

Total Quality Management
Mechanical Technology Chapter 2 Notes
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Chapter 2

Leadership

1. Characteristics of Good Leader

- Priority attention to external and internal customers and their needs
- They empower, rather than control, subordinates
- They emphasize improvement rather than maintenance
- They emphasize prevention rather than cure
- They encourage collaboration rather than competition
- They train and coach, rather than direct and supervise
- They learn from problems
- They continually try to improve communications
- They continually demonstrate their commitment to quality
- They choose suppliers on the basis of quality, not price
- They establish organizational systems to support the quality effort.
- They encourage and recognize team effort

2. The 7 Habits of Highly Effective People

- Be Proactive
- Begin with the End in Mind
- Put First Things First
- Think Win-Win
- Seek First to Understand, Then to Be Understood
- Synergy
- Sharpen the Saw

3. Ethics

- Ethics is a body of principles or standards of human conduct that govern the behaviour of individuals and organizations.
- It is knowing what is the right thing to do and is learned when one is growing up, or at a later date during an organization's ethics training program.
- Some companies known for their ethics:
 - HDFC, Infosys, Tata Steel, Wipro
- Companies known for unethical practices:
 - Satyam Computers

4. The Deming Philosophy: 14 Points

1. Create constancy of purpose for improving products and services with the aim to become competitive and to stay in business and to provide jobs.
2. Learn the New Philosophy We are in a new economic age. Management must awaken to the challenge, must learn their responsibilities, and take on leadership for change.
3. Understand the Purpose of Inspection to achieve quality. Eliminate the need for inspection on a mass basis by building quality into the product in the first place.
4. Stop Awarding Business Based on Price Alone instead minimize total cost by working with a single supplier
5. Improve Constantly and Forever the System (process for planning, production and service)
6. Institute training on the job
7. Adopt and Institute Leadership. The aim of supervision should be to help people and machines and gadgets to do a better job.

8. Drive Out Fear, Create Trust, and Create a Climate for Innovation
9. Optimize the Efforts of Teams, Groups, and Staff Areas
10. Eliminate Exhortations for the Work Force
11. Eliminate Numerical Quotas for the Work Force and Eliminate Management by Objective
12. Remove Barriers that Rob People of Pride of Workmanship and eliminate the annual rating or merit system
13. Encourage Education and Self-Improvement for Everyone
14. Take Action to Accomplish the Transformation. To do this, first consider that every job and activity is part of a process. A flow diagram breaks a process into stages. Questions then need to be asked about what changes could be made at each stage to improve the effectiveness of other upstream or downstream stages. Everyone can be a part of the team effort to improve the input and output of the stages. Everyone on a team has a chance to contribute ideas and plans. A team has an aim and goal toward meeting the needs of the customer.

5. Role of TQM Leaders

- Management by Wandering Around (MBWA)
 - Must visit customers, suppliers, plants
- Push problem solving and decision making to the lowest appropriate level by delegating authority and responsibility
- Provide resources to train employees in the TQM tools and techniques, the technical requirements of the job, and safety
- Celebrate the success of their organization's quality efforts by personally participating in award and recognition ceremonies
- Senior managers must be visibly and actively engaged in the quality effort
- TQM message must be "sold" to personnel, else, TQM will never happen

6. Implementing TQM

- TQM implementation process begins with senior management and, most important, the CEO's commitment
- Senior management needs to be educated in the TQM concepts
- The active involvement of middle managers and first-line supervisors is essential to the success of the TQM effort
- Managers at all levels have an opportunity, as soon as possible, to develop ownership in the TQM effort and a chance to acquire the insight and skills necessary to become leaders
- Involve union leaders by sharing with them implementation plans for TQM
- Everyone needs to be trained in quality awareness and problem solving
- Conduct customer and employee surveys to identify opportunities for improvement

7. Quality Council

- Quality council is established to provide overall direction
 - Council is composed of the CEO; heads of the functional areas, such as design, marketing, finance, production, and quality; and a coordinator or consultant.
- Responsibility of the coordinator
- ❖ Build two-way trust
- ❖ Propose team needs to the council
- ❖ Share the council expectations with the team, and brief the council on team progress.
- ❖ Ensure that the teams are empowered and know their responsibilities. The coordinator's activities are to
- ❖ Assist the team leaders, share lessons learned among teams, and have regular leaders' meetings.

8. Duties of the quality council

- Develop, with input from all personnel, the core values, vision statement, mission statement, and quality policy statement.
- Develop the strategic long-term plan with goals and the annual quality improvement program with objectives.
- Create the total education and training plan
- Determine and continually monitor the cost of poor quality
- Determine the performance measures for the organization, approve those for the functional areas, and monitor them.
- Continually determine those projects that improve the processes, particularly those that affect external and internal customer satisfaction.
- Establish multifunctional project and departmental or work group teams and monitor their progress.
- Establish or revise the recognition and reward system to account for the new way of doing business.

9. Core Values, Concepts, and Framework

- Visionary Leadership
- Customer-Driven Excellence
- Organizational and Personal Learning
- Valuing Employees and Partners
- Agility
- Focus on the Future
- Managing for Innovation
- Management by Fact
- Public Responsibility and Citizenship
- Focus on Results and Creating Value
- Systems Perspective

10. Quality Statements

- **Vision Statement**
The vision statement is a short declaration of what an organization wishes to be tomorrow
- **Mission Statement**
The mission statement answers the following questions: who we are, who are the customers, what we do, and how we do it.
- **Quality Policy Statement**
The quality policy is a guide for everyone in the organization as to how they should provide products and service to the customers

11.Strategic Planning

➤ **Goals and Objectives**

- ❖ Concrete goals are needed to provide a focus, such as improve customer satisfaction, employee satisfaction, and processes
- ❖ Goals must be based on statistical evidence
- ❖ Goals must have a plan or method with resources for its achievement
- ❖ Goals must be challenging yet achievable

➤ **Seven Steps to Strategic Planning**

- ❖ Discover the future needs of the customers
- ❖ Decide Customer Positioning
- ❖ Predict the Future
- ❖ Identify the gaps between the current state and the future state of the organization
- ❖ Develop plan to close the gaps by establishing goals and responsibilities
- ❖ Align the plan with the mission, vision, and core values
- ❖ Implementation

12.Communications

➤ **Interactive**

- The most effective communication allows for discussions between the employees and their supervisor, not just management talking to employees

➤ **Formal**

- Face-to-face interaction must be supplemented with other communication methods to reinforce the message