

QUALITY MANAGEMENT, AN ISSUE VITAL FOR EFFECTIVE MANAGEMENT

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Abstract: *Quality management is the management philosophy that emphasizes the need to improve the products and service in order to better exploit the resources of the organization, which requires continuous improvement in the quality of performance of all processes, products and services of an organization. The main bastion of quality-management is focusing on customers and is recognized as a fundamental component of development strategies for market competition. However, quality management in organizations is facing with dilemmas where managers prefer to organize day-to-day activities in a predictable and routine manner in which the change of stability is the natural order of things in the global living space of current operations. The organizations hardly open space for installation change by reducing their ability to change and innovation to increase efficiency in its operations. The authors of this study emphasize the question of why most of the changes in quality management are slow and simultaneously performed gradually while the organizations in the global economy require rapid and radical changes in the direction of using new techniques and technologies, introducing new products and services, making applicable strategy and structure, its own identity and culture. This is how these four types of changes basically realize competitive advantage where managers can ensure that each of the necessary ingredients for change in quality management is affordable and effective. Using technical innovation, as a tissue of the organizational structure that encourages autonomy of employees in the flow of ideas from the bottom upwards is of most interest to organizations. The change in strategy and structure in quality management and top-down approach, which is particularly applicable, are the scope of the administration that takes responsibility for the restructuring changes in the directions of operations, objectives and control systems. Culture, cultural identity and changes basically belong generally to the top managers in reengineering, change of horizontal forms of organization and organizational diversity and organization that teaches and guides the development of human and social aspects and use knowledge from behavioral science to bring real changes in attitudes and communications with consumers. Implementation of systems, methodology and metrology systems as quality builds confidentiality to anything that can be measured,*

because new technologies have made quality of the products and services are measured to the lowest values, therefore, today's organizations require strong leadership to guide these processes.

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JEL classification: *L15, M11, M12, M15.*

INTRODUCTION

Quality has always been a problem in manufacturing and in services. Centuries ago craftsmen take pride in the quality of their work. They worked hard and improved their products until they thought they had reached the highest standards of their guild. In the eighteenth and nineteenth century during the Industrial Revolution, domestic production as a whole was replaced by mass production, which was conducted in locations known as centralized factories. Responsibility for the quality of their workers were taken away, they are only required to do what they are told, which is given by the owner of the factory. This mass production was “scientifically managed” division of work and firmly imposed standardized procedures. People were seen as extensions of machines that handled. During the twenties years of the last century an interest in procedural management and productivity with an emphasis on understanding the causal and consequential relationships in the process, their input and output data was developed. This led to new understandings, which provided new technologies. With the outbreak of the Second World War, the quality and reliability of the products are viewed as vital factors for success in military progress. After military sorrow was suppressed, request products from consumers were issued and the attention of managers focused on production to meet this demand. This was particularly striking in the USA and quality soon became urgent in this era of American industrial development.¹

Access to quality management was developed to focus on the relationships between the organization, its employees, processes and systems used by the parties they serve. The essential part of this approach is to develop an organization that “learns” and in this way keeps continuous progress. Organizations around the world show significant interest in quality management. Changing organizational culture and behavior of managers and staff means that a huge commitment to this philosophy must be achieved if we want this approach to fulfill its potential. This is a long-term approach and actually proposes a five-year strategy for the implementation of a full quality management as a minimum commitment required.

QUALITY AS A COMPETITIVE ADVANTAGE

By becoming an environment in which organizations operate more turbulent and getting up the pace of change accelerated, organizations are increasingly concerned about their survival in the fierce competition. At the moment when we are becoming more aware about constantly satisfying customer expectations, organizations can realize a reasonable competitiveness. This requires organizations to consciously learn that quality can be used as a competitive tool. Those organizations where notes for providing superior quality in products and services can be noticed have an advantage over their competitors. Blackmore said that amazing benefits are made by the Japanese in increasing quality and productivity, resulting in the production of goods and services cheaper than in any other country of the world. He points out that the Japanese have proven that by increasing the quality, the productivity can be increased as well.

The nature of quality. Often it is considered that quality is difficult to define. In terms of quality management, quality can be determined only by the customer who is recognized as the ultimate judge of quality. Consequently, organizations must find out what the client wants, at a price that meets both the client and supplier.

Some additional definitions of quality are: First, "Quality means adapting to the needs" (P. Crosby). Second, "The quality is the ability to use" (J. M. Hourani). Third, "Quality means satisfying the customer" (D. A. Garvin).

