



## TOTAL QUALITY MANAGEMENT AND CHANGE MANAGEMENT IN PUBLIC ORGANIZATIONS

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### Abstract:

This article provides a review of Total Quality Management (TQM) and Change Management in Public Sector. It highlights the special role of TQM in the Public Sector, the concept of Quality in Public Sector Services and the role that E-Government can play. It concludes by integrating all concepts discussed with the factors, which shape change.

### Key words:

Change Management,  
E-Government,  
Public Administration Reform,  
Public Management,  
Public Organizations,  
TQM.

### NEW PUBLIC MANAGEMENT

Governments in all over the world, following the instructions of the Lisbon European Council (March 2000), set up national programs for the “reinvention of the state” and focus their attention in a way that will change the government’s performance and create a result oriented and cost-conscious public administration, which will provide high quality services and satisfy the needs of its citizens [1].

This implies a change from the traditional bureaucratic management of public services in a more entrepreneurial, called, New Public Management-NPM [2]. As part of this effort piloted quality tools and techniques, such as Management By Objectives, Total Quality Management, Balanced Scorecard, Cost-Benefit Analysis, Market Testing, Performance Related Pay, Value For Money and more, or combination of these which have already been implemented in the private sector.

The successful implementation of quality tools, most of the time, has a positive impact on the economic performance of organizations. Studies done in various countries around the world indicate, however, that most quality initiatives ultimately failed to achieve their goals. In the short term good results were produced; however, long-term sustainability was, most of the times, not achieved. Some had even declared the TQM as a failure and had gone to cut quality funds [3].

Because empirical evidence could not explain the reasons some quality programs offered large positive effect while others provided no improvement whatsoever, or any substantial improvement in business performance, some researchers began to investigate the creation of com-

mitment to the ideals of TQM and quality, approaching the culture as a phenomenon, rather than as a set of tools and techniques [4].

The quality-oriented organization, where the environment is dynamic, change is inevitable and rule. The biggest obstacle to the introduction of TQM in the organization is to change the culture. That is, the period during which attempts are made to change the behavior and the relationships between employees in the organization and transform their organizational culture to quality culture. If a permanent quality culture wants to be ensured, the quality should be treated not as a destination but as a journey, through which learning and leadership play an important role [5].

### BASIC DIFFERENCES BETWEEN TRADITIONAL MANAGEMENT AND TQM

TQM, compared to other approaches which emphasize a dominant characteristic of efficiency, is synthetic, in nature, and covers all key indicators of competitiveness, as well as a wide range of methods and techniques to improve products, services and processes [5].

TQM is considered as a “holistic” tool, which since the late 1980’s began to apply more and more in the public sector [6].

Quality in the public sector has evolved in three main phases [7]:

1. The quality in the sense of respect for rules and procedures.
2. The quality in the sense of efficiency.
3. The quality of the concept of citizen satisfaction - customers.



During the implementation stage of TQM, a truism that employees will produce products and services of high quality, goes without saying, only when the quality concept has been mastered by all members of the organization, public or private [8].

TQM could help to address public problems and change culture of the public administration. It is a set of new practices and methods, applied by public or private organizations, and aims at consumer's-citizen's satisfaction and the strengthening of human resources, which focus on different points than traditional management.

Based on the principles of TQM have created some quality models applied in both the private (European Foundation of Quality Management – EFQM) and public (Common Assessment Framework – CAF) sectors to improve the effectiveness and efficiency.

Table 1 shows the basic differences between Traditional Management and TQM:

TABLE 1. BASIC DIFERENCES BETWEEN TRADIOTIONAL MANAGEMENT AND TQM

Traditional Management	TQM
Priority at cost	Priority at quality
Quality costs	Quality wins
Satisfaction specifications	Continuous quality improvement
Reactive treatment	Proactive treatment
Quality or quantity	Quality & quantity
Cost or Quality	Cost & Quality
Senior managers responsible for quality	Senior managers co-responsible for quality
Emphasis on quality control	Focus on preventing defective
Acceptable level of defective	Resetting defective
Product orientation	Market orientation
Who is responsible	How the problem is solved
Focus on production	Focus on product design, process & production
Suspicious about the cost of quality	Systematic cost measurement
Poor quality sources: man-workers	Poor quality sources: managers & workers
Correction or hide defective	Discover & explore the quality problem
Responsibility for quality: the quality control department	Responsibility for quality: all functions of the organization
Quality is technical problem	Quality is management & technical problem

Source: [9, p. 57].

