	-0.091	-0.086
<i>Soft TQM</i>	0.041*	-	0.030	-	0.061*	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.013	-	-0.050	-	0.103
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.028	-	0.003	-	0.043
<i>Soft TQM3: Quality Driven Culture</i>	-	0.020	-	0.041	-	0.020
<i>Hard TQM</i>	0.011	0.010	0.010	0.000	0.005	0.009
<i>R²</i>	0.1191	0.1165	0.0758	0.0871	0.1284	0.1317

***significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

⁷ *Teamwork effectiveness* consists of two items assess whether MMs believe that teams' involvement in decision-making process has been increased as well as whether they agree that teamwork has improved organisational performance over the last three years. Reliability analysis has shown that these two items can be treated as a coherent set, with a score of standardised item alpha: 0.9163, which confirms

The above table also indicates another two multivariate models controlled for the sample of public and private sector managers. We can observe that, perceived awareness about 'soft' TQM concepts influences only private sector managers' responses to teamwork effectiveness. The more aware private MMs are about 'soft' TQM concepts, the more they respond positively to teamwork's effectiveness within their organisations.

A similar situation can be observed for training. As we have seen in section 8.2 the majority of the public and private service organisations of our sample are perceived as using this method in order to improve employees' and consequently organisations' performance. Nevertheless, we have found that training in private organisations is perceived as more adequate than in public ones. In addition, we have seen that private sector managers are more optimistic in relation to its effectiveness on employees' performance. Therefore, the analysis now turns to the investigation of the relationship between MMs' views on the effectiveness of training and their awareness about TQM.

Table 8.25 shows three multivariate models that have been developed trying to identify possible effects of the awareness of 'soft' and 'hard' aspects of TQM on the reported effectiveness of training⁸ programmes on organisation's performance. Perceived awareness of 'soft' TQM aspects has a strong positive significance. This means that the more aware MMs are about 'soft' TQM concepts the more likely they are to report that training programmes have improved their personal performance. In addition, the same model indicates that all of the three factors that composed *SoftTQM* variable have a positive significance for the effectiveness of training. In contrast, 'hard' TQM aspects have not any particular impact. This is quite surprising since we would expect that the introduction of new management tools and techniques would initiate the provision of additional training and thus, it would make its

that the sum of these items can provide a statistical reliable measure. Both of them are measured on a 3-point scale from 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'.

⁸ Training consists of one item asking about whether it has improved personal performance. It is measured on a 3-point scale: 1: 'Agree' and 2: 'Do not Know' to 3: 'Disagree'

effectiveness depend on how far these techniques and tools have been learned and used by staff members.

Table 8.25
TQM Effects on MMs' Responses to the Effectiveness of Training

Ordered probit estimates Independent Variables	1 st Model <i>Whole Sample</i> <i>N=241</i> <i>Coefficients</i>		2 nd Model <i>Public Sector</i> <i>N=108</i> <i>Coefficients</i>		3 rd Model <i>Private Sector</i> <i>N=133</i> <i>Coefficients</i>	
	<i>Gender</i>	-0.270	-0.145	-0.233	-0.113	-0.452
<i>Age</i>	0.052	0.069	0.007	-0.032	0.072	0.096
<i>Educational Background</i>	0.032	0.026	0.037	0.023	-0.028	-0.028
<i>Sector of Employment</i>	-1.100***	-1.025***	-	-	-	-
<i>Organisational Size</i>	-0.193**	-0.188**	-0.215	-0.295*	-0.121	-0.098
<i>Organisational Age</i>	-0.090	-0.103	-0.143	-0.134	-0.047	-0.058
<i>Soft TQM</i>	0.133***	-	0.130***	-	0.141**	-
<i>Soft TQM1: Continuous Improvement & Training</i>	-	0.087*	-	0.073	-	0.138
<i>Soft TQM2: Empowerment & Teamwork</i>	-	0.078*	-	0.113*	-	0.039
<i>Soft TQM3: Quality Driven Culture</i>	-	0.096***	-	0.116***	-	0.113*
<i>Hard TQM</i>	0.011	0.010	0.009	-0.002	0.016	0.027
<i>R²</i>	0.1980	0.1928	0.1377	0.1618	0.1466	0.1264

****significant at $\alpha=1\%$ (0-.01), **significant at $\alpha=5\%$ (.01-.05), *significant at $\alpha=10\%$ (.05-.1)

The other two models in the table also indicate that MMs' awareness of 'soft' TQM aspects plays an important role in both public and private sector managers' responses to the effectiveness of training. Furthermore, the factors that really matter for training effectiveness in public services are *Empowerment & Teamwork* and *Quality Driven Culture*. The latter factor is important for training effectiveness in private services as well. These findings indicate two things. First, that the 'soft' TQM concepts affect MMs' perceptions on training effectiveness more in public than in private organisations. This can be explained by the fact that concepts such as empowerment, teamwork, customer/citizen satisfaction begun to matter in recent years for public services. Thus, the need for training programmes to correspond to these new issues on the modern management agenda is overdue for civil servants. In addition, private sector employees have a longer experience of these concepts and it seems that only the pressure to achieve customers' requirements influences their responses to the effectiveness of training.

In short, we can argue that MMs' responses to the five aspects of organisational processes are affected mainly by their awareness of the 'soft' side of TQM. There is a considerable effect, however, from their familiarity with TQM techniques and tools especially in their perceived attitude towards trust, communication and empowerment. Moreover, as we will see in the next chapter what really matters for managers' opinions about these aspects are organisational effectiveness and target achievement, which can be reached according to the majority of our interviewees through the adoption and use of 'hard' management practices.

8.4 Conclusions: Towards a TQM Organisation?

This chapter has explored the impact of awareness of TQM on managers' perceptions about aspects of organisational performance and processes. Table 8.26 summarises its findings. The overall conclusion is that TQM approach has an impact on the most of those aspects. This impact is mainly positive.

As table 8.26 indicates MMs' views on aspects related to organisational performance are mainly affected by the 'hard' side of TQM and less by the 'soft' side of it. In addition, MMs' responses to aspects related to organisational processes seem to be mainly influenced by their awareness of the 'soft' side of TQM. This evidence contrasts though, with the additional limited impact of the 'soft' side of TQM on managers' aspects related to their nature of work that we have found in the previous chapter. The awareness of 'soft' TQM concepts seems to be more significant for organisational processes like trust, communication, teamwork, training and empowerment than the familiarity with the 'hard' TQM practices.

However, it would be premature at this point to suggest that the awareness of TQM concepts and ideas can promote organisational processes. One reason explaining why we need to keep a more critical view is related to previous findings. We have seen, for example, in chapter six that there are many people who are favourable towards the 'soft' side of TQM. Nevertheless, the uni-variate and the bi-variate analysis in the first section of this chapter indicated that

aspects of organisational process like trust, communication or empowerment, are perceived as limited in Greek public and private organisations.

Table 8.26

Effects of 'soft' and 'hard' Aspects of TQM on MMs' Responses to Organisational Performance and Process

Soft TQM MMs' Work Aspects	Whole Sample			Public Sector			Private Sector		
	Effect +	No Effect	Effect -	Effect +	No Effect	Effect -	Effect +	No Effect	Effect -
Organisational Performance									
<i>Performance Improvement</i>	√*				√		√		
<i>Top-management Commitment and support to Employees</i>		√			√			√	
<i>Customers Satisfaction</i>		√			√			√	
Organisational Process									
<i>Trust</i>	√			√					√*
<i>Communication</i>	√				√		√		
<i>Empowerment</i>	√			√				√	
<i>Teamwork Effectiveness</i>	√				√		√		
<i>Training Effectiveness</i>	√			√			√		
Hard TQM MMs' Work Aspects									
Organisational Performance									
<i>Performance Improvement</i>		√			√			√	
<i>Top-management Commitment and support to Employees</i>	√			√			√		
<i>Customers Satisfaction</i>	√			√			√		
Organisational Process									
<i>Trust</i>	√			√			√		
<i>Communication</i>	√			√				√	
<i>Empowerment</i>		√		√				√	
<i>Teamwork Effectiveness</i>		√			√			√	
<i>Training Effectiveness</i>		√			√			√	

* Effect caused by at least one of the three factors related to 'soft' TQM

In other words, many managers who tend to be favourable to 'soft' TQM they also tend to see a lack of trust and limited communication and empowerment within their organisations. It seems that managers easily state that they agree with TQM concepts and ideas but in reality they tend to have negative views about the existence of related 'soft' aspects, like trust

relationships, within their organisations. Thus, although the multivariate analysis suggests that there is a set of linkages between awareness of 'soft' TQM and positive views on several organisational aspects, these linkages are tenuous rather than strong.

Moreover, as we will see in the next chapter, though many managers are favourable towards the 'soft' side of TQM, they tend to emphasise the importance of 'hard' practices especially on organisational aspects like training and teamwork. They tend to associate these aspects with the learning and use of TQM techniques. The emphasis on the 'hard' side of TQM can be also seen if we observe (table 8.26) the results for each sector of employment. It seems the awareness of the 'soft' side of TQM has less influence upon public sector managers' responses to the eight organisational aspects. This contrasts, with the strong effect that their familiarity with the 'hard' TQM aspects has on their perceptions. Thus, what is important for public managers is the knowledge and use of TQM techniques and tools rather the awareness of TQM principles. One possible explanation is related to the fact that management techniques and tools are quite new practices that used by public sector managers. They have recently started to affect organisational aspects. In contrast, private services have a longer experience of the use of 'hard' management practices. Therefore, their impact on changes related to organisational aspects is weaker.

Considering the above evidence a core question that emerges is whether Greek service organisations are moving towards the TQM approach. We have seen in the previous chapter that there is evidence that middle management is moving slowly towards TQM; we have found, firstly, some awareness of the TQM approach among the MMs of our sample (chapter six), and secondly, this awareness of TQM has affected their attitudes towards several aspects of their nature of work. However, TQM has not cut very deep their consciousness. It is mostly the 'hard' side of it that seems to matters.

This chapter indicates a similar conclusion about organisations. TQM has not cut very deep into the face of organisational realities. Although TQM can be seen as a modest but useful set

of techniques and practices in improving organisational process and performance, in parallel it can hardly be seen as a means of cultural transformation within organisations. One major argument supporting this conclusion emerged from the uni-variate and bi-variate analysis, which indicated that several organisational aspects under investigation were perceived as limited within organisations. A second argument is associated with the suggestive but insubstantial linkages between awareness of TQM and managers' responses to aspects of organisational performance and process. Thus, an argument would be that Greek service organisations have moved only slowly towards their transformation to total quality organisations. Further support towards these arguments about MMs and organisations in the Greek service industry is given by the discussion of the qualitative findings of the study in the next chapter.

CHAPTER 9

Understanding TQM in Context

9.1 Introduction

This chapter presents the results of the qualitative part of the study, drawing on the eighteen follow-up interviews described in chapter five. Its purpose is to dig beneath the quantitative data presented in chapters 6, 7 and 8, examining the meaning that respondents gave to the concepts of TQM and their views of its links with wider individual and organisational processes. This chapter is presented separately, as we believe that the incorporation of qualitative results into previous chapters would not only make those chapters lengthy but would also disrupt the flow of their argument. Whilst the purpose of the three previous chapters has been to build up a picture of the pattern of responses to TQM, this chapter examines what underlies that pattern.

This chapter therefore follows the overall structure of the quantitative chapters of the study. The first section discusses awareness of the TQM approach in the light of the Greek NBS. It also examines MMs' understanding of quality management in general by emphasising the significant role of the 'specialist' within the system. The second and the third sections bring to the forefront the effects of TQM on managers and organisations. The former section focuses on managers themselves, analysing the importance of 'hard' TQM aspects on their responses to aspects related to the nature of their work. The latter section turns to the organisational perspective. Finally, a fourth section illustrates managers' perceived pragmatism towards TQM related concepts. All four sections address differences between public and private sectors.

The major argument of the chapter is that, although the acronym of TQM and some of its concepts and practices are known by our interviewees, actual awareness of the 'soft' side of it is often superficial, and people have a relatively poor understanding. MMs tend to see TQM

from the technical point of view being aware only of the importance of its 'hard' aspects. Similarly, they tend to adopt a pragmatic rather than optimistic view about TQM's effectiveness in relation to their work as well as to a variety of organisational aspects.

9.2 Awareness of TQM

We have seen (chapter 6) that the majority of our respondents felt that the Greek economy in general and management system in particular needed modernisation. In addition, all of our interview participants agree that the management system needs reform. The modernisation movement was mainly caused by the great demands of full EU membership as well as by increased international market competition. These two developments led companies and public bodies to give greater emphasis to quality improvement efforts. Therefore, the modernisation process stressed the importance of quick and direct results of quality management for organisational effectiveness. This caused the adoption of practical methods, which mainly focus on improved outcomes. As our evidence indicates, the majority of our survey respondents understand quality improvement from the 'scientific' or 'expert' point of view. They relate quality improvement efforts primarily to the classical notion of organisational effectiveness, and to specific performance standards like ISO 9000. According to our qualitative results this is due to the accuracy of those quality improvement systems, as well as their quick and generally effective implementation that led to an increased demand for such international awards:

.... I believe that international performance standards are the most important guide to improving things. We need something specific in order to understand what to improve and in what way. [Quality Assistant Manager – Insurance Services].

...Last year we were awarded with an ISO 9000. We were operating in increasingly competitive market and I think this award indicates how important is total quality to us [Technical Equipment Manager – Private Health Services].

