

Creating and Sustaining: A Quality Culture

Ranjit Singh Malhi*

CEO & Principal Consultant, TQM Consultants Sdn Bhd, Kuala Lumpur, Malaysia

Abstract

This article focuses on making quality a way of life in organizations. It begins by defining “organizational culture”, explaining its importance and how it develops. The article subsequently defines “quality culture” and describes its core values and beliefs. An eight-step model for creating and sustaining a quality culture in organizations is proposed. Also discussed are numerous strategies for making quality a way of life in organizations based upon literature review, best practices of quality leaders, and successful cultural transformation efforts.

Keywords: Organizational culture; Quality culture; Values; Beliefs; Norms

Introduction

In today’s highly competitive and rapidly changing world, providing quality products and services that delight customers is crucial for ensuring long-term organizational success. In this regard, creating and sustaining a “quality culture” is a prerequisite for ensuring a continuous flow of quality products and services. This is primarily due to two main factors: first, organizational culture is significantly correlated with employee behavior and attitude [1]; and second, the ultimate creators of quality products and services are people, not technology or formal quality procedures. Quality begins and ends with the individual; quality people do quality work [2]. People manage processes and make the systems work; processes don’t do work, people do. It is people who make poor systems work and good systems fail [3]. In short, quality is the expression of human excellence [4].

Successful and enduring organizations have a culture that creates and sustains a work environment that is conducive to long-lasting quality improvement. According to Crosby [5], “Quality is the result of a carefully constructed culture; it has to be the fabric of the organization.” An organization’s culture has been described as either the key factor in success or “the 800-pound gorilla that impairs performance and stifles change” [6].

What is Organizational Culture?

Organizational culture is basically a set of shared values and beliefs which interact with an organization’s people, structure and systems to produce behavioral norms (Figure 1). Organizational culture mirrors common views about “the way things are done around here.” It is the “social glue” that binds an organization’s members together and maybe considered to be the personality of the organization.

Values are principles held in high regard such as customer satisfaction, employee autonomy and innovation. Examples of core values are “Innovation; Thou shall not kill a new product idea” (3M)

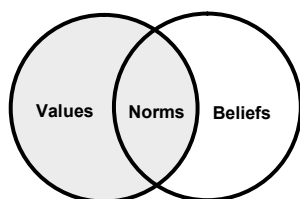


Figure 1: Basic Components of Organizational Culture.

and “We put the customer ahead of everything else” (Wal-Mart). Successful and enduring companies generally have 3-6 core values [7]. Beliefs are assumptions about what is true, such as quality work will be rewarded and promotions are based on merit. Norms are standards of expected behavior or established ways of doing things which are developed on the job. Norms flow largely from values. Examples of norms are disagreeing tactfully, sharing information, and helping one another (teamwork).

Importance of Organizational Culture

Organizational culture is important for numerous reasons. First, organizational culture increases employee commitment and loyalty because of their sense of pride and emotional attachment to certain core values. Second, it enables the attainment of strategic goals when there is a “fit” between culture and strategies. The success of any strategy rests heavily on the existence of a supporting culture. Third, it facilitates decision making by reducing disagreements about which premises should prevail since there is greater sharing of beliefs and values. Fourth, it saves times as it spells out how people are to behave most of the time. Fifth, it facilitates communications since the employees speak a “common language” and shared values provide clues to help interpret messages. Sixth and lastly, organizational culture provides meaning and purpose to work.

It is important to note that there can be no sustainable change without a change in employees’ mindset. Organizations don’t adapt to change; people do. In the words of Black and Gregersen, “Lasting success lies in changing individuals first; then the organization follows. An organization changes only as far or as fast as its collective individuals change.” Any initiative to improve quality is unlikely to succeed unless it is embedded in and reflected by the culture of the organization [8]. Also, if total quality improvement efforts are inconsistent with the organizational culture, the efforts will be undermined [9].

How Culture Develops

As stated by Schein [10], organizational culture basically springs

*Corresponding author: Ranjit Singh Malhi, CEO & Principal Consultant, TQM Consultants Sdn Bhd, Kuala Lumpur, Malaysia, Tel: (603) 7727 3035; E-mail: ranjit@tqm.com.my

Received March 18, 2013; Accepted March 20, 2013; Published March 22, 2013

Citation: Malhi RS (2013) Creating and Sustaining: A Quality Culture. J Def Manag S3: 002. doi:10.4172/2167-0374.S3-002

Copyright: © 2013 Malhi RS. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.

from three sources: (1) the beliefs and values of the founder; (2) the learning experiences of group members as their organization evolves; and (3) new beliefs, values, and assumptions brought in by new members and leaders. Organizational culture is also shaped by industry and business environment, and the national culture [11].

What is a Quality Culture?

A Quality Culture is a system of shared values, beliefs and norms that focuses on delighting customers and continuously improving the quality of products and services. In an organization with a quality culture, quality is deeply embedded in virtually every aspect of organizational life, including hiring and promotion, employee orientation and ongoing training, compensation, management style, decision making, organizational structure, work processes and office layout. Simply put, in a quality culture, “quality” is a way of life; quality principles are mirrored in organizational practices and behaviors’.