## QUALITY AND PUBLIC SECTOR

Quality is defined as the improving of the governance way (the constitutional architecture and the structure of government & society) and the effectiveness of public action [10].

In the early 1990's, created the need to modernize and reform the dysfunctional and bureaucratic public sector, in order to meet the new needs of society and to prosper in a highly globalized and competitive environment. Improving efficiency in the public sector is a goal that put high on the political agenda in almost all industrialized countries [11].

In 2000, with the adoption of the Lisbon agenda, Member States of the European Union (EU) have raised the difficult task of making the Union the most competitive economic area in the world, based on knowledge, capable of sustainable growth with more and better work opportunities, higher social sensitivity and a simplified regulatory environment. Essentially, the Lisbon Treaty ratified the need to modernize public administration [12].

Moreover, at that time, a wave of administrative reform program scans several European countries (such as the English "Modeling Government", the Irish "Quality Customer Service Initiative", the German "Moderner Staat" etc.). The content of these programs is influenced to a large extent on the experience of the private sector and the effort to enhance civil society.

The main fields of administrative reforms, which are reflected in these programs, refer to:

- ◆ Upgrade the quality of services provided to citizens.
- ◆ Improving the efficiency and effectiveness of public services through goal setting and evaluation organic units & employees under performance ratios.
- ◆ Improving the quality of regulation (Laws, Presidential Decree, Joint Ministerial Decision), simplification of administrative procedures and the removal of administrative barriers for citizens and entrepreneurs, as well as enhancing transparency and the development of social dialogue.
- ◆ Ensuring the rights of workers by strengthening the bilateral dialogue and collective bargaining .
- ◆ Introduction of "Electronic Government" (e-Government) by enabling online access of citizens to public services and networking of public services between them.
- ◆ Qualitative improvement of human resources.
- ◆ Strengthening institutional transparency and control.

## E- GOVERNMENT

The OECD considers e-Government a powerful instrument to transform the structures, process & culture of government and make it more efficient, user-oriented and transparent. OECD defines e-Government as "The use of information and communications technologies (ICT), and particularly the Internet, to achieve better government [13].



The E-Government aims:

- ◆ In improving the government efficiency.
- ◆ In the quality of services.
- ◆ In improving the relationship between government and citizens.

ICT plays a very important role in NPM as well as give new possibilities or improve existing. Through the implementation of e- Government, countries will achieve increased transparency and strengthen democracy by increasing citizen participation in public administration, improving the quality of life, increasing productivity, efficiency and effectiveness of public sector.

All the above achieved in stages and at different levels for each country. Initially, achieved with the full provision of information to citizens and businesses. Subsequently, enabling active interaction between citizen and government. At next stage, the ability to make electronic transactions becomes feasible and finally, the implementation of e-democracy.

In Table 2 illustrated the direct and the indirect benefits stem from e-Government.

TABLE 2. CITIZEN BENEFITS FROM E-GOVERNMENT.

Direct benefits	Indirect benefits
Saving transaction costs	Being user friendly and easy to use
High speed accessibility	Easy to find information
Reducing customers' time spent travelling to government offices	Convenience and availability (i.e. 24 hours a day, 7 days a week)
Decreased customer queuing time	Keeping customers' personal and financial information protected
Decreased face-to-face interaction	Keeping customer's data private (privacy)
Saving petrol costs	Giving customers caring and individual attention (i.e. referral to a contact person)
Saving parking costs	Providing up-to-date information
Providing faster access to documents and forms	Encouraging active participation from citizens (i.e. consultation)
Having a quicker response time to queries	Communicating in clear and plain language
Saving postages costs	Providing prompt service and helpful response to customer requests
Reducing the number of customer visits to government offices	Providing dependable and reliable services
	Making interaction with government less bureaucratic
	Increasing customer loyalty and encouraging repeat visits
	Being accessible for people with disabilities
	Increasing government accountability to citizens

Source: [14, pp. 18-19].