The last statement also indicates that the concept of total quality seems to be most favoured among the Greek service managers. Two reasons can be suggested. The first is associated

with the fact that TQM has entered the organisational agenda in Greek service industry, becoming a fashionable management concept. This seems to be the message from several interviewees:

...Of course we know about it [TQM]. Actually, a lot of training programmes refer to it. Once, they [refers to the people in the upper management level] have called an expert on TQM to give a lecture on its advantages for Banking services. Although, quality improvement is not my specialised area, I found it very interesting. [Audit Manager – Private Bank]

...Two weeks ago I participated in a conference, which was called ‘‘TQM in The Public Sector’. I think this is a strong evidence towards the fact that TQM is here [in public organisations] as well. [Special Scientific Advisor – Government Department]

The second reason is related to the issue of the educational background of many people who graduated from *Anglo-Saxon* (UK or US) universities. As noted in chapter six the total quality idea has been transferred mainly from these countries to Greece:

... I personally have an MBA degree from Southampton Business School and I have specialised in quality assurance. Actually, my dissertation was about TQM in financial services. Therefore, I believe that many of us [managers] know very much about it. [Quality Manager – Insurance Services]

Moreover, the above interviewee indicates another important issue. It seems that in MMs' minds the total quality idea is closely related to a technocratic procedure with specific guidelines, steps and tools rather than to a more sophisticated management philosophy that also includes 'soft' principles. We have seen that our quantitative evidence shows that most of our respondents understand TQM as a scientific and systematic procedure (chapter 6). It is also characteristic that almost all of our interviewees defined TQM by using either well-known phrases, such as *just in time*, *right first time*, or associating it with international standards. This finding can also be illustrated by the statements of our interviewees attempting to define total quality improvement as:

...A process of following specific rules and procedures in delivering the right service the right time [Quality Manager – Insurance Services].

...An improvement of service delivery through improvement of specific procedures such as speed of service as well as through the reduction of the cost of services [Product Manager – Private Bank]

...[TQM means] to set targets, to analyse the cost-benefit of operations, to set performance evaluation measures and to evaluate the results all the time every time [Administrator – Tax Service]

In previous chapters we have seen that the TQM paradigm has been categorised into two major sides: the 'hard' and the 'soft' one. In chapter 6 we found that the majority of our respondents agree with a group of nine 'soft' TQM principles. On the other hand, most of them are not so familiar with the majority of 'hard' TQM practices. However, the qualitative evidence questions the actual understanding and awareness of the 'soft' side of TQM among the MMs of our sample. It is a fact that TQM became a fashion in private firms as well as in public services. Thus, it is reasonable that many of the MMs in our sample know what concepts and principles TQM theory includes. Nevertheless, the critical point is whether these concepts are really understood and applied by managers. Our qualitative findings suggest that MMs are far from being fully aware of these principles and, consequently, actually apply them in their day-to-day work. In Greek private and public organisations the acronym of TQM is not very much related – in MMs' minds – to 'soft' management aspects but more with 'hard' management practices:

...This firm promotes total quality improvement through specific techniques and methods applied by specialists that they work here. I do not think that the whole organisation needs to change in order to improve some things that we know that they need improvement [Quality Manager – Telecommunications].

This statement illustrates not only MMs' positive attitudes towards the 'hard' side of TQM, but also the fact that in MMs' minds, 'soft' TQM does not matter very much. Although our evidence shows that the most of the MMs of our sample are not very familiar with specific TQM techniques and tools, they are seen of having great importance in people's minds. Three arguments support this conclusion.

The first argument is associated with the views of our interview participants who see the quality message of achieving customers' requirements through the use of specific methods and tools as the core of the TQM initiative. Moreover, almost all of our interviewees argue in favour of an approach that is associated with technical aspects of management. Only HR managers seem to have a more open view recognising the importance of human capital in the TQM approach. For them TQM involves people and it is something more than a simple technique:

...[TQM means] to take advantage of all human resources within an organisation and to involve them in goal achievement [HR Manager – Telecommunications] .

...[TQM] can be considered as a philosophy or new management logic rather than a technique. It is a new management sphere of organisational performance, which has a strong human-oriented side [HR Manager – Insurance Services].

The second argument is related to the fact that - as mentioned above - TQM was brought to Greece by people that have been educated mainly in *Anglo-Saxon* countries. Our quantitative evidence (chapter 6) suggests that educational background plays a dominant role in whether MMs are familiar with and use TQM techniques and tools. However, it does not seem to be important to whether MMs are aware of 'soft' TQM concepts. This finding supports the view that postgraduates can easily understand and apply 'hard' TQM practices. On the other hand, their educational background does not seem to help them understand and apply 'soft' TQM concepts. The most plausible explanation is associated with the fact that 'soft' management concepts can more easily be accepted by everyone without any particular educational background, but its actual application is more difficult as far as it requires mutual understanding from many people.

...Since I began to work in this department [the Quality Department of the company] I have realised that someone is more likely to be employed by this Firm if you are a postgraduate degree holder and moreover if you have taken your degree from abroad. I think the combination of both makes someone a very strong candidate employee in every single enterprise. [Assistant Quality Manager – Insurance Services]

The MMs who have been educated (BSc/BA and/or MSc/MA/MBA and/or PhD) in foreign countries seem to be much more familiar with hard aspects of TQM than those have been educated in Greek universities. Most of these people have good education (mainly at the postgraduate level) and sometimes working experience. When they returned to Greece they tried to apply what they learned and experienced in foreign countries. There is also a tendency for Greek companies to 'trust' (in professional terms) – and consequently to recruit – that kind of people (Papalexandris, 1992 and Papalexandris and Nikandrou, 2000). Most of the time, these individuals operate as 'change agents' bringing a lot of management practices and concepts to Greek organisational environments. This results in much more emphasis on the technical side of management than on the 'soft' one.

A third argument in favour of the importance of the 'hard' side of TQM in MMs' minds is associated with the concept of specialists vs. generalists. We have mentioned (chapter 4) that the work culture in Greece promotes the concept of specialist. Management techniques, tools and systems are mainly related to the expert knowledge of people. This seems to be confirmed by almost all of our interviewees who commented on the list of techniques and systems which was shown to them:

...Go to the Quality Department. Over there you can find a lot of experts to explain to you how these things are working here. [Product Manager – Private Bank]

...I am not an expert on quality improvement. I think that you need to speak with someone who knows about these things [Administrator – Government Department]

...My job mainly is to recruit and select new employees. These techniques have nothing to do with my job here. I believe that most of them relate to the work of a specialist, who has studied the 'hardcore' of management science. I think that the best you can do is to find a person like this to comment on whether we use such techniques. Go to the Quality Department. [HR Manager – Telecommunications]

Then, it is clear that in people's minds the notion of expert is associated with someone who knows and applies 'hard' management practices rather than 'soft' and human related concepts. The quality improvement effort is seen as a job of experts who, according to our interviewees, mainly work in the relevant business Departments or Units. Moreover, the people working in

these departments seem to acknowledge themselves as experts or specialists in quality improvement policies. Furthermore, the quality 'experts' interviewed give a great degree of consideration to the 'hard' aspects of TQM and a lower degree to the 'soft' principles like employee empowerment and cultural change. It is characteristic that from their point of view, the latter is included in the knowledge field of a human resource 'expert'! Although they agree that the TQM paradigm includes a variety of 'soft' concepts, they do not recognise these concepts as part of their day-to-day responsibility:

...I am here to contribute mainly to quality assurance rather than to motivate people do their jobs.
[Quality Manager – Insurance Services]

...I am familiar with the majority of quality improvement techniques. Actually, I have an MSc in Quality Control. However, I strongly believe that in changing the culture of the Firm we need the help of specialists like those working in Human Resource Department. [Quality Manager – Telecommunications]

One major conclusion that can be drawn from the above statements is that the concept of specialist (a well educated person with mainly technical skills) seems to be well-established within the Greek management culture. The majority of managers try to be specialists in the things that they are dealing with – and usually they have studied – rather than generalists dealing with a wide range of responsibilities in their day to day work.

A further confirmation of the greater importance of the 'hard' side of TQM can be given if we consider separately the situation in public and private services. First, as we have seen (chapter 6), the majority of both public and private sector managers agree with the 'soft' aspects of TQM. Thus, private and public MMs seem to accept that the TQM approach has a 'soft' side that includes specific principles and concepts. The quantitative data though cannot show us to what extent MMs are really aware of the 'soft' side of TQM. On the other hand, the qualitative data suggest that public as well as private sector managers doubt its application in their organisations. Both of them have the same negative responses when we asked them to evaluate the importance of these aspects for their organisations:

...Changing the culture of a group of people or of an organisation is not always an easy job. Therefore, I strongly believe that if we would like to improve our operations quickly as well as effectively, we need to forget about culture and concentrate upon more realistic targets [Audit Manager – Private Bank].

...All these principles are very good in theory. They more likely fit in an ideal organisation. But public organisations are not ideal in management terms. We have much more serious problems that we need to deal with than, for example, to try to convince all the personnel to be involved in decision-making process. I believe that more practical methods would have much better application and result. [Budget Control Administrator – Social Security Agency]

This qualitative evidence does not suggest only that in MMs' minds 'soft' TQM principles are not of much importance, but that 'hard' TQM is seen as being critical for both sectors of employment. The quantitative results have shown that awareness and use of TQM techniques and tools is low in the public sector. According to many of our interview participants, this is reasonable insofar as the use of most management practices was, and in some cases is still, very limited in public services. In contrast, private sector operations have incorporated these or similar practices for many years. Nevertheless, the last decade saw many policies aimed at towards PA reform. One of them is the introduction of management techniques taken mainly from the private domain. Also, it is a fact that many civil servants have realised the need for the introduction of 'hard' management practices within public organisations. Here is the comment of a public manager when she was shown a list of techniques and asked her to confirm whether she and her colleagues know and/or use these tools:

...Although I am not so much familiar with many of these [she refers to the list of TQM techniques] and we have never used them here, I do admit that it would be good for our practices to know at least the most important of them. Let's hope that the next generation of employees will be much more familiar with these [Administrator – Local Government].

One last point concerns the way that private and public managers see the effectiveness of TQM in the Greek service industry. Private sector MMs see the implementation of the TQM paradigm in a more positive way than public MMs. Moreover, they see TQM as having some potential to reduce bureaucratic formalities, to enhance employees' involvement in decision-making process, and to promote personal career development. In contrast, public managers

have a more pessimistic view about TQM implications. This is related, according to our interviewees, to the existence of a widely held pessimism within the public organisational culture. More specifically, there is a strong belief shared among civil servants that public bureaucratic pathologies cannot be easily overcome. In other words, within public services there is a well-established culture that inhibits any substantial attempt to restructure and reform the public management system:

...According to my experience, it is not easy to change the situation in public services. If they [he refers to the whole work force of public services] do not want to adopt and apply new practices in their jobs, then it is very difficult to convince them doing so. As an old politician used to say "If someone wants to change the situation in public administration he needs first to 'change' all the civil servants; Dismiss them all and then come to discuss new revolutionary work practices" [Special Scientific Advisor – Government Department].

9.3 TQM and Managerial Aspects of Work

Turning to the effects of TQM on managers, we saw (chapter 7) that MMs' familiarity with the 'hard' side of TQM seems to have more impact on individual related aspects than the 'soft' side. Furthermore, this impact seems to be positive rather than negative. More specifically, managers' knowledge of a variety of specific TQM techniques and systems increased their perceived level of loyalty to the organisation, as well as their perceived level of autonomy in their day-to-day work. The explanation of this finding is associated with their attitudes towards specialised knowledge and to their perceived understanding of the 'hard' side of TQM as the most important in achieving quality results.

An increased amount of loyalty to the organisation seems to go along with the knowledge and use of management tools and techniques. People demonstrate greater loyalty when they perceive themselves as experts in something important for their organisation's operation:

...Actually, I was employed to offer my specialised knowledge in order to help my company perform better. So I am proud for two reasons. First, that I am working for this firm and second, that this firm placed me in an important position. [Quality Manager -Telecommunications]

...There is a general feeling that everyone who works here is very lucky and he/she should feel very proud about it. I think that this is true at least for myself, who tries every single day to prove that I am worthy to work here offering my long experience and knowledge. [Audit Manager-Private Bank]

In addition, they tend to feel more autonomous as long as they use and apply hard management practices. This operation makes them responsible for many things and tends to increase the level of autonomy that they feel during their work:

...Most of the time I have the appropriate authority to take initiatives concerning my job. This makes my life easier because I do not waste valuable time discussing first with my superiors. [Assistant Quality Manager – Insurance Services]

Finally, the more they are familiar with these techniques, the less likely they are to see their careers in a negative light. People who have the appropriate education and specialised knowledge perceive themselves as career ‘hunters’ since their expertise in ‘hard’ management practices can make them important factors for organisations:

...The implementation of total quality management practices will be only a threat for the job security of those that do not care and they are lazy. In contrast, I believe that with TQM practices the managers' action field is getting wider especially for those that would like to work harder in achieving quality results and consequently to have great potentials for professional progress [Product Manager - Private Bank]

At this point, however, patterns differed according to the sector of employment. While the ‘hard’ aspects of TQM seem to affect equally positively the perceived autonomy of both private and public managers, public sector MMs’ responses to career prospects are not so influenced. The qualitative results suggest that there is different perception of the notion of career among public and private sector managers. The concept of career is very important for people working in private companies, whilst it is not for those in public services:

...I do not think that the concept of career exists in Greek public administration as it is known elsewhere [probably he/she refers to private sector or other countries]. Thus, such innovations will not be taken as good career opportunities [Budget Control Administrator – Social Security Agency]

Nevertheless, some of the interviewees who work in public organisations are more sceptical about the adoption of 'hard' TQM practices. This attitude indicates that although career is not considered an important issue in public services, there is always a feeling of threat that inhibits public managers accepting organisational changes. These changes do not threaten their job security though - as long as civil servants in Greece enjoy job permanency - but the nature of their work:

...It is true that some employees, especially those in our hierarchical position [the middle level], will feel much more insecure from new management methods. Usually, these methods brings changes related to knowledge of practices that they do not know [Administrator-Tax service]

Moreover, chapter seven has shown that MMs' familiarity with 'hard' TQM practices did not only increase the perceived level of loyalty and autonomy but also increased their work effort and the stress that they feel. Many of our interviewees confirmed that there are increased levels of stress and pressure in both public and private services. Nevertheless, whilst public sector managers admit that this is due to pressures of quality improvement efforts, private sector managers believe that this is owing to pressures of achieving targets in order to respond to increased competition and market demands. This qualitative finding confirms the quantitative one that indicates that more familiarity with 'hard' TQM aspects results in increased levels of reported stress by public managers. At the same time this familiarity seems not to affect private sector managers' responses to stress levels:

...We all feel under great stress when we have to deal with a problem that needs to be solved. The increased need to be more competitive and consequently to give more emphasis on quality makes us feel very nervous sometimes [Quality Manager-Insurance service]

...It is true that we work harder over the last years. However, I would say that this is due to the need to be more competitive, to promote our services and to find new customers. This requires harder work and maybe we have to be ready for more sacrifices [HR Specialist – Private Health Services]

Surprisingly most of our private sector interviewees seem not to have any particular problem with the growing levels of stress. They deal with it as it is something usual that every single

manager feels during the work. Thus, it seems that is not a great obstacle for their jobs and they have perceived it as something that exists and cannot be changed:

...The need to achieve targets as soon as possible creates lots of stress. Stress is part of our day to day work conditions. We need to learn to live with it and to control it [HR Manager-Telecommunications]

...That's our lives: full of stress and pressure. We do not have any other choice though. [Audit Manager – Private Bank]

In contrast, public managers are more negatively orientated to stress. The adoption of new management practices mainly from the private sector increased the levels of stress that public MMs feel owing to the demand of knowing and using these new working methods. The perception that the nature of their work is changing causes them to feel much more stressful than they used to feel:

...There are a lot of top-down policies that try to introduce management techniques in public service operations. It is reasonable I think, for many of the employees here to be very stressed due to the fact that they need to know or to learn about these new methods. [Special Scientific Advisor – Government Department]

On the other hand, 'hard' TQM has greater effects on work effort among private than public sector managers. This is reasonable since the majority of public services have recently introduced management techniques in their operations. The new developments are at an early stage and so far have not caused a greater work effort from civil servants. In contrast, the pressure to achieve targets through the use of specific management techniques makes MMs in private services try harder day-by-day:

... I used to work in a public service and I remember that there was nothing like pressure to achieve targets that mainly causes one to work harder. In contrast, since I was employed here I feel much more responsible for my actions and decisions. Thus, I need to work much harder in order to show achievement. [Product Manager-Private Bank]

In conclusion, TQM techniques have a considerable effect on MMs' perceptions about work. The question now is whether managers' understanding of the 'soft' side of TQM is equally

important for the nature of their work. As we have argued earlier in this chapter a straightforward answer is that: 'soft' concepts of TQM do not affect significantly the nature of managers' work like 'hard' TQM concepts do.

The quantitative results in chapter seven suggest that awareness of the 'soft' side of TQM affects significantly MMs' responses to two specific aspects of their day-to-day work. These are autonomy and loyalty. Their level is increased as managers' awareness of TQM principles increases as well. According to our interviewees this is logical if we consider the difference between practical 'soft' concepts like *training* and *teamwork* and more broad 'soft' concepts such as *empowerment*, *involvement*, *continuous improvement* and *culture change*. The former can easily be understood by people, and many organisations use teamwork and/or offer training programmes to employees. Thus, the successful use of such 'soft' practices can lead managers to view their autonomy and loyalty as increased. The latter concepts are more complex and consequently more difficult to be understood and applied in all of their dimensions within organisations:

...It is easier to convince people to participate in a training programme that will improve their skills than just talk to them about the benefits of establishing a continuous improvement culture. It is very easy to agree with this but in reality they will do nothing about it. In contrast, through training programmes you can teach them the 'Know-How' of quality improvement. [Quality Manager – Insurance Services]

The above statement, which is shared among the majority of our interviewees, can be used as further explanation of the limited influence of managers' awareness of TQM principles on their responses on work-related aspects. All of the 'soft' concepts of TQM sound positive in peoples' minds:

....They seem ideal pieces of an ideal picture [Product Manager – Public bank]

Therefore, it is unlikely that people will respond in a negative way to them. However, the extent of understanding and implementing 'soft' TQM concepts is rather limited.

As an interviewee argued:

...I would be very surprised if you would find someone reply negatively to all these concepts. I would also be very surprised if you would find many managers who are actually applying all of these concepts on their work. In Greece, we are still far behind the latest developments in management science. However, we are still trying to do our best, convincing employees that all these are for their own good as well. But we still have a long distance to cover. [HR Manager – Telecommunications]

It is important to point out that the above interviewee has specialised in human resource management and he has studied in the UK. On the other hand another one with a Post Graduate degree from the Greek National School of Public Administration and with the same specialised area (HRM) seems to have a more pessimistic view about the actual implementation of the 'soft' concepts of TQM within organisations:

...Even though many people know the value of all these things [She refers to the 'soft' concepts of TQM] for their organisations, I can hardly say that we can hope that in the short-term these things will be implemented as well as they will help organisations and most importantly staff to perform better. [HR Manager – Public Enterprise]

Thus, a general conclusion emerging from the above analysis is that the orientation that MMs bring to their individual nature of work in relation to TQM approach is a narrow one of '*hard management techniques matter*' only and not a wide challenge of searching for empowerment, involvement and continuous improvement.

9.4 TQM and Organisational Aspects

Turning to the organisational perspective, chapter 8 shows that managers' awareness of both the 'hard' and 'soft' sides of TQM has a considerable effect on their perceptions of organisational performance and processes. We have separated these aspects into two categories: organisational processes and organisational performance. Our quantitative research evidence indicates that MMs' responses to the majority of the organisational aspects under investigation were positively affected by their awareness of 'soft' TQM concepts. This result is quite surprising since we would expect 'soft' concepts of TQM to be of minimal

importance for organisational related aspects as they were for the work-related ones. Also, according to the same findings MMs' familiarity with the 'hard' side of TQM is of some importance for organisational aspects.

However, the analysis of the qualitative data offers another picture about the 'soft' concepts of TQM. More specifically, it seems that once again 'hard' TQM aspects really matter. Two points support this view. First, the majority of our interviewees, when asked to comment on the relation between 'soft' concepts of TQM and organisational performance and process, turned the conversation to the 'hard' side of TQM, arguing that management techniques are the most significant elements in improving major organisational processes and outcomes. Actually, two different reactions have been observed associated with MMs' attitudes towards the 'hard' and the 'soft' side of TQM and organisational outcomes. More specifically, some interviewees seem to confuse 'hard' and 'soft' aspects of TQM emphasising for example the 'practice' of 'empowerment' as a 'technique' or a 'procedure' that can be applied or implemented following specific steps:

...How can you empower employees in such an environment [he/she refers to the public organisational culture]? We do not have the practical means of doing so. [Administrator-Tax Service]

...Private companies have the resources to implement empowerment programmes. Public management is rather different. I know very few public service departments where the employees are really looking forward to do better job. In public administration there is a lack of motivation. [Patient Transaction Manager-Public Hospital]

On the other hand, others recognise that 'soft' TQM concepts are essential to many organisational aspects but they still emphasise the importance of techniques and systems in achieving organisational quality outcomes. Such an emphasis can be mainly found in their statements about training, which is seen as a good method of improving the technical skills of people and consequently promoting organisational trust and employees' involvement while improving organisational performance:

...In recent years various training programmes have been offered to civil servants in order to improve their skills and individual performance. I think that these programmes are the best – and maybe the only – policies towards TQM that the Government initiated. I need to admit though that sometimes [the training programmes] have great results, especially those concerning the use of a new software system or various management tools, on the general performance of the organisation. [Special Scientific Advisor – Government Department]

...Top-management would be much more reliable to me and to the majority of my colleagues when trying to introduce a new policy, if it offered specialised training courses in order firstly to convince us of its advantages and secondly to demonstrate to us practical ways of implementing it. [Assistant Quality Manager – Insurance Services]

In addition, they view teamwork as a good work practice through which team-members can share their experiences and consequently learn about new methods and techniques. According to several interviewees learning through teamwork can promote organisational communication and motivate people to participate in teams:

...I remember that last year we needed to teach employees the 'know-how' of a new software management tool. We have decided to separate them in teams mixing those who knew more about it with those who knew less. Although we still have some little problems with some people, the majority of them learned to use the tool effectively. I observed this method contribute to the development of a good communication network [electronic mail], which many times help them deal with some particular problems. [HR Manager – Telecommunications]

In other words, there are some MMs who seem to recognise the advantages of the awareness of 'soft' TQM concepts, but these are seen as complementing 'hard' management techniques and systems that are central to improving organisational processes and outcomes.

This perception leads us to the second point of our argument in favour of the importance of the 'hard' side of TQM on organisational aspects. 'Soft' TQM concepts are presented as ideal aspects of an ideal management paradigm. Therefore, someone who would respond negatively to them can hardly be found. Also, the people who have the most positive views about these 'soft' TQM concepts also tend to have positive views about organisational processes and outcomes. These people are more favourable in seeing a linkage between 'soft' TQM concepts and organisational outcomes. However, at the end of the day according to

them, TQM techniques will be these ones that will affect – positively or negatively - organisational performance and processes.

9.5 Middle Managers' Perceived Pragmatism towards TQM Concepts

This last argument can be further supported by the fact that many of our interviewees held sceptical views on the extent to which public and private service organisations have actually improved their processes and outcomes. In other words, we can argue that MMs hold a more pragmatic rather than an optimistic position towards concepts like top management commitment and support, empowerment and involvement, trust, communication, training, teamwork and internal and external customer satisfaction.

It is unclear, for example, how far organisations have embraced the idea of total employee empowerment and involvement in their processes. Almost all of our interviewees support the view that top management rules. Thus, less has been done in enhancing employee's involvement in decision-making:

...I do not think that it is an easy job for employees to freely express their ideas. They do not have the time and the resources for such a thing. [Audit Manager-Private Bank]

The most important reason for this phenomenon is intra-organisational politics. There is a threat that top managers might lose much of their power and control over employees in the event that they allow them freely express their ideas and encourage them to get involved in the decision making process:

...In no case something like this can happen [he/she refers to employees' empowerment to get involved in decision-making process]. They [top managers] are afraid of losing power and consequently their influence on employees. [Administrator-Local Government]

...The system here is quite authoritarian. I know only a small number of people who would give authority and much responsibility to their subordinates. The majority of senior managers they like to control the situation every time any time. [Quality Manager-Insurance]

According to some of our interviewees the threat of loss of power is due to the fact that several new employees are more skilful and more educated than senior managers. Thus top managers' judgement power over a set of organisational issues is threatened:

...Top managers do not want to lose control, because most of them do not have any skill, knowledge or educational background to compete with new and high-skilled workers. [Administrator-Government Department]

Several blame the lack of trust that characterises the Greek system as the major reason of top-managers' fears:

...In Greek businesses there is a huge lack of trust about other people. Top executives do not trust their subordinates. They believe that they cannot do their job without them 'over their heads'. [Assistant Quality Manager-Insurance Services]

Finally, some others find this situation reasonable inasmuch as top managers only care about results and nothing more. The most surprising thing that illustrates characteristically the whole situation in Greek organisations is associated with people's agreement in such top-management attitude:

...In any case senior managers care a lot about task achievements and not so for expression of ideas. [HR Manager-Private Bank]

Thus, the role of top executives is dominant and most of the time it inhibits developments associated with the improvement of organisational processes and performance. Therefore, MMs are quite sceptical about the commitment and support of chief executives in helping employees improve their organisation's quality outcome. More specifically, most of our interviewees do not support the view that top managers help their subordinates in improving their skills:

...Only few senior executives show some interest about employees. This interest though is still not enough. I think that most of the top executives do not consider it part of their jobs to help members of staff to improve their performance. Once a senior executive of my department said to me referring to

an employees' demand for a training course, that "this is a not my job. This is a job of the Human Resource Department". [Quality Manager - Telecommunications]

Furthermore, it seems that chief executives are more supportive in relation to new management techniques than in relation to general issues concerning personnel:

...As far as new management methods and techniques are being adopted top executives will 'look downwards' [he/she means that they we are interested about the lower levels of hierarchy] in order to be sure that these new management practices are well-introduced and applied by staff. In contrast, it is very rare to see a top manager to be interested about, for example, an employee's personal life. [Manager of Technical Equipment – Private Health Services]

It is also important to point out that, managers hold sceptical positions in front of aspects like trust and communication. It seems that there is a general feeling that trust is limited not only within organisations but, also within the Greek society:

...In Greece there is a general phenomenon of lack of trust in the society. I do not understand why this organisation should be the exception of this rule. [Patient Transaction Manager - Public Hospital]

This lack of trust makes people very sceptical in relation to new management methods that are promoted by top executives as well as to see other employees as gaining more, and themselves as gaining less from these new methods. For example, some interviewees see career interests as inhibiting the distribution of trust within their organisations:

...There is a considerable antagonism between career people in senior positions, which does not allow trust to be present. [HR Manager - Private Bank]

Others see their organisation's size as the main obstacle in promoting trust relationships among people, while others see themselves and more specifically, their specialist role as inhibiting people from trusting them:

...This is a huge organisation and we do not know each other. I think it is very difficult to develop trust relationships in this business environment. [Product Manager - Private Bank]

...In organisations where so many people work there are informal groups, the members of which share the same amount of trust with each other and an additional amount of distrust with other people or members of other informal groups. [HR Specialist - Private Health Services]

...You know that I am working for the internal auditing division. This role that I have does not allow people to be open in front of me. Most of them try to have good relations with me and my colleagues but nothing more. [Audit Manager - Private Bank]

Finally, a lack of trust is common among individuals working in public services. Almost all of the public sector managers that participated in the interviews argue in favour of this phenomenon not only within the public services, but also among public services and citizens. Most of them mainly blame this situation on the political system that intervenes and forms the whole climate in PA:

...The culture in public administration does not inspire any trust between employees and managers. Especially, the fact that the political parties play a dominant role in the recruitment and selection of many employees means that there are many groups of conflict interests that do not allow the development of any kind of trust. [Special Scientific Advisor – Government Department]

...I know many civil servants who prefer to keep their mouth shut, instead of saying their ideas to supervisors or senior managers that they do not know and do not trust. I believe that this situation exists within the whole public sector [Administrator – Government Department]

In addition, clear and open communication between people seems to be limited. The majority of our interviewees claim that this is due to top managers' willingness to control the information and to distribute this kind of knowledge that they really want:

...Top management transfers to us and to the rest of the employees only whatever they want to, in order to execute our job. On the other hand, employees say to the senior executives whatever the latter want to hear and not any kind of information. I do not think that this is an open and clear communication. [HR Specialist - Private Health Services]