Suproster says excellence is the highlight (the top) and the quality is plateau. He said that the organization should always put all its products and services on the plateau, reliably and securely. This will reduce the price, because to get to the level of reliability most garbage in the company will be deleted. The waste is the enemy of quality. The waste can be defined as an activity of inefficient use of resources: First, directly adding value to products and services of the organization; Second, Provides support for activities in adding value; Or third, positively contributes to the retention of competitive advantage of the organization.³The waste can refer to materials, time, floor space, knowledge, capacity, human effort, creativity, money, training, etc. Eliminating waste is a key part of quality management. This aspect is emphasized as the implementation of quality could save money, which is contrary to the popular myth that quality costs more. Quality does not cost, it's paid.

To do something right at the first attempt saves time, money, effort, materials etc. Fox noted that thirty percent of the people in government, public or private

companies are busy re - working i.e. doing their work (or someone else) a second, third or fourth time. He believes that thirty percent of managerial time is spent on problems that occur due to wrong decisions and problems resulting from failure to reach a decision. He says that between ten and twenty percent are added to the price over the companies as a result of poor quality.

Similar ideas are pronounced by the Tribuson, which emphasizes the “hidden factory” a factory within the factory, where employees are busy repairing the mistakes of the main plant. Approaches to measuring quality have changed through the years and they can be grouped into four eras: First, inspection access. Observations, standard measurement instruments and other measurement made were used to detect problems and to sort good and bad products. Overall, the quality was checked after the end of the process (by the inspector). Second, Quality Control (1920 to 1950). Various statistical and mathematical techniques to control problems were used and sort good and bad items. Overall, the quality was still checked after the end of the process (by the inspector). Third; quality assurance (from the fifties to early seventies). Various approaches to the statistical analysis programs to avoid problems were used and were focused on improved coordination. During the process a special attention was paid on the quality and sometimes the worker was part of product quality checking. Fourth, Complete Quality Management (from the early seventies, until today). This philosophy of management requires constant progress in all processes, systems, products and services of the organization. Quality is built into every activity of individuals with responsibility for the quality of their work.

Using the quality as a competitiveness tool. It is important to remember that it is not necessarily possible or preferred organization to provide superior quality in every aspect of production and distribution of its products and services. As a consequence, the organization should define the various aspects of “quality”, i.e. to separate feasible parts, and then singled out those parts that are willing and able to compete. Some aspects of quality are listed further in the text:⁴First- Execution - basic operational characteristics. Second, Characteristics - distinctiveness, diversity. Third, adjustment - adherence to standards or specifications. Fourth, Aesthetics - attractiveness, address, tastefulness. Fifth, Reliability - constant dependability, loyalty. Sixth, Longevity - durability and strength. Seventh, Endurance - easy and convenient repair. Eighth, Information – instructions, provided information. Ninth, Speed - timely distribution. Tenth, Reaction - knowledge, opportunity, willingness to respond to the needs. Eleventh, Confidentiality - reputation insurance.

Garvin states that a company should not simultaneously implement all sizes and in fact this may be impossible unless the organization aspires to charge very high prices. Also, technological limitations may impose pressure. Sometimes, with the improvement of one aspect of quality, organization accepts inferior to other aspects. Garvin provides an example of how Japanese cars are known for their superior “equipment and ending” and low rate of repair while their resistance to corrosion and poor performance of the security are underestimated. Organizations often implement a certain quality segment. Many products do not rank high in all aspects of quality, and those who rank are “Rolex” watches, “Bang and Olfsen” stereos “Ferrari” cars mean high prices. Organizations need to expand their implied quality. That’s more than reducing loss and thereby reducing the cost. If implemented appropriate quality segment or focus on those key aspects that the customer considers important, the quality can become a powerful competitive tool. Detailed study shows how the implementation of quality can save money - contrary to the myth that quality costs money. Many organizations indicate that improved quality means increased savings. Any changes with employee involvement in decision-making are cultural and technical. Workers are beginning to better communicate among themselves and with managers participating in team meetings, but they teach leadership in non managerial teams. Comments from employees include: “When we first started, morale was low and people were worried because there were restrictions, but I’m 25 years in the industry for conservation and this is the most progressive program I’ve ever seen”; “The change is because people are encouraged to believe in themselves”; “Training for Quality Management is good for professional life, but also out of the factory. I cannot even use at home, for personal reasons.”

QUALITY MANAGEMENT

There are a number of approaches that can be adopted to promote the quality of the organization’s activities. This can range from short-term “solutions” to long-term, wide organizational approaches. We will focus on the second type, one that received full approval in the global economy. This is the basis of quality management developed by the Department of Industry, Technology and Commerce (the branch of a national industry with continuing service).