## CHANGE MANAGEMENT

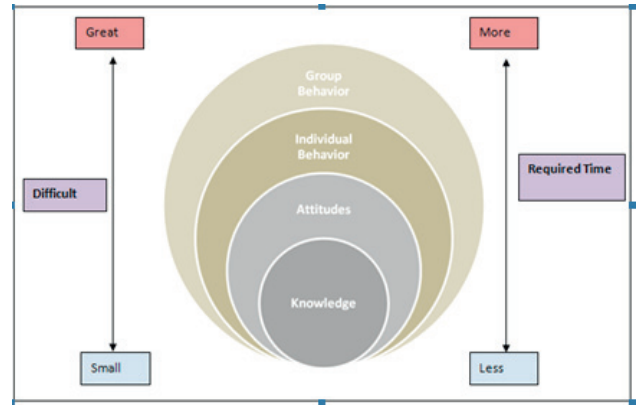


Fig. 1. Proportion of time and difficulty of achieving change (four levels). Source: [15, p. 341].

Change in knowledge is easy and requires less time to be achieved than changes in the attitude of the individual, the individual's behavior or even changes in-group behavior. It is important to note that teamwork is a very important part of the model of TQM in that it brings the change [8].

Change in the group behavior, usual, is treated by managers with skepticism and do not enjoy easy acceptance, as commonly perceived by people as a transition from a known state to another unknown and non-threatening desired state [16].

In fact, people do not respond the same in the process of change. Figure 2 depicts a sample of individuals with different perceptions on a proposed change. The distribution of Fig. 2 is normal, which means that around the average has the same probability in symmetrical values. The diagram and the rates are indicative.

The vast majority of people is in the middle of the distribution ("bell") and is more conservative. Those who move (from the center) just to the left side of the "bell" hide their response through their apathy. Those who move (from the center) just to the right of the "bell" try to earn something before join in the change process. The "pioneers" guide change while "saboteurs" react to it and undermine it.

The dual direction of the arrow in Fig. 2 in the cautious area (in the middle of the "bell" and left) illustrates the tendency of people in this group to move left or right [17].

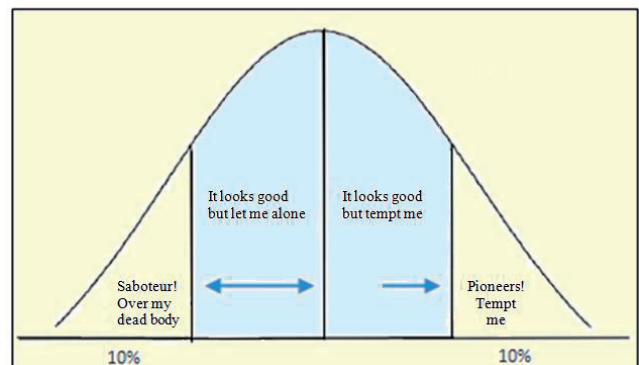


Fig. 2. Distribution of individuals with respect to propensity for change. Source: [17, p. 157].





The type of change is

$$C = [A \times B \times D] > X \quad (1)$$

where:

C= Change,

A= Level of dissatisfaction with the status quo,

B= Desirability of the proposed change or end state,

D= Practicality of the change (minimal risk and disruption),

X= "Cost of changing".

The factors A, B and D must override the factor X in order a change to happen [18].

Whether a change is successful [17], is a patchwork of the following factors:

$$K \times C \times W \quad (2)$$

where:

K= Know. Team members should be well aware of what they should do.

C= Can. Team members should have the opportunity to do what they should do, namely, they can do it.

W= Want. Team members want to do what they should do.

If one of the three factors of equations (1) or (2) will be zero, or near zero, the overall product will also be equal to zero, or near to zero.

In change management the most important factor is the human resources [19]. No system, as perfect as it may be, cannot be applied successfully and effectively, if human resources are unwilling to accept and use this [20].

## CONCLUSIONS

One of the major problems, which impede the quality of public administration, is the strong bureaucracy, the customer approach, the corruption, the government arbitrariness and the delay in the proceedings. Moreover, the fuzzy and indistinct legal framework, with the excessive production of laws, may lead a government agency to erroneous attitudes.

The modern public administration is invited to acquire outward orientation and shape conditions effective to address the social needs in order to serve the customer/citizen, emphasizing the forces of technology and TQM.

However, more recently researchers have dealt with the reactions highlight individuals attempted to organizational change [21]. Indeed, there is evidence that resistance to change is the cause for ineffective reform efforts of organizations [22].

May the journey of TQM hide obstacles and difficulties. However, both individuals and organizations must be driven to this philosophy, in order the change management to mature and develop attitudes and cultures that will lead to the optimization of the efficiency and effectiveness of the individuals, organizations and the whole society at all.

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