Also, the statements from public sector managers indicate two things. First that the situation in public services is worse than in private companies in relation to clear and open network of communication:

...You hardly can find an open and clear communication within public organisations. Bureaucracy is I think the main reason. [Administrator-Government Department]

Second, the 'hard' side of management affects in a high degree the effectiveness of a communication network:

...There is a 'good' network of communication but only between top-managers and some technocrats. [Patient Transaction Manager – Public Hospital]

...The use of statistical tools and performance measurements is quite new in public services. I think that if they were applied successfully, then there is chance many things would be changed. For example, in this Department we have introduced performance indicators for every division and every single unit. Thus, we know what needs to be changed in order to operate more effective. These indicators are very specific and thus, help information transfer among employees and units. [Special Scientific Advisor – Government Department]

A further scepticism from public sector managers can be seen in issues related to training and teamwork. Although they believe that these two concepts are very useful for organisational performance, they seem to doubt their appropriate implementation in public services. Most of them see training programmes as boring whilst accusing many of their colleagues of taking advantage of them in order to avoid work. They also believe that most of them are not practical:

...Most of those training programmes are boring. I believe that they need upgrading in terms of the people that teach in those programmes as well as their content [Administrator - Local Government]

...They should be much more practical and directly related to our jobs in order to get seriously involved in them. [Budget Control Administrator - Social Security Agency]

...Several times I heard people saying that they would like to participate in training programmes in order to avoid coming at work. They see them more as a good opportunity for absenteeism rather than a chance to learn things [HR Manager – Public Enterprise]

In addition, they do not see public organisations as using teams as a method of work. They perceive this work method as a political promise of modernising operations within public bodies rather than something that can be easily applied in public services:

...I personally have been involved in two policy papers proposed by two different Ministers, who were promising the introduction of project teams in public organisations' operations. Nothing has been done so far! [Special Scientific Advisor - Government Department]

One last point to be made is associated with another important aspect of organisational performance, the internal and external customers. The former concept seems to be rather limited within service organisations as far as it is strongly dependent on top managers' willingness to keep their promises to subordinates. This conclusion can be drawn from those interviewees who reported that the chief executives are committed to their decisions:

...I do not remember a thing that it has been planned in order to achieve customers' wants and it was not done. Everything that they [top managers] decide in order to increase profitability, we [employees and rest of middle managers] know that they will be done. [HR Manager - Telecommunications]

The same conclusion emerged from those who reported that senior managers are the only ones who can take the responsibility of taking decisions that will satisfy customers, but in reality it is rare these promises to become true:

...They [top managers] said many times a lot of things about serving the customer better. However, at the end of the day nothing is decided. I am not sure if they just changed opinion or they used to lie for their own reasons. [Audit Manager – Private Bank]

The limited development of the concept of internal customer can also be illustrated by interviewees' lack of awareness of this concept, as well as its actual meaning. Moreover, some others seem to recognise it, but to emphasise the importance of the external customer:

...Actually it is the first time that I heard a notion like this one [he/she refers to the concept of internal customer]. Are you sure that in reality you can find a concept like this in enterprises? [Product Manager – Private Bank]

...From my point of view only the real customers [he/she refers to external customers] matter for businesses like this one that I work. I doubt the other concept [Technical Equipment Manager – Private Health Services]

The last statement reflects that the real organisational emphasis and consequently commitment is given to external customers. Our findings suggest though that this concept is

rather different between the two sectors of employment. More specifically, MMs who work in private service organisations seem to have realised the importance of the customer as the first priority for companies in order to be competitive:

...I do know that the customer here comes first. My company has a very strict policy that every single person here should be 'work for the customer'. [Audit Manager – Private Bank]

...The customer has power and we have understood this. We try to satisfy their [customers] wants every time any time. This is our message to every new employee that comes to work with us. I strongly believe that in a competitive age like now, you 'lose the game' if you do not take customers' requirements seriously into account. [HR Specialist - Private Health Services]

These statements can support the view that the private service industry is much more customer-driven than the public service one. According to our public managers the notion of 'customer' does not fit in the public organisations. They have to care more about citizens. Their arguments suggest once again that 'soft' TQM concepts have not been really understood by MMs in the Greek public service industry. They seem to concentrate their arguments on the word ('customer') itself and its application to the public domain instead of look for its real message:

...I do not understand how public services can have customers. Here we have to deal with citizens. Actually, we are all citizens and not customers. [Administrator-Government Department]

...I do not believe that private management concepts such as this one [customer-driven organisation] can be easily applied in the public sector. First of all we are not for profit organisations. Thus, we want to serve the public rather than be attractive to it. [Patient Transaction Manager-Public Hospital]

Nevertheless, there are some voices within the public sector that seems to 'got the message' trying to establish a customer driven culture within their public organisations. An interviewee said that:

...We try to convince all the people that work in this Department that the citizen must be seen as customer who has demands that need to be satisfied. I think that if we managed to convince them all [probably refers to all the force of civil servants in Greece] the public administration will have better outcome. [Special Scientific Advisor – Government Department]

When we asked him to be more specific on the ways that they try to convince civil servants about the value of the notion of customer, we realised once again the importance of the 'hard' side of management. His immediate response was that they offer to employees training programmes on management practices that will help them offer better services to the citizens!

9.6 Conclusions

This chapter has argued that, despite managers' awareness of 'soft' TQM concepts and ideas, their level of understanding and knowledge towards these concepts is superficial. Without any doubt QM has become a substantial issue on the Greek managerial agenda. Nevertheless, Greek organisations have to undertake many steps towards the TQM approach before it could be said to be a core organising principle.

Moreover there is evidence that TQM has got somewhere with Greek MMs. In other words, TQM has affected their perceptions on several aspects of their day-to-day work, such as autonomy and work effort. However, this effect came mainly from their familiarity with 'hard' management practices rather than from their awareness of 'soft' concepts. This fact suggests that MMs hold a realistic view of TQM. According to their view, although the 'soft' side of TQM is something 'good' and useful in their minds, it has little to do with organisational reality. The one that really matters is the 'hard' side.

Also, according to our interviewees' perceptions, top managers are committed to TQM since it can accomplish targets and promote organisational effectiveness and competitiveness. In other words, senior executives are perceived as willing to promote total quality ideas like greater autonomy. However, our interviewees indicated that in exchange for giving more autonomy and responsibility to employees, top managers expect them to work harder, to achieve quality results and to follow the decisions taken in the upper level.

From the analysis in this chapter, we can argue that TQM, as a whole new management philosophy with a set of concepts and tools, has started to enter the consciousness of

managers in Greek service organisations. We can also argue that there is no particular opposition on the adoption of TQM. Most of the people seem to accept it and tend to see it as part of particular policies attempting to modernise the Greek management system. Nevertheless, the TQM paradigm has not cut very deep into service organisations in general and managers in particular. It has not yet become a driving force towards organisational management. MMs see TQM from a more realistic view insofar as firstly, they focus on the importance of the 'hard' side of it and secondly, they hold a sceptical approach to the actual implications and effectiveness of several 'soft' concepts like trust or empowerment.

CHAPTER 10

Conclusions:

Expanding the Contingency View of TQM

10.1 Introduction

In this final chapter, the analysis is located within the theoretical framework of the study. More specifically, the present chapter examines the kind of contexts that have shaped the relationship between middle management and TQM in the Greek NBS. Its objective is to establish a *Four-Fold Contingency Model* under which the application and the perceived effects of TQM should be seen. Thus, the first section of the chapter, by examining briefly the main line of the theoretical arguments on TQM and middle management, argues in favour of the need of a theoretical view. The second section describes the main components of the *Four-Fold Contingency Model* that this study offers. The third section locates the main findings of the thesis within its theoretical model. The final section discusses the future prospects of TQM in Greece and gives some suggestions for further research.

10.2 Developing the Theoretical View of TQM

Attempting to address the relationship between TQM and middle management, we have begun by developing the background theoretical approach. Therefore, chapter 2 argued that in the business literature three distinct approaches to TQM can be found. The first is the *technical* approach, which sees TQM from a positivist point of view, emphasising technical solutions to managerial problems. The second is the *critical* approach (or the *exploitation* or *work intensification thesis*), which sees TQM as a new sophisticated form of top management control over the workforce. However, both approaches have specific limitations mainly associated with the human side of TQM. The technical school tends to see TQM as having only positive effects on employees and managers, ignoring the fact that there are human-related problems associated with its implementation. The critical school fails to explain why

TQM is sometimes a successful organisational paradigm and is accepted by employees with apparent enthusiasm.

Thus, a third approach to TQM has been developed, which sees TQM from a *contingency* point of view. This approach can be further categorised into two interrelated views. The first view is the *pragmatic* one, arguing that TQM could in principle bring important advantages for both managers and employees, but often when introduced it fails to live up to its initial promise (Rees, 1996). The second view is known as the *re-organisation of control thesis* that sees TQM as one among a series of organisational changes, that “re-organise the shop-floor so that in some respects commitment is enhanced while in others control is also tightened” (Collinson *et al.*, 1998, pp.11-12). This two-fold categorisation of the contingency approach is not meant to represent rigid divisions. These two views differ in emphasis. The latter for example puts more weight, in addressing organisational contingencies, on the character of work relations. However, it has not been a central issue in this study to address the differences of these two views. In contrast, the analysis has combined what Storey and Sisson (1989), echoing Robert K. Merton, call “theories of the middle range” (p.177) in order to explore the perceived effects of TQM on MMs.

Therefore, the second step in our analysis was to examine theoretically the concept of TQM in a middle management context. As we have seen in chapter 3, two major bodies of literature have been developed that address the relationship between TQM and middle management. The *opinion-based* sees MMs as key organisational players for achieving total quality results (Crosby 1984, Ishikawa, 1985; Deming, 1982; Oakland, 1989 and 1993; Huges, 1990; Ciampa, 1992; Goetsch and Davis, 1994), and the *evidence-based* adopts a more critical view. The latter is also categorised into two approaches. The first one is broadly pessimistic, seeing MMs as potentially problematic for the application of TQM (Klein, 1984; Collard, 1989; Schein, 1991; Marchington and Dale, 1993; Watson, 1994; Webb, 1995; Scarbrough and Burrell, 1996; Prest 1995; Denham *et al.*, 1997; Roth, 1998; Feinberg, 1998; Klagge, 1998;

Procter *et al.*, 1999; Legge, 2000; Edwards and Collinson, 2001). Nevertheless, there is a second smaller body of studies that sees TQM and MMs from a more positive perspective (Gotlied, 1990; Hill, 1991 and 1995; Dopson, 1992).

In short, what the above studies do is to give evidence towards a positive or negative relationship between middle management and TQM. The main line of the above arguments is that this relationship varies. For instance, one major point from Hill's research was that, to the extent that managers see TQM as having no major negative implications for their careers, then they may adopt a more positive view about it. However, these studies were based on *ad hoc* theoretical explanations of their findings, without trying to shape a theoretical framework under which the relationship between MMs and TQM could be seen. In other words, less has been said about the modelling of the special factors that determine MMs' perceptions about organisational changes, such as TQM, in a specific context. The key contribution of the present thesis has been to build on the above work. It identifies a set of contingencies that mediate managers' perceptions about the effects of TQM and indicates their explanation. In other words, it tries to form a theoretical framework of understanding and explaining TQM in a national context.

The national context that this study focused on was the Greek one. As mentioned in chapter 4, there are four main reasons why the Greek NBS was a good case for the purposes of this study. First of all, the majority of the above studies refer to the UK and US and there are only two studies within the Greek context since to date, regarding managers' responses to TQM (by Vouzas, 1997 and Kufidu *et al.*, 1997a and b). However, both of them fail to address the relationship between TQM and middle management in a *non-Anglo-Saxon* business system like the Greek one. Second, the system is undergoing change, attempting to modernise its practices and operations ('Ta Nea', 2000). It is characteristic however that the reformation of

the system follows a *mimetic*¹ approach, meaning that it adopts initiatives from other NBSs. The *mimetic* feature of the Greek business system further reflects the adoption of management practices like TQM (Vouzas, 1997; DIAPA&D, 1998) from *Anglo-Saxon* business systems (US and UK)². The third reason is associated with the fact that several features of the Greek system contrast sharply with what TQM rhetoric requires. Examples can be found in the Greek organisational culture, which seems to be characterised by an authoritative management style (Veiga et al. 1987; Bourantas et al. 1990; Hofstede, 1984, 1986 and 1991), and the limited development of management as an art and science in general and HRM in particular (EEDE, 1972; Hassid, 1977; Gergoulis, 1978; Hassid, 1980; EEDE, 1986; Kanellopoulos, 1991; Ball, 1992; Papalexandris, 1992). The final reason is related the great differences between public and private sector organisations. The public sector is huge, non-competitive and highly centralised (Koufopoulos, and Chrysohoidis, 2000; Makridimitris, 2001; Michalopoulos, 2002). On the other hand, private firms are mainly small-scale and family owned but operate more competitive and effective than the public ones (Minoglou, 1995; Kritsadonis, 1999; Koufopoulos and Chrysohoidis, 2000).

In this respect three critical research questions were developed in order to address the relationship between middle management and TQM in Greece: Q1: *to what extent are MMs aware of the TQM approach?* Q2: *what are the effects of managers' awareness of the TQM*

¹ The new aspect of *institutional view* called the *new institutionalism* introduces the term *institutional isomorphism* consisting of three aspects that refer to the progressive convergence through imitation (Mintzeberg et al., 1998). The three aspects of Institutional Isomorphism can be identified in the Greek business system. A *coercive isomorphism* has mainly emerged from a wide number of regulations and legislation concerning the operation of the Greek system (Makridimitris, 1996; Kritsadonis, 1996; Koufopoulos and Chrysohoidis, 2000). This complex regulatory apparatus makes the system inflexible. Second, a *normative isomorphism* is associated with the important role of experts and specialists within the Greek NBS, as this and previous studies (Papalexandris, 1992; Papalexandris and Nikandrou, 2000) have shown. Finally, the *mimetic one* is related to the adoption of foreign practices.