Quality management has three main principles or truths connectors on the frame. We identified seven important necessities, forming values set for the implementation of quality management in any organization. In practice, these requirements (or values) form the basic vision of the organization for quality management. This

vision then lets on that specific targets for improvement in the context of quality management can be planned and implemented over a period of time.

Quality management principles. The main focus of the approach of quality management is a client whose expectations must be met by the organization endeavoring to supply them with products and services. The organization's ability to meet expectations is primarily influenced by three main interactive principles: First, people; Secondly, deviations; and third, systems.

People. The first principle, "All people serve the client through and in the system," emphasizes the fact that everyone is involved in the relationship customer - supplier in some way, regardless of whether the focus on external or internal customers or both. Customers have a wide range of expectations that need to be addressed if we are to achieve quality output. Some of these expectations were enumerated in the previous topic. Customers do not always have all the expectations in certain categories; it depends on a multitude of variables, such as whether it is a product or service that is delivered by personal client expectations so.

Deviations. The second principle, all systems are adversely affected the derogation emphasizes that variation exists all around us and in everything we do. Weather varies from day to day, people's mood varies and we get deviations in the outcome of the work they perform. To understand the assignment and why it occurs we should study the working systems and processes and examine the causal and consequential relationships. It is assumed that there are two main types of reasons for deviation. These are classified into categories of everyday and extraordinary reasons. Everyday causes of deviation can be traced directly to the systems. They are embedded in systems and people working in the system have little or no impact on these causes. For example, defects in incoming materials, equipment failure, inadequate training, inadequate work instructions, too much noise, dirt, tremendous heat and inadequate ventilation will cause deviations. On the other hand, extraordinary deviation can be traced directly to a particular event or person. On these grounds usually people in the system have influence and can change. For example, a worker inattention, poor motivation and lack of planning will cause deviation.

Total quality approach that offers opportunities for performance improvement in industrial systems lie in reducing the everyday reasons. In fact, it is assumed that at least 85 percent of the industry's problems are the result of everyday reasons, and less than 15 percent of the problems were due to extraordinary causes.

Systems. The third principle, “The deviation impedes the ability of people in the system to satisfy customers,” emphasizes that people in the system are often thwarted in their efforts to produce a quality product because of the system. Therefore, it is important to understand all aspects of relations between people and systems in which they operate. It is assumed that all systems have a reasonable ability that can be maintained at a certain time without imposing unnecessary stress in humans. However, people who work in the system can help to identify and eliminate unwanted extraordinary reasons over which they have influence. Also, they can identify the desired extraordinary reasons and inserted into the system to share them with other people. Thus a reasonable ability of the system can be improved over time.

These three main principles form the basis of a powerful set of management values, influencing decision-making in organizations that started the journey to improve their quality.

Quality management necessities. Key necessities of quality management form the basic plan for insertion into the practice of quality management. Seven necessities are used as a criterion for comparing the current style and the management of the organization versus the ideal approach to quality management. Key managerial necessities are: *“First, quality is defined in terms of customer perception.* Necessity 1 focuses on the establishment of the necessary infrastructure of the organization to allow matching of the strong orientation of the client. This involves conducting some market research to clearly identify what are the expectations of customers, assessing the nature of your products and services and those of your competitors (which may include repairs which is discussed later in this subject) and questioning, identifying how they can meet expectations. *Second, the system is improved by improving processes in the system.* Necessity 2, refers to the methodology via which the improvement in the organization. This becomes a process of continuous improvement, where plans are made, implemented, reviewed and, if appropriate, incorporated into the system. It is an ongoing approach. *Third, suppliers and entrepreneurs are considered partners in the system.* Necessity 3 is probably one of the most controversial parts of the approach to the management of quality since proposed using fewer suppliers and entrepreneurs, and maybe going to use a single supplier. This necessity emphasizes the value of building long-term relationships, where both parties work together for mutual benefit. *Fourth, statistical thinking and methods used to manage and reduce the deviation.* Necessity 4 focuses on developing a full understanding of change and variation and its implications for the performance of all systems in the organi-

zation. Various statistical tools used to collect this information. *Fifth, all creative people are involved in the continuous improvement of systems.* Necessity 5 emphasizes the importance of the contribution people can make to achieve a quality result. When you base a culture of continuous improvement you develop creative employee involvement that leads to improved creativity and improved perception of the client. *Sixth, continuous improvement activities are integrated into the strategic and planned year-round cycle.* Necessity 6 focuses on incorporating the philosophy of continuous improvement in formal planning activities of the organization. This is achieved by ensuring that the strategic plans of the organization become the driving force behind the continuous improvement in order to meet out (and fulfillment) customer expectations. *Seventh, continued improvement is driven, driven and supported at all levels of the organization.* Necessity 7 underlines the importance of leadership at all levels in the organization. It emphasizes the importance of, and links together, leadership, management and organizational support to appear continuous improvement across the organization.