Core Values and Beliefs of a Quality Culture

Customer focus

Quality is defined and judged by the customers. The mission of quality organizations is centered upon customer satisfaction. Organizational processes and procedures are designed to meet the requirements of both the external and internal customers.

Employee involvement and empowerment

Employees are empowered to serve customers well and believe that they have the power to make things happen.

Open and honest communication

Employees speak the truth and quality issues are discussed, rather than hidden or ignored. Quality cannot be achieved when employees fear retribution for their candour [12]. Employees also handle conflict constructively by confronting and resolving it.

Fact-based problem solving and decision making

Facts or reliable data and not opinions or hearsay form the basis of solving problems systematically or making intelligent decisions.

Continuous improvement as a way of life

Quality is a moving target; there is no one best or optimum level of quality. Organizations have to continuously improve the quality of their products and services to stay ahead in an increasingly competitive business world. In short, quality improvement is a never-ending journey.

Teamwork throughout the organization

In a quality culture, there is close cooperation between managers and employees and among departments. Teamwork is crucial as it creates a sense of ownership and commitment. Equally important, it breaks down divisional and functional barriers.

Process management

Long-lasting quality improvement is attained through preventive management i.e. building quality into the work processes. Quality should be attained through the prevention of errors and defects, and not through inspection. The focus is on prevention rather than fire-fighting, fixing, and damage control [12].

Rewards and recognition

In a quality culture, rewards and recognition are based upon attainment of quality goals and demonstration of appropriate behavior.

Changing Organizational Culture

Changing organizational culture is a difficult and time-consuming process, especially in the case of a “strong” culture where the values are deeply entrenched. Changing people’s values, attitudes and behaviors’ is far more challenging than getting an organization’s quality system registered to ISO9001. The length of major cultural change in large companies such as General Electric, Xerox, Nissan and British Airways ranged from 4-10 years [13]. Nevertheless, organizational culture can be changed as evident by successful turnarounds of Chrysler by Lee Iacocca, IBM by Lou Gerstner, and General Electric by Jack Welch. Successful cultural transformation efforts focused on clearly defined results and aligning the new culture with organizational vision and strategy.

Steps in Creating and Sustaining a Quality Culture

As shown in Figure 2, there are eight major steps in creating and sustaining a quality culture.

Recognizing the need for change

The first step in creating a quality culture is to identify compelling reasons for culture change (e.g. financial crisis, competitor pressure, changes in customer expectations, a merger or acquisition) and the broad desired outcomes. In this regard, top leaders should create a sense of urgency (or a sense of perceived “crisis”) and discontent with the status quo. People need to be convinced by a compelling and clear vision (desired future state of affairs) rather than coerced to change. Vision helps employees to have a sense of purpose and pride in their work. Top leaders should communicate their vision of required changes and a set of appropriate strategies to attain them. In doing so, they should encourage people to engage in a healthy dialogue with them [13] which would assist in winning over early adherents to the cultural change initiative.

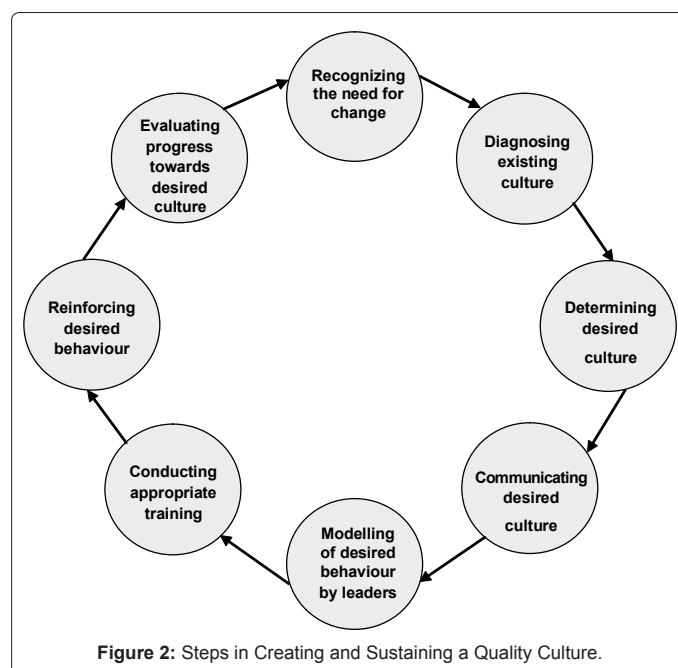


Figure 2: Steps in Creating and Sustaining a Quality Culture.

Diagnosing existing organizational culture

Assess the characteristics of the existing organizational culture: the way in which quality is viewed, talked about and interpreted in the organization [14]. Decide which current values, beliefs and norms can be retained and which need to be changed. In undertaking this effort (through focus groups and questionnaires), it is crucial to involve all stakeholder groups in the process, including managers, employees, and customers.

Determining the desired culture which supports organizational vision and strategy

Develop a set of norms which specify both acceptable behaviors' and unacceptable behaviors'. Design interventions to close the gaps between the current and desired organizational culture. Ensure that the new culture is aligned with organizational vision and strategy.

Communicating the desired culture to all