² These business systems operate more or less under the same principles: "...inter-firm relationships in the *Anglo-Saxon* model tend to be more *ad hoc* and market-driven..." and there are "...highly formalised and elaborate internal financial control systems...[with a] predominant role [given] to the finance function" (Ferner and Quintanilla, 1998, p.715). Also, organisations operating under this model are characterised by low degree of hierarchy, centralisation and formalisation of policy-making (Ferner and Quintanilla, 1998). Furthermore, the *Anglo-Saxon* systems of generalist management 'career progression (Evans et al., 1989) contrast sharply with most continental European business systems (including the Greek one), which focus on the specialist knowledge within a given management function (Ferner and Quintanilla, 1998).

approach on their perceptions about specific aspects of their work? And Q3: what is the impact of managers' awareness of TQM on their perceptions about specific organisational aspects? As we have seen in chapter 5, a detailed research strategy was developed in order to address these questions. It was based on a combination of quantitative and qualitative approaches. Through a quantitative approach (survey questionnaire) a broad population of subjects has been investigated. Also, this approach has provided hard data allowing comparisons between sectors of employment and between different personal backgrounds. In addition, a qualitative approach (unstructured follow-up interviews) provided an in-depth investigation of issues such as organisational politics, power, control, communication and trust.

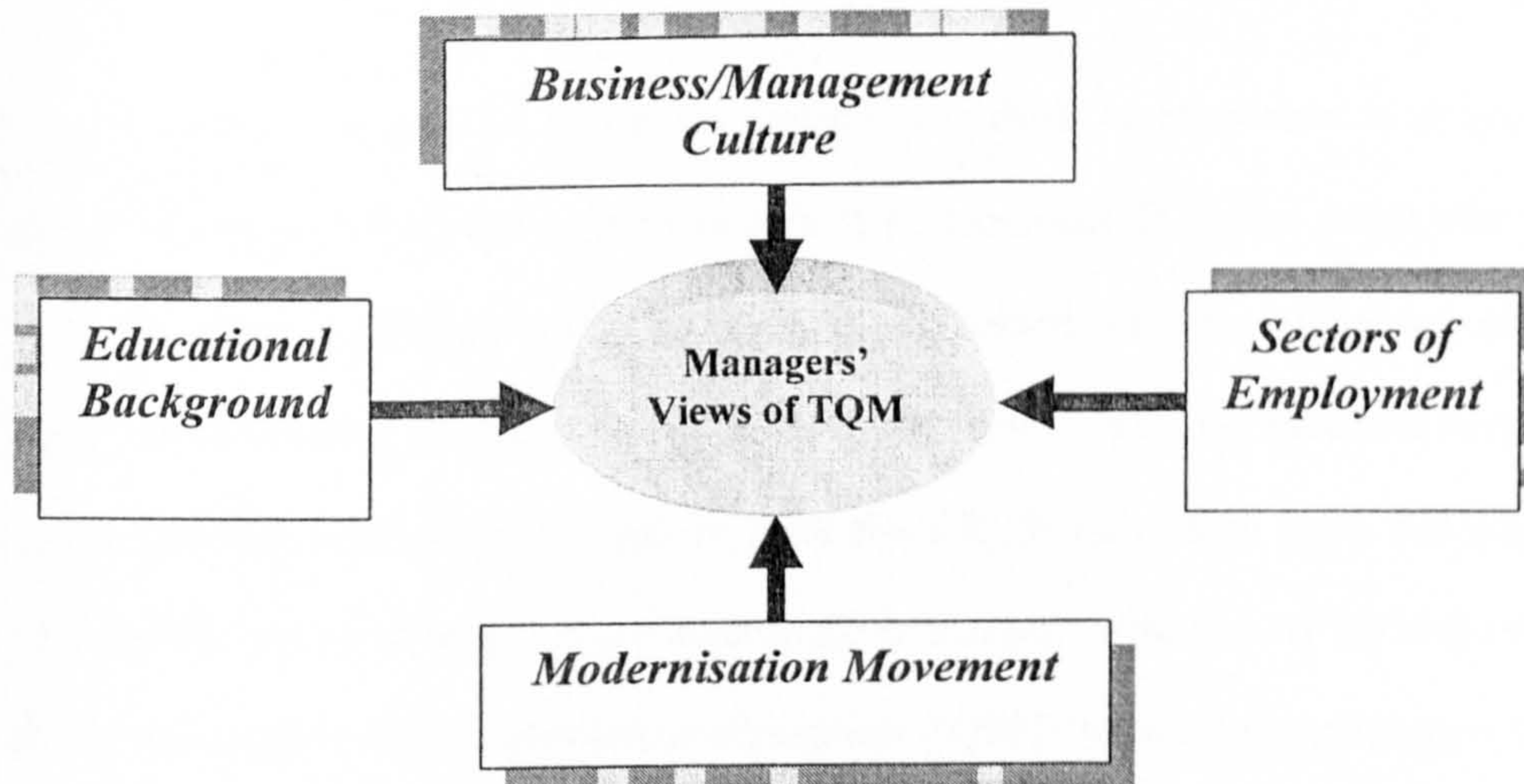
What made the research strategy distinctive was the development of a measurement of TQM as a whole. There is a methodological problem with TQM associated with the statistical measurement of its 'soft' and 'hard' sides. This study tried to measure both sides in two stages. The first stage was to identify the most commonly found 'hard' techniques and 'soft' principles of TQM in QM texts. The investigation provided nine 'soft' TQM concepts and nine 'hard' TQM practices. The second stage was associated with the actual measurement of both sides. A factor analysis and reliability tests provided consistent statistical measurements of TQM techniques and tools comprised by the summation of the nine items found in the texts. In the case of the 'soft' side of TQM two different measures were used. The first emerged from the summation of the nine TQM concepts. However, since there was no confirmed theoretical basis for assuming that these nine concepts were parts of a single phenomenon, we developed a second measurement, which consisted of three separate aspects of the 'soft' side of TQM provided by a factor analysis.

10.3 The Four-Fold Contingency Approach to TQM

Having summarised the development of the theoretical arguments of this study, we turn now to the description of the theoretical model that has been emerged from the analysis of the

findings in the main body of the study. More specifically, there is strong evidence towards a *Four-Fold Contingency Model* under which TQM should be put in specific business environment that are characterised by different elements in comparison to those from where TQM emerged and transferred. Diagram 10.1 illustrates the main components of the theoretical model.

Diagram 10.1
Four-Fold Contingency Approach to TQM



The first component of the model is the *business/management culture* which is dominated by features which are antithetical to TQM rhetoric. The majority of the research concerning TQM's impact on managers and employees has been conducted in *Anglo-Saxon* business cultures. However, the need to study TQM in different cultural contexts lead to the critical question of whether the assumptions and practices of TQM can be pursued in different business cultures? How the special features of such a culture can influence MMs' responses to the TQM approach? In our analysis, we have identified four cultural elements that played a significant role in determining managers' responses. The first element is the top managers' dominance over the system. The second one is their autocratic/authoritative style of management. Moreover, the limited development of management and HRM influenced participants' perceptions about TQM. Finally, the well-established notion of specialists as well as the limited notion of career and job changes among employees in Greece, affected further their responses.

The second factor of the study's contingency model is that of *modernisation*. The background assumption is that the pressures of globalisation and increased competition have altered the way that many NBSs operate. These systems try to change by modernising several business aspects. A part of this modernisation process is the adoption of promising management practices mainly from other countries (mimetic approach). This thesis suggests that these pressures of change and modernisation can influence managers' views about specific practices, such as TQM.

The *sectoral* component is the third strong contingency identified. As mentioned in chapter 2, TQM hit the organisational agenda in both sectors of employment. It is also a fact that few studies deal with sectoral differences in addressing the relationship between TQM and middle management. Most of them were small-scale studies and they focused on excellent or large organisations (Livian, 1997) or came mainly from the UK. Finally, they gave a distorted picture of how the sectors of employment determined managers' responses to TQM (Livian, 1998). Therefore, another critical question emerges: how TQM is perceived by managers who work in public organisations, which have a wider community role to play, as well as a rather strong political control in relation to private services? This thesis supports the view that the vast difference between private and public organisations affected MMs' responses to TQM. In other words, the huge, centralised, politically controlled and non-competitive Greek public sector seems to influence public managers' views about the application of TQM in their organisations. In addition, the fact that private organisations emphasise competition and press for target's achievement have led private sector managers to adopt a more positive view about the implementation of TQM.

There is no doubt that the above three contingencies can be found in many different NBSs influencing the introduction of management innovations. Also, there are many other contingencies coming mainly from specific organisational environments like organisational history, trade unions, job security and they have been addressed by several authors. However,

this study offers a fourth specific contingency that seems to be ignored elsewhere. This is the *educational background* of managers. To what extent does the educational background (level and country of education) of MMs affect the way that they perceive TQM? The study's argument herein lies in the fact that there were differences in the perception of the TQM approach between managers with higher educational background (Masters' Degrees or PhDs) and those with lower educational qualifications (Bachelors' Degrees or Diplomas). Furthermore, there were differences between those that had been educated in countries from where TQM emerged (the UK and the US) and others who had been educated in *non-Anglo-Saxon* academic institutions.

In short, this thesis expands theoretical knowledge of TQM by arguing that the relationship between TQM and middle management, in a business environment different from those TQM emerged, should be seen in the light of four specific factors: the cultural, the sectoral, the educational and that of modernisation. The present study gives strong evidence towards the fact that MMs' perceptions about TQM determined by this *Four-Fold Contingency Model*. The next section summarises the main findings of the thesis in relation to the above theoretical framework.

10.4 Discussion of Findings: Demonstrating the Four-Fold Contingency Model

As mentioned, this study tried to address the relationship between TQM and MMs in Greek public and private service organisations. Based on a quantitative analysis, chapter 6 examined MMs' awareness of QM in general and TQM in particular. Chapter 7 explored the effects of MMs' awareness of TQM on their perceptions of a variety of aspects related to their nature of work, while chapter 8 focused on the effects of MMs' perceived awareness on their views of organisational performance and processes. Finally, chapter 9, by using qualitative data, analysed in more depth managers' understanding and awareness of TQM as well as its perceived impact on individual and organisational aspects. The detailed analysis in these four

chapters provided six main conclusions regarding the relationship between middle management and TQM.

The first conclusion is that there was a widespread recognition among the managers in our sample that the Greek business system needs modernisation and that quality improvement is part of it. The changes occurring within the system were also reflected in the respondents' views that several aspects of their work (*autonomy, monitoring, stress and work effort*) have shifted over the past three years. Similar changes were reported on aspects of organisational performance and processes. Moreover, quality improvement seems to play an important role. The great majority of our respondents stated that quality improvement is a top priority within their organisations. In addition, our interviewee statements suggested that TQM is one of the most popular quality initiatives in Greece.

The above conclusion can be explained through the *modernisation* component of the *Four-Fold Contingency Model* of the study. The modernisation agenda that has been adopted by the system ('Ta NEA', 2000) affected various facets of work including the management of organisations and firms. In addition, its *mimetic* orientation presses for the adoption of more sophisticated and promising management practices, like TQM, confirming previous theoretical (Makridimitris, 1996) and empirically-based (Dervitsiotis, 1999) arguments that the quality movement has entered the organisational agenda in the Greek NBS. Thus, the modernisation movement in relation to the widespread understanding of the need of change of the system seems to shape managers' attitudes towards the overall acceptance of quality improvement initiatives. It is characteristic that this attitude is equally shared between those working in different sectors of employment. In this direction, several public policy papers (DIAPA&D, 1998 and 2000; NBS, 1998) as well as academic ones (Michalopoulos, 2000 and 2002) confirm the importance of QM in the public service industry. Other studies (Tsiotras and Gotzamani, 1996; Vouzas, 1997; Kufidu and Vouzas, 1998; Lipovatz, 1998) support the above argument for the private services as well. In short, due to the pressures of

modernisation QM and TQM have become veritable fashions among the MMs in Greek service organisations.

However, these pressures did not lead – at least so far – to the full understanding, and consequently, introduction of TQM to the system. Thus, the second major conclusion is that although there was a widespread awareness among the MMs in our sample about the nine ‘soft’ TQM concepts, this was often superficial. The analysis in chapter 6 has indicated that the majority of the MMs agreed with the view that TQM comprises the nine ‘soft’ principles under investigation. It is also worth pointing out that this opinion was equally shared between public and private sector managers. However, the core conclusion that emerged from the analysis in chapter 9 was that MMs can hardly understand what TQM is all about. Greek managers were far from being fully aware of the nine TQM principles, and applying them in their day-to-day work. For them the ‘soft’ side of TQM does not play a significant role in actual improvement of service delivery. This conclusion can be further supported by previous theoretical arguments found in the work of several scholars (Papalexandris, 1992; Vouzas, 1997; Papalexandis and Nikardou, 2000).

The explanation of this finding lies in the combination of the *cultural* and *modernisation* factors of our theoretical model. The authoritative nature of the culture in relation to the pressures of change and competitiveness seem to shape their attitudes towards TQM principles. Top managers press their subordinates (including MMs) to achieve targets and improve performance in order to make their organisations more effective in an increasingly competitive and changing environment. This results in leading MMs to focus upon ‘hard’ management practices that mainly reflect the actual performance of individuals and organisations. Therefore, MMs do not perceive the ‘soft’ aspects of TQM as significant issues of work. Their general response to these aspects can be summarised in the words of one survey respondent who commented:

...Ideal pictures of an ideal organisation, but with nothing to do with reality.

This fact is also reflected in another aspect of the business culture, which was – and in some cases still is – widespread the limited importance of HRM. The result is that managers are not only preoccupied mainly with the hard core of management practice, but also give little importance to issues associated with the human side of it. Finally, the well-established notion of the specialist in the Greek business culture influences managers' views. It is indicative that the majority of our interviewees reported that the 'soft' principles of TQM should be known and applied by someone who is *specialist* on human resources. They do not matter for anyone else in the organisation.