Suproster said ⁷ “Movement for Quality is a process and everything is variable in the process. The activity of the company is to continuously improve the process. People who work in the process does not represent problem. The average person cannot really do much to improve or destroy things, so leave the people alone. Work on the process, not on the people.”

IMPLEMENTING QUALITY MANAGEMENT

Before you can assign quality management in an organization there should be an understanding of the need for change in the organization. The philosophy of quality management will be accepted by the behavior and the belief of some people, but maybe not for all of them. Consequently, understanding the need for change is essential, then, most importantly, older managers must be committed to quality management with a view to its successful implementation. Often, the introduction of quality management involves changing the culture in the organization. The degree of change required and the speed of its implementation sequence will affect the success of the approach to quality management that can be attached as:⁸

Vision for the future. Managers must set the ball spinning. They must know what they want to set and determine its deadline. The first step is to assess where the organization is now, through proper research led inside and out. This will include the choice of collecting data, such as the nature and quantity of waste in the organization, the frequency with which deadlines are achieved (or not), the

perception of quality customer data and employees proposals, the comparison with industry leaders and review of international experience. This information gives an indication of the strength, weaknesses, obstacles and discernment in the quality of the organization and how these can be minimized or overcome. This then enables the basis for establishing the vision and strategic plan for the organization. The management team has already determined where the organization is now, decides where he wants to be in the future and develop a strategy to close the gap, i.e. to get there. At this stage the organization is normally to be optimistic about how quickly the quality management can be implemented.

Knowledge, dedication and planning. In order the implementation of quality management to be successful, the need for change must be noted. Also, there must be knowledge of how this change can be achieved. The usual approach is the Director-General to organize, so that top managers will understand the principles and practices of quality management and how to begin the process. Typically, in this forum, vision of the organization shall be identified. If you follow the framework of total quality o at this stage the following objectives are identified as:⁹First, increased levels of knowledge about quality management by the management team, secondly, shared commitment to accepting “lifestyle” in the management of quality, Third, know “how” to continue. The next step is electing a planning team - people who will plan the insertion of quality management in a framework that focuses on the specific needs of the organization. This usually involves examining ways to develop a supportive culture for quality management, increasing the channels of communication throughout the company and orientation training and development of employees and recognition and upgrading of systems to facilitate implementation of quality management. In addition, the planning team will decide where the start approach to quality managementisand howthe progress of its implementation throughout the organization will be managed. After some time all employees will gain training to provide an understanding of quality management and its various tools and techniques, so they will be able to contribute to the process of continuous improvement in every possible way throughout the organization.

Tools and techniques. In order to see where the organization is now, according to the terms of quality, and monitors the progress the organization has made in improving its quality requires a selection of tools and techniques. Some are inexpensive and commonly used, others are more difficult to use. Generally, organizations tend to use the tools available and are appropriate for their organization.

Statistical tools. Once you collect data, they use simple statistical tools to expose and understand this data, so they can be used for decision-making and enforcement actions.

Repairs. The organization is often interested in what their achievements in various operating systems and results in relation to those used by other organizations. The implementation procedure to make such a comparison is called repairs. The term comes from repairs procedure observation points' comparative evaluation through standard or "benchmark" points. The collected information allows us to delve into the essence of how to improve things. The key thing is to identify the organization that performs a particular activity very well, in other words, one that shows best practice, to analyze how it is achieved and try to copy such practices.

Software - a hard way of quality. Software development is now so great task that developers no longer working as individuals; Teams are a necessary part of the process. The challenge for the development team is not just the creation of complex programs, but also appropriate to test. It is important to recognize all the errors in the program before reaching the end user, because the cost of "repair" is great. Initially, the software creators have released a series of rigid tests in the privacy of their own offices. This type of testing is often called alpha testing. In beta testing "final" product is given to a group of end users because genuine validation. These users can realistically check software apart from the group of alpha-test and feedback from beta test are used to perfect the product before commercially released. The growing complexity of programs and great prizes to win to be a leader in the industry make companies developing software to accept the fact that the release ahead of customer expectations, which can only be achieved by inserting a client and the quality of management is important for success in this competitive market.