In contrast, the 'hard' side of TQM really matters. Thus, the third major conclusion is that MMs tend to focus on and to understand TQM mainly through its technical side, by emphasising the importance of management tools and systems as the only road to quality improvement. Chapter 6 has shown that the majority of our survey respondents understood quality more from the 'scientific' or 'expert' point view and less from the 'managerial' one. Also, most of our interviewees underlined the importance of international standards like the ISO 9000 series for total quality improvement³. Moreover, managers were quite familiar with nine of the most popular 'hard' TQM techniques, tools and systems (managers in the private domain especially so). Both private and public sector managers gave a high degree of consideration to the 'hard' aspects of TQM in achieving total quality results. In addition, chapters 7 and 8 have shown that what mainly affected their responses to a variety of individual and organisational aspects was their perceived familiarity with the 'hard' side of TQM rather than their awareness of its 'soft' concepts.

The explanation of the identified favourable attitude towards the 'hard' side of TQM can be based on three major factors: *cultural*, *modernisation* and the *educational*. As mentioned above, the autocratic management style in relation to the pressures of modernisation creates a

³ Parallels with these findings can be observed in other arguments (Tsiotras and Gotzamani, 1996; Georgiadou and Tsiotras, 1998; and Lipovatz, 1998) which support the view that certification with ISO

top-down pressure for better performance. Several times our interviewees claimed that top managers' control over them was due to their willingness to increase organisations' effectiveness:

...We all know that we are monitored during our day to day work, because of the need to achieve targets. The increased competition led to increased forms of management control over employees [HR Specialist - Private Health Services]

This resulted in a positive view of MMs towards the 'hard' elements of TQM that, according to their view, can clearly demonstrate results in terms of effectiveness, competitiveness and profitability. This positive view was also promoted by the concept of *specialist* as someone who knows and applies hard core management methods. This perception seems to be dominant among the managers in our sample and seems to confirm Papalexandri's (1992) argument, that a management specialist is a professional with mainly technocratic skills, whose field of expertise mainly consists of 'hard' techniques and tools. Moreover, most of the time these people are well-educated. Finally, we have found a strong pattern showing that managers who are postgraduate degree holders and have been educated mainly in the US and UK are those who were more familiar with 'hard' TQM aspects. These individuals tend to be highly attractive to Greek companies (Papalexandis and Nikardou, 2000). Also, several highly educated people come from *Anglo-Saxon* academic institutions, and having the role of 'change agents', bring in their countries a 'pack' of knowledge of western management practices.

The fourth conclusion of the study is that, whilst the managers in our sample perceived TQM as enhancing several aspects related to the nature of their work (*autonomy, loyalty, and career prospects*), at the same time they acknowledged the increased *work effort* and level of *stress* due to the awareness of TQM. Chapter 7 has shown that TQM – or at least its 'hard' side - is seen by MMs as a practice which increases their autonomy and promotes their career

9000 is very popular among Greek enterprises and most of the time it comprises the basic policy that a firm adopts towards the total quality idea.

prospects. It was also likely to be seen as facilitating new tighter forms of control, mainly through increased loyalty. This finding seems to support Geary's (1994) argument that "...although management may grant employees considerable freedom to be self-managing, it is [a] practice which has not diluted managerial control over the labour process: [rather] it has...been redefined and [is now] exercised in a different form" (p.650). However, they did not seem to have a particular problem with increased control insofar as they have accepted top managers' dominance over the system.

Thus, the explanation of this finding lies in the authoritarian nature of the Greek *business/management culture* as well as to the pressures of *modernisation*. Top executives are much more willing to monitor and press employees for more work effort, owing to the increased demand for competitiveness and quality achievement:

...Top management placed a very clear as well as disciplined form of control in order to convince us to work harder achieving the best performance [Quality Manager-Telecommunications]

...I learn to 'live' with my boss over my 'head' and this is a common situation here. Also, the pressure to achieve quality results makes chief executives monitor our work even more frequently than they used to [Assistant Quality Manager-Insurance Services]

In parallel, the increased pressure of modernisation of the system due to increased competition led to the introduction of new work practices. This resulted in increased autonomy and responsibility for those people involved in the processes of service delivery as well as an increased level of stress for those that are not familiar with new management practices:

...I remember some years ago, that it was not my role to be involved in the process of promoting the financial products offered from our bank. Now, I have to do that in order to convince the customers – as a specialist on specific products - about the quality of them. You see the competition now is greater and we all need to understand that we have to try harder. [Product Manager - Private Bank]

We have seen in addition that the *educational* factor plays a significant role, inasmuch as the more educated someone was the more likely he/she was to report that the autonomy and

monitoring were decreasing. This result may reflect the expectations for empowerment held by educated managers, together with the absence of substantial change in this direction. In contrast people with lower education can have more flexible attitudes. This is not likely to be true in the case of MMs' views about loyalty. In this case the *educational* factor seems to play the opposite role. More specifically, two elements of the *cultural* factor seem to affect managers' loyalty. The first element is that in the Greek business system changes of job positions and organisations are rare. Employees – especially those in the middle and line levels – are more likely to be loyal to their organisations insofar as they view them as the permanent job positions. The second element is associated with the increased importance of *specialists* in relation to the high education (*educational* factor) of these people. The expert knowledge – especially on 'hard' management practices – can increase the feeling of loyalty among managers as far as it contributes to quality achievement, making those people be useful and loyal to their organisations.

...I was trying to get this job for a long time and I am willing to work very hard in order to prove that I am worthy of being here. My job is to accomplish specific targets that have been set up by the upper-levels. It is not my job to criticise them or propose something different. [Assistant Quality Manager – Insurance Services]

Moreover, the authoritative nature of the Greek *managerial culture* promotes the sense of loyalty among managers insofar as the decisions are made at the upper level, while middle levels' responsibility is to implement these decisions using their expertise knowledge. In short, less educated managers largely accepted an autocratic tradition.

One last point here is related to the influence of the *sectoral* factor on MMs' attitudes towards individual aspects of work. The analysis in the main body of the study has shown that public managers responded differently from their counterparts in the private domain. For example, the fact that several 'hard' management practices are currently introduced in the public services promotes a feeling of stress among public servants who are not so familiar with them. In contrast, stress levels among private sector managers have increased due to the pressures to

achieve targets placed by their senior executives and less due to the introduction of these techniques. Also, targets achievement seems to influence more private sector managers' perceptions about an increased work effort rather than their colleagues in public organisations. Overall, however, both public and private sector managers have not generally seen the adoption of TQM techniques as a coercive top-down policy, but as a necessity to help organisations improve their operations due to the need of modernisation. Thus, the present study's argument is close to Hill's (1995) view that TQM "...[is] not experienced as coercive", although it increases employees' stress levels and facilitates control over them (p.51). Finally, the *sectoral* factor seems to determine attitudes towards TQM and career prospects. Private sector managers are more likely to see positive effects of TQM on their job security and career development than their counterparts in public services. The explanation lies on the nature of Greek PA where employees enjoy job-permanency and thus, the career is not affected by modernisation trends such as TQM.

The fifth conclusion is that, although managers' awareness of TQM influenced positively their responses to aspects related to organisational performance and processes, they tended to hold a sceptical position about the application of these aspects. Chapter 8 has shown that managers who were most aware of the 'soft' side of TQM and most familiar with the 'hard' side of it were also the most likely to be favourable to aspects like *empowerment and involvement, top management commitment and support, trust relationships, open and clear communication, satisfaction of external and internal customers, teamwork and training*. Nevertheless, in chapter 9 we have seen that managers tended to be more realistic in relation to these concepts. Two points support this view. The first is that interviewees, when asked to comment on the relation between TQM and these organisational aspects, turned the conversation to the 'hard' side of QM. The second point is that interviewees perceived the 'soft' side of TQM as ideal aspects of an ideal management paradigm and thus, outright negative responses were hardly to be found. Such responses might arise if TQM were associated in managers' eyes with straight work intensification, but as we have seen this view

was very rare, and hence 'soft' TQM remained an ideal vision with limited positive or negative effects.

The explanation herein lies in the various aspects of the *cultural* factor of our model. For instance, the slow development of management in general and HRM in particular caused a limited awareness of the concept of *internal customer*. It is characteristic that some of our interviewees had never heard this concept before. Moreover, top managers' authoritative style seems to play a particular role in MMs' attitudes. The fact that they perceived *empowerment and involvement* as limited within their organisations is explained through chief executives' unwillingness to delegate power to their subordinates (Cummings and Schmidt, 1972; Triandis and Vasiliou, 1972; Hofstede 1984, 1986 and 1991; Veiga, *et al*, 1987). There is a widespread belief among senior managers that if they give to MMs much responsibility and allow them to participate in decision-making process, their own bureaucratic power will be lost. Furthermore, the dominant role of top management within Greek organisations also caused negative views about *trust* and *senior executives' support*. Also, senior managers' interests in controlling information and consequently sustaining their power, seems to inhibit *open and clear communication* within organisations. This illustrates a situation wherein QM practices had not decreased the control that these managers exercised. The reason is due to the fact that....

...Top managers care about targets and profits.... that's all. [HR Manager – Telecommunications]

Surprisingly the MMs of our sample believed that this leadership style, which caused negative attitudes towards this set of organisational aspects, was reasonable. The explanation lies in the three of the four elements of our theoretical framework: *modernisation, business/management culture, and the educational background*. The emergence of the modernisation movement within the Greek NBS brought increased pressures of adopting TQM practices. In this context, highly educated MMs see themselves more as *specialists* in the hard core of QM function and do not insist on participating in decision-making. They seem to accept the fact

that top managers focus on general strategic decisions and do not help subordinates in the process of change. On the other hand, MMs perceive themselves as those doing all the practical jobs within organisational boundaries. Chief executives seem not to feel threatened by this situation. In contrast, they take advantage of it, establishing a different form of control that can be summarised in the phrase "Managing by Distance" (Munro, 1995, p.146). They do allow their MMs to take responsibility on their specific job, but they do not empower them to be involved in the strategic decision-making:

...Having been employed here as specialist in quality assurance I enjoy much autonomy in order to do my job....You know almost all the time chief-executives like to see results rather than monitoring every single step that you take in order to reach the targets. To tell you the truth many of them have no idea of the methods that I use in my work, so it is not easy for them to assess my actual pace of work.
[Quality Manager – Telecommunications]

The above finding lead to another interesting one, that several times MMs' views varied according to the *educational* factor of the model. The more educated people tended to have more favourable views about the organisational aspects under investigation than their counterparts with lower educational qualifications. As mentioned, these managers perceived themselves as *specialists* and consequently very important for their organisations. Therefore, they tend to see more positive aspects like *employees' empowerment, top managers' support* and *trust* within their organisations.

However, these responses differ according to the *sector of employment*. Private sector managers tend to hold a more positive position about the application of these aspects in their organisations than their colleagues in the public domain. For example, the huge and centralised public sector characterised by clientelism on the one hand, and the high degree of career competition among managers in private services on the other, seem to be the most significant reasons for limited *trust* reported by study's interviewees. Furthermore, the concept of *external customer* seems to be more important among private sector managers than among the public ones. There is a widespread notion within companies that the customer needs to be

satisfied due to the increased pressures of competition. Also, chief executives press further in this direction. Thus, as Wilkinson's *et al.* (1991) support, in order for employees to be convinced of the legitimacy of top managers' decisions, they will be "...dictated by customer requirements" (p.30). On the other hand, the notion of *external customer* is rather limited in the public services, because "government agencies must serve a wide variety of customers who have widely divergent and even contradictory demands, and because the general public remains a 'hidden customer' with yet additional, often incompatible demands, government agencies often have to deliver a service or product that reflects an uneasy compromise" (Swiss, 1992, p.357).

The above four conclusions lead to the final, overall, one that managers neither accepted the idea of TQM in total nor resisted it in principle. All through the four previous chapters (6, 7, 8 and 9) the message emerged from the MMs in our sample that the need to quality improvement has been widely accepted. Moreover, TQM is seen as a promising practice needed to restructure public and private services in order to modernise their functions and consequently to operate more effectively and competitive. Nevertheless, TQM as a whole new management philosophy consisting of a set of 'soft' and 'hard' aspects does not penetrate their consciousness. Thus, changing the attitudes of MMs to reflect the whole TQM approach remains a difficult task.

The explanation herein lies in the major elements of the *Four-Fold Contingency Model* of the study: the *business/management culture* and *modernisation*. These two antithetical features co-exist within the Greek NBS and seems to reflect the conflict between *conservatism* and *reformism* (Dimantouros, 2000). In other words, both elements provoke pressures to the system. For instance, in this study the pressures emerging from *modernisation* led to the adoption of promising management paradigms like TQM. In addition, the pressure emerging from the *cultural* factor led to the superficial adoption of such a paradigm. The deficient introduction of TQM is mainly reflected on MMs' focus and preoccupation with the 'hard'

side of it. According to their views, QM techniques alone can bring actual quality results, whilst concentration on 'soft' concepts like *culture change* was simply as one participant reported:

...A waste of time [Audit Manager – Private Bank]

The fact that different factors pull in different directions is stressed in *re-organisation of control* models, where TQM is seen like other techniques, as having 'control' and 'empowerment' possibilities. In the present context, traditional *business/management culture* and *modernisation* logics have different implications, and the tension between them will be a key to the future evolution of TQM in Greece.

In conclusion, this study questions the promise, mainly coming from the opinion-based works of quality theorists (Deming, 1982; Ishikawa, 1985; Oakland, 1989; Hage, 1990; Ciampa, 1992; Hand and Plowman, 1992), that TQM will expand the role of MMs within organisations, as well as will offer them numerous advantages. Its major argument is that this promise should be seen under various contingency factors in different national contexts that influence the adoption of *Anglo-Saxon* management practices. This study offers a specific *Four-Fold Contingency Model* that determines MMs' perceptions about TQM in the Greek NBS. Additional frameworks should be developed for other - especially *non-Anglo-Saxon* - business environments, attempting to investigate the implementation of TQM in those systems. Advancing Wilkinson and Willmott's (1995) thoughts whether TQM can really promote concepts like *employee empowerment* and *involvement* in different national contexts "...must remain an open question" (p.17).

10.5 Future Prospects of TQM in Greece: Towards a contingency scenario of TQM?

A starting point for this thesis was the broad critical question of whether the Greek NBS can adopt and implement successfully *Anglo-Saxon* management practices like TQM. Bearing

that in mind the above major arguments of the study can suggest a variety of future scenarios about TQM in the Greek NBS. A *pessimistic scenario* would be the rejection of TQM. In the past there have been many examples of rejection of practices adopting from other NBSs (Makridimitris and Michalopoulos, 2000). The Greek system might prove to be an obstacle to the implementation of TQM, owing to system's distinctness from *Anglo-Saxon* ones. This scenario can be further supported if we consider the recent research evidence of Vernon and Rees (2001). According to their study several special characteristics of national political economies continue to count even when globalisation presses strongly to undermine them. In other words, special features of the nature of the Greek NBS may strongly resist the adoption of internationalised management practices.

However, the influence of the NBS on TQM's adoption could be positive. Thus, an *optimistic scenario* would suggest that the pressure of globalisation of the economy and international competition could lead to the dominance of the modernisation agenda. This would mean a continuous adoption of modern management approaches such as TQM that have been applied in other business systems. It would also mean a pressure on the system to implement approaches that are still relatively novel. In this logic, some features of the Greek business culture could be useful. For example, the dominant power of top executives could be very helpful in the introduction of a top-down policy like TQM. It is characteristic that 'quality mania' has found considerable support from many Ministers, as a new method of operations' improvement in the Greek PA. Similarly there are many voices among senior managers and business owners that are keen on TQM.

Nevertheless, our evidence suggests that a *contingency scenario* is more likely to occur. According to this scenario TQM has some potential for successful implementation in Greek organisations, but this will depend on context. First, it will depend on the sector in which each organisation operates (public or private). Second, on the educational background of employees and managers who need to learn and apply 'hard' and 'soft' TQM concepts. And

finally, to what extent the special features of the Greek managerial culture in relation to the pressures emerging from the modernisation agenda will influence positively or negatively its adoption. This thesis offered two basic arguments supporting this scenario. First is the fact that MMs appeared open as well as pragmatic to TQM notions. Second is the fact that the majority of the MMs that seemed to be more aware about TQM worked in private companies rather than in public services. It should be pointed out once again that the above evidence emerged from a sample of MMs who had given TQM the most consideration, and consequently the most likely to welcome it. Thus, according to the contingency scenario the future effectiveness of TQM will be reflected in the degree to which other, and possibly less well-informed, managers adopt these pragmatic views that the present study has identified.

Beyond these scenarios, this study suggests that the full adoption of TQM in the Greek NBS is still many steps down the line. The realisation that the research evidence in Greece concerning TQM, Managers and Organisations is limited is a first useful step down this road. Therefore, there are various implications for further research. For example, a more broad study based on NBS theory would offer more evidence towards the successful adoption of managerial changes in particular business environments. Also a research project that would focus on a specific sector of employment, conducting in-depth analysis, is overdue. Finally, a comparative study of TQM implementation between different NBSs would provide more evidence on the special factors influencing the adaptation of TQM.

In addition, there are some other research ideas related to the perspectives of the present study. For example a more qualitative study needs to be conducted considering in greater depth the effects of TQM on individual managers. Also, the selection of specific organisations from both domains of the economy would contribute to a better understanding of the situation, as well as confirm a contingency view of organisations. Finally, further investigation could be based on a quantitative survey carried out among employees and managers concerning TQM's application and impact.

With respect to similar studies, this study has opened an academic dialogue on the relationship between TQM and middle management in a *non-Anglo-Saxon* business system. What is now needed is to develop the analysis of the changing human side of organisations. Whether specific management approaches can contribute to system change needs to be seen. For example, have specific features of the Greek system, such as the authoritarian style, been affected by such approaches? TQM may have begun to encourage these changes.

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APPENDIX 1

Survey Questionnaire

Section 1: Introductory Questions

(Please tick or circle the number of the appropriate answer)

1. What is your sex: (1) Male
(2) Female

2. What age Group you are in?

- (1) 20 – 29 (3) 40 – 49 (5) 60 or over
(2) 30 – 39 (4) 50 – 59

3. What is your educational background? (Circle the highest)

- (1) High School
(2) Technological College
(3) Bachelor's Degree (BA, BSc)
(4) Postgraduate Degree (MA, MSc, MBA, PhD)

4. Please specify in which country you have been educated:

5. What is the main area of activity of your organisation?

- | | | |
|--------------------------------------|----------------------------|-----------------------------|
| (1) Financial/banking services | (4) Social Security Agency | (7) Private Health Services |
| (2) Public Administration/Government | (5) Insurance Services | (8) Telecommunications |
| (3) Local Government | (6) Public Health Services | (9) Other _____ |

6. Your organisation is:

- (1) public
(2) private

7. How many employees does your organisation have as a whole?

(Do not consider only your specific branch but the whole organisation)

- (1) 51 – 100 (3) 501 – 1000 (5) 5000 or over
(2) 101 – 500 (4) 1001 – 5000

8. How many years has your organisation existed?

- (1) 0 – 5 (3) 10 – 15 (5) 30 – 50
(2) 5 – 10 (4) 15 – 30 (6) 50 and over

9. How long have you worked in this organisation? (years/months) _____

PART I

Section 2: Awareness of Quality and TQM

In this section we would like your personal view on quality issues in general and total quality in particular. More specifically, we would like your opinions and views about total quality management as a philosophy as well as a technical system.

10. What 'quality' means for you?

(Please tick only ONE answer with which you agree most)

Meaning of Quality	
1. "Quality means offering just a high quality service"	
2. "Quality means offering of services according to standards (ISO 9000 etc)"	
3. "Quality means responding to customer's needs as a key commercial success"	
4. "Quality means empowering the customer and working actively with customers to achieve the quality of services"	

Please explain or comment your answer and/or the other approaches to quality.

11. What importance your organisation gives, to the concept of 'quality improvement'?

- (a) Very important (c) Indifferent (e) Not Important at all
(b) Fairly important (d) Not very Important

12. What do you think are the most important elements of quality currently in your organisation?

(Please circle only ONE answer, according to your personal view)

- (1) Continuous improvement of services (6) Keeping good relations with clients
(2) High effectiveness of service delivery (7) Offering of right services from the first time
(3) Employee empowerment for quality services (8) Offering services according to standards
(4) Customer satisfaction (9) Offering of services without faults
(5) Speed and willingness of service (10) Other _____

Now we would like your personal opinion about whether TQM is associated with the principles given below.

13. In your opinion how far TQM approach includes the following principles?

(Please circle only ONE answer)

(Circle a number, according to your personal view, in the 3-point scale given below: 1=agree, 2=do not know, 3=disagree)

- | | | | |
|--|---|---|---|
| 1. TQM approach involves every employee in an organisation | 1 | 2 | 3 |
| 2. TQM is related to continuous improvement | 1 | 2 | 3 |
| 3. TQM emphasises on team work as a method of problem solving | 1 | 2 | 3 |
| 4. TQM leads to employee empowerment | 1 | 2 | 3 |
| 5. TQM needs top-management commitment and support | 1 | 2 | 3 |
| 6. TQM requires increased and continuing training | 1 | 2 | 3 |
| 7. TQM focuses on customer satisfaction | 1 | 2 | 3 |
| 8. TQM involves more open and democratic/participative style of management | 1 | 2 | 3 |
| 9. TQM is associated with a cultural change within an organisation | 1 | 2 | 3 |

Please comment the above principles.

14. Now we would like from you to identify how familiar you are with the following techniques, tools and systems of total quality improvement.

(Tick the appropriate box)

Quality Techniques, tools and systems	Very familiar	Quite familiar	I have heard it but I do not know how to use it	I do not know it at all
1. Statistical Process Control				
2. Group Brainstorming				
3. ISO 9000 Series				
4. Pareto Analysis				
5. Matrix Diagram				
6. Histograms and Process Chart				
7. Tree Diagram				
8. Critical Path Analysis				
9. The Fishbone diagram				

Please comment the above management techniques and systems.

Now we would like to tell us whether you agree with the following statements.

15. "Greek National Business System and organisations (public and private) need to be modernised and restructured in order to operate more efficiently and effectively"

- (a) Agree (b) Do not know (c) Disagree

Please explain your answer.

16. "TQM ought to be a part of the modernisation process that takes place in every aspect of Greek National Business System"

- (a) Agree (b) Do not know (c) Disagree

Please explain your answer.

17. "The implementation of TQM will not reduce bureaucracy within any organisation"

- (a) Agree (b) Do not know (c) Disagree

Please explain your answer.

18. "The introduction of TQM will not have any chance of success in Greece"

- (a) Agree (b) Do not know (c) Disagree

Please explain your answer.

19. "TQM will increase employees' autonomy and involvement in decision making"

- (a) Agree (b) Do not know (c) Disagree

Please explain your answer.

20. "The introduction of TQM will improve employees' (including you) career prospects"

- (a) Agree (b) Do not know (c) Disagree

Please explain your answer.

Section 3: Total Quality Management and Organisational Aspects

In this section considers some aspects related to your organisational performance and processes. We would like to tell us whether you agree with various statements referred to these aspects.

(CIRCLE ONLY ONE ANSWER)

- 21. "During the past three years my organisation has improved its performance"**
(a) Agree (b) Do not know (c) Disagree
- 22. "In this organisation there are trust relationships among its members (managers-employees)"**
(a) Agree (b) Do not know (c) Disagree
- 23. "Top-management keeps its word, honours and commitments to employees"**
(a) Agree (b) Do not know (c) Disagree
- 24. "This organisation keeps its promises and commitments to customers/citizens"**
(a) Agree (b) Do not know (c) Disagree
- 25. Does your organisation uses and encourages team-working in problem solving?**
(1) Yes (2) No (if no go to question 28)
- 26. Would you say that, "the responsibility and involvement of working groups in decision-making has increased the last three years"?**
(a) Agree (b) Do not know (c) Disagree
- 27. "Teamwork has improved organisation's performance over the last three years"**
(a) Agree (b) Do not know (c) Disagree
- 28. During the last three years did your organisation offered any kind of training in order to improve employees' skills?**
(1) Yes (2) No (if no go to question 31)
- 29. If yes, how adequate or sufficient do you feel was the level of the training?**
(a) More than adequate (c) Barely adequate
(b) Adequate but no more (d) Not at all adequate

30. Do you think that the overall quality of your personal performance has improved after the training programme?
- (a) Agree (b) Do not know (c) Disagree
31. Does this organisation encourage employees to express their ideas and to participate in decision-making process?
- (a) Agree (b) Do not know (c) Disagree
32. Would you say that, “top-management gives a high degree of consideration to employee’s ideas”?
- (a) Agree (b) Do not know (c) Disagree
33. Would you say that, “in this organisation there are open and clear communication among its members (management and employees)”?
- (a) Agree (b) Do not know (c) Disagree
34. Would you say that, “in this organisation top-management (General Manager, Chief executive, Board, etc) are supportive in helping staff to improve performance”?
- (a) Agree (b) Do not know (c) Disagree

Section 4: Total Quality Management and Managers’ Work

In this section we would like some information on your personal performance process. We would like to tell us whether you agree with various statements referred aspects related to your work.

(CIRCLE ONLY ONE ANSWER)

35. “I am proud to work for this organisation and I am willing to work harder in order to help it succeed”
- (a) Agree (b) Do not know (c) Disagree
36. “I feel that during the last three years I am working harder”?
- (a) Agree (b) Do not know (c) Disagree
37. To what extent are you aware of your work being monitored?
- (a) to a great extent (c) to some extent
(b) to a reasonable extent (d) not aware at all

38. Are there any changes on the level of monitoring of your work during the last three years?

- (a) Great increase (c) No change (e) great decrease
 (b) Fairly increase (d) Fairly decrease

39. "During the last three years, I would say that I have to take more initiatives and decisions concerning my work"

- (a) Agree (b) Do not know (c) Disagree

40. "During the last three years, I would say that I feel more autonomous in doing my job"

- (a) Agree (b) Do not know (c) Disagree

41. If your work effort has been changed, can you identify some of these changes?

(Tick only ONE box for each line)

Aspects of Work Effort	More/faster	No change	Less/slower
Number of hours per week			
Time for rest/breaks			
Working from start to finish time			
Pressure to achieve targets			
Actual pace of work			
Time for training and development			

42. How frequently do you feel under stress at work?

- (a) constantly, during every day (c) often (e) rarely
 (b) very often (d) sometimes (f) never

43. "I feel that my job security has negatively affected by the introduction of total quality improvement policies within my organisation"

- (a) Agree (b) Do not know (c) Disagree

If your answer is (a) or (c), please explain

44. "I think that a greater emphasis on TQM by my organization would promote my career development"

- (a) Agree (b) Do not know (c) Disagree

If your answer is (a) or (c), please explain

45. Do you have any other comments and/or suggestions about the quality awareness in your organisation or in general?

I may need to discuss with you some of the issues, examining by this questionnaire, in greater detail in an informal interview. Would you be prepared to be interviewed?

If yes, please tick here

If no, please tick here

Are there any specific periods when you know that you cannot be interviewed (e.g. you may be out of the country on business or holiday)? If so, will you please state them in the space provided:

Thank you for your co-operation

Your Reply will be treated in strict confidence

APPENDIX 2

Interview's Discussion Guide

A. Personal Information

- Gender
- Age group
- Education
- Country of Education
- Organisation/Company
- Job Title
- Time of experience in the present position

B. General Questions

- Which exactly is your role in this organisation?
- Have you ever been involved in a quality improvement programme and if yes in which one?
- What was the 'quality message', that have been given to you from the top management?
- Are you satisfied from the results?

C. Meaning of Quality

- What quality means for you?
- [Only for middle managers in public services] Do you think that 'quality' and QM has a different meaning in a public service context? If yes, what?

[Explanation of the four approaches to quality took place first: *Traditional, Scientific or Expert, Managerial, Consumer*]

- Which approach do you think is more appropriate to your organisation and why?
- What importance is the customer/citizen in defining quality improvement? - Why?
- Do you think that in order to improve quality, we have to give more power to consumers/citizens to judge for their selves what is 'good' or 'bad' service? - Why?

D. TQM

[In this section two lists have been used: 1) 'soft' TQM concepts and 2) 'hard' TQM techniques, tools and systems]

- In what extent do you agree that TQM includes these nine concepts and these nine tools or systems?
- Can you make a comment about their applicability in Greek organisations?