MANUFACTURING VERSUS SERVICE ORGANISATIONS

Quality management has its beginnings in the manufacturing industry. It acknowledges that service organizations need to focus on quality as much and manufacturing organizations. There is debate about how service organizations implementing the program of quality management. Joan Dzhefard said: "Everything you hear that people talk about the management and leadership of high quality in production is likely applies to service organizations, with modification, plus even more." Zemke suggests that to effectively manage service organization you must be understood according to the characteristics that differentiate the

service from the product. Zemke proposes five general categories for which he says covers many pressure points that are critical to the management of the service¹⁰. First, *focus on what matters*. Retaining customers is considered the most important thing in the service organization. This differs from production organizations where the aim is to achieve a hundred percent adherence to the smallest detail or “0 defects” in terms of quality guru Philip Crosby. Therefore, quality is measured differently. Second, *the most important is the measurement*. He is always appropriate to measure the quality of service in the same way as measured quality of the product. The satisfaction of customers is not enough, although it is the duty and the quality of service goes through this. Emotional aspects of customer service must take into account and this broadens the scope of the reaction of the customer love to hate, with the satisfaction level is only which must be reached. And again, what is important to the customer and the measurement of its perception of these factors is critical. Third, *the management staff as part of the product*. The employees perform various functions in service and manufacturing organizations. Industrial workers are a means of completing products, while suppliers of services to the forefront end in themselves. This highlights the need to value the investment in people as the one in technology; using technology to support, not replace people from the forefront, linking compensation to performance for employees at all levels. Fourth, *the client management*. This is one of the attributes of the most distinctive service management, where the perception of customer processes and outcomes should be handled with the activities of employees and processes that facilitate the delivery of service. Fifth, *managers as role model*. In service organizations where employee behavior is clearly visible to the client, it is important managers accept their responsibility to create adequate quality service behavior conspicuously and subtly. Also, they need to support them, to guide and encourage employees. Employees follow the “rules” of the organization modeled by managers and through encouragement really excellent service can be provided.

World best practice. Organizations get involved in a series of attitudes and practices in order to produce products and services. World best practice is where an organization's activities are coordinated in order to achieve maximum productivity and enable customer's products and services of high quality. Techniques such as: quality management, repairs, management participation and development of staff provided by the main principles facilitate the decisions of managers. However, the world's best practice process that overloads these guidelines managerial style that fits the character, culture and competitive conditions of the organization.

International best practice is determined more by cooperation than by competition, i.e. when the organization will develop a closer relationship with the supplier and the customer will then reduce the amount of time and lost. Houri says that accepting the “extended targets” is an important pre condition for achieving world-class quality as a result of global best practice. His examples of extended goals are: ¹¹ First, improve the quality tenfold in four years; Second, fourfold improvement in safety; and, third, reduce development cycle of the product in 12 months.

He says that a victorious strategy usually involves taking a leadership quality by senior managers; training for quality management throughout the hierarchy, improved quality with a revolutionary step and employee involvement through training and encouragement. Achieving global best practices is critical in overtaking our competition. However, the real challenge is to make progress and it is visible that microeconomic reform plays an important role here.

Quality Management under another name. Many organizations have adopted program management quality, but call it differently. Some organizations call their approach “management for continuous improvement” or “quality management”. These approaches, as well as the framework of the full quality management described above, focus on client needs and implementation is similar. Another approach is value-added management (VAM), which focuses on “reducing the time from order to release account by eliminating all activities that add value to the product or service delivered to the customer.” A major part of the management of value added inclusion of all employees in Organizations work for the best connection of the internal activities in Organizations and needs of external customers. Supporters of value-added management say that gives faster results in the management of quality. However, it is useful to note that regardless of which term is used, organizations that seek to improve the quality of their product or service focus: First, customer needs, and secondly, teamwork and developing a culture of quality “in the organization. Such organizations work to making the complex “big steps” and simple “small steps” to improve and see quality as a journey, not a destination.

CONCLUSION

Modern society in the era of the 21st century in the field of business and quality management has led to many changes; more or less influence the success of many companies. New definitions of customer, competition, production and transi-

tion affected the strategies of many companies and imposed a new philosophy of the organization to be able to cope with the new paradigm. Old approaches should be dropped and be able to cope with new challenges. These changes require a scientific approach in operations, quality management or reengineering, which is a radical rethinking of the processes in order to achieve high quality at the lowest cost of operation. This process can only be achieved if business processes are designed and implemented with the optimal use of natural resources in the best production without defects, without loss of time and a real pleasure to employees. The development of quality management as a vital issue for efficient management must be seen through the scientific approach to quality and the change of metrology, standardization, application of statistical estimation, control methods and techniques of production and faultless performance through analysis of costs and continuous introduction of knowledge and education.

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