Specific questions (if necessary)

- Is it a good idea to involve all employees in achieving a quality organisation or not? - Why?
- Do you think that the quality of services will improve if delegate decision-making power to the employees? - Why?
- Do you think that working alone has better effect on overall performance than working in teams? - Why?
- Do you think that an increase of training programmes would help to improve performance? - Why?
- Do you think that a creation of TQM organisation requires before anything else a change in organisational culture (climate, values and beliefs)? - Why?
- Who do you think needs to take the responsibility for this change and why?

E. General issues associated with TQM

[In this section several bar charts with results from the questionnaire survey have been used in order to illustrate some of the survey results to the interviewees. Also in this section many different issues have been discussed in relation to TQM. A list of them is given below:]

- Bureaucracy – Organisational Performance/Effectiveness
- Management Style – Delegation of Power – Autonomy – Monitoring
- Stress and Pressure – Job Security and Career Progress
- Trust – Communication – Training – Teamwork
- Top-management Commitment and Support to Employees

Do you have any further suggestions or comments about the introduction of TQM in your organisation?

APPENDIX 3

Profile of Organisations

Table A3.1

Number of Selected Organisations and Number of Responses

Sector of Employment and Sub-sector	Number of Organisations	Number of Distributed Questionnaires	Number of Returned Questionnaires
Public Sector	19	381	108 (Response Rate: 28%)
Government Departments	4	85	21
Local Government	3	52	15
Public Hospitals (NHS)	3	45	22
Social Security Agencies	2	46	17
Public Banks	2	45	18
The National Post Service	1	40	3
Tax Services	2	30	5
Other Public Enterprises	2	38	17
Private Sector	24	419	133 (Response Rate: 32%)
Private Banks	5	94	28
Insurance Services	4	82	29
Private Hospitals	2	41	19
Health Diagnostic Centre	1	10	5
Telecommunication Services	3	75	16
High Technology Services	4	62	18
Private Post Services	2	33	8
Financial Services	3	22	10
Total	43	800	241 (Response Rate: 30%)

Figure A3.1
Organisations' Size

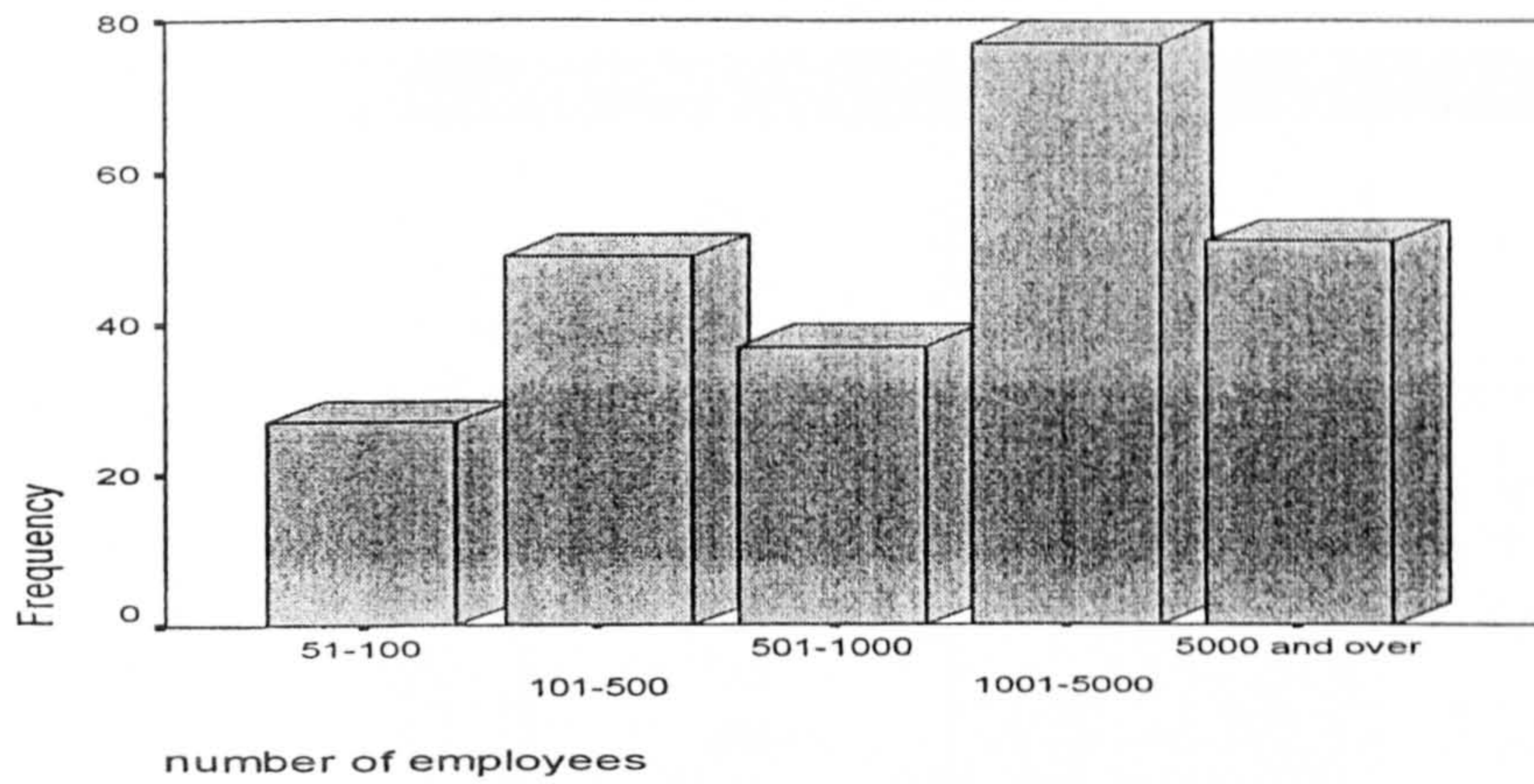


Table A3.2
Public and Private Organisational Size

	Number of employees					Total
	51-100	101-500	501-1000	1001-5000	5000 and over	
public	4 3.7%	16 14.8%	19 17.6%	34 31.5%	35 32.4%	108 100.0%
private	23 17.3%	33 24.8%	18 13.5%	43 32.3%	16 12.0%	133 100.0%

Figure A3.1
Organisations' Age

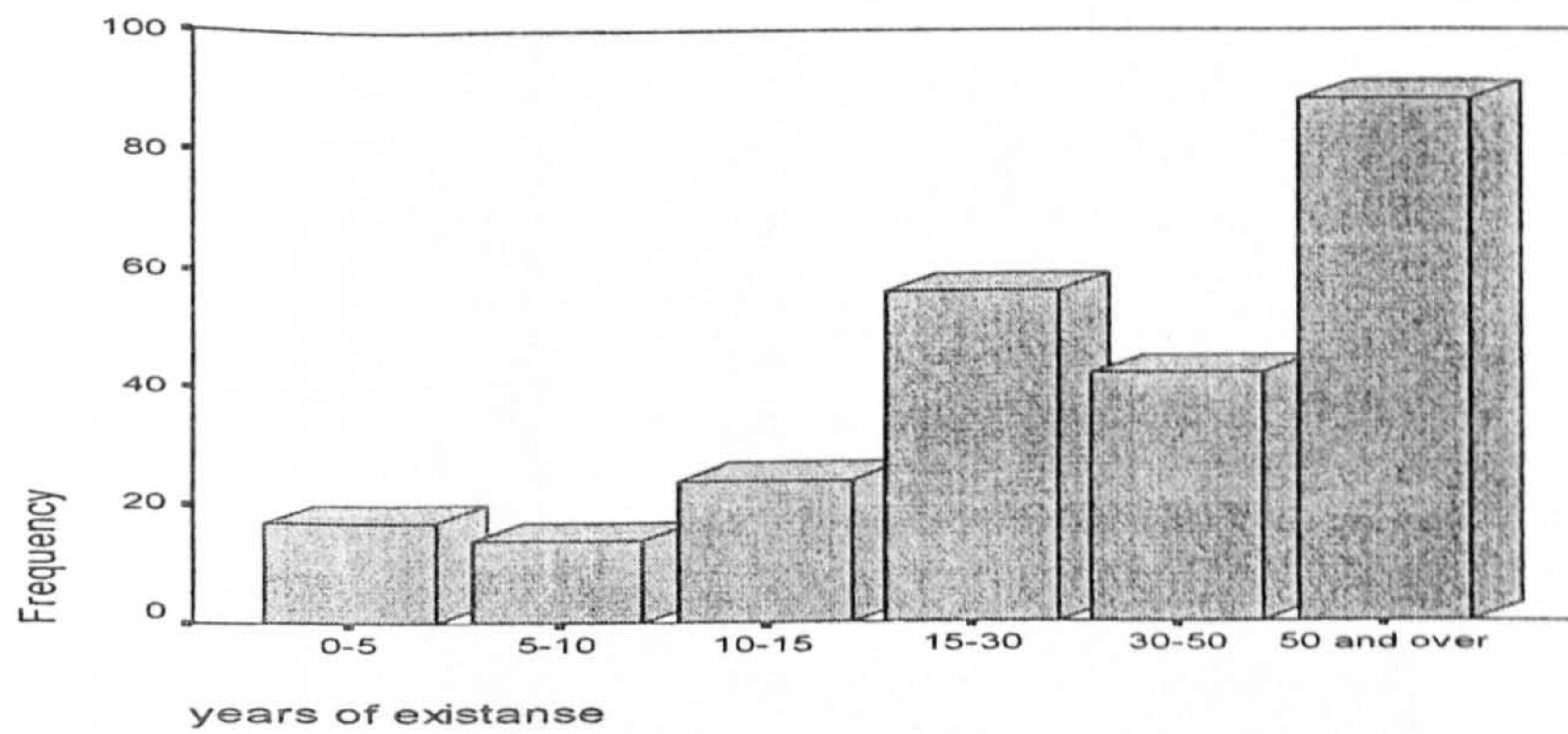


Table A3.3
Public and Private Organisational Age

	Years of Existence						Total
	0-5	5-10	10-15	15-30	30-50	50 and over	
public	1 0.9%	3 2.8%	6 5.6%	8 7.4%	21 19.4%	69 63.9%	108 100.0%
private	16 12.0%	11 8.3%	18 13.5%	48 36.1%	21 15.8%	19 14.3%	133 100.0%

APPENDIX 4

Profile of Respondents

Demographic	Variables	Whole Sample	Public Sector	Private Sector
<i>Gender</i>	Male	61% (147)	35% (51)	65% (96)
	Female	39% (94)	61% (57)	39% (37)
<i>Age</i>	20-29	11% (26)	15% (4)	(85%) 22
	30-39	35% (85)	26% (22)	74% (63)
	40-49	32% (78)	63% (49)	37% (29)
	50-59	18% (44)	61% (27)	39% (17)
	60 and over	(2%) 8	75% (6)	25% (2)
<i>Educational Background</i>	High School	9% (21)	71% (15)	29% (6)
	Technical College	13% (31)	35% (11)	65% (20)
	Bachelor Degree*	52% (125)	49% (62)	51% (63)
	Postgraduate Degree**	26% (64)	31% (20)	29% (44)
<i>Country of Higher Education</i>	Greece	68% (165)	49% (81)	51% (84)
	Other***	23% (55)	22% (12)	78% (43)
	No higher Education	9% (21)	71% (15)	29% (6)
<i>Years of Experience in the Middle Management Position</i>	1-5	16% (36)	30% (11)	70% (25)
	5-10	39% (95)	29% (28)	71% (67)
	10-15	32% (78)	61% (48)	39% (30)
	15-20	10% (24)	62% (15)	38% (9)
	20 and over	3% (8)	75% (6)	25% (2)

* BA, BSc, Other Equal to University Degree

** MA, MSc, MBA, MPhil, PhD

*** Countries of higher education that have been identified: UK (23), US (16), France (9), Netherlands (4), Canada (2), Italy (1).

APPENDIX 5

Profile of Interview Participants

Public Sector					
<i>Job Title</i>	<i>Organisation</i>	<i>Gender</i>	<i>Age</i>	<i>Education*</i>	<i>Experience**</i>
Special Scientific Advisor	Government Department	Male	30-39	PhD in Administrative Science (Greece)	8 years
Administrator	Government Department	Female	40-49	MSc in Public Policy & Public Finance (Greece)	12 years
Administrator	Local Government	Female	40-49	BA in Politics (Greece)	9 years
Administrator	Tax Service	Female	40-49	BSc in Economics (Greece)	11 years
HR- Manager	Public Enterprise	Male	50-59	BSc in Economics (Greece)	13 years
Budget Control Administrator	Social Security Agency	Male	40-49	BSc in Economics (Greece)	9 years
Patient Transaction Manager	NHS Hospital	Female	40-49	BA in Law (Greece)	10 years
Product Manager	Public Bank	Male	40-49	BSc in Accounting (Greece)	7 years
Private Sector					
<i>Job Title</i>	<i>Organisation</i>	<i>Gender</i>	<i>Age</i>	<i>Education*</i>	<i>Experience**</i>
Quality Manager	High Technology Services	Male	30-39	MSc in Quality Assurance (UK)	5 years
Quality Manager	Telecommunications Services	Male	30-39	MBA (US)	6 years
Assistant Quality Manager	Insurance Services	Female	40-49	BSc in Economics (Greece)	7 years
HR-Manager	Telecommunications Services	Male	40-49	MBA (Greece)	12 years
HR-Manager	Insurance Services	Male	30-39	MA in HRM (UK)	5 years
HR-Manager	Banking Services	Female	40-49	MSc in Business Studies (UK)	8 years
HR-Specialists	Private Hospital	Female	30-39	BSc in Business Administration (Greece)	6 years
Audit Manager	Banking Services	Male	30-39	MSc in Accounting (UK)	7 years
Product Manager	Banking & Financial Services	Male	40-49	BSc in Economics (Greece)	11 years
Technical Equipment Manager	Private Health Services	Male	30-39	BSc in Mechanical Engineering (Greece)	9 years

* It is the higher education level

** Experience in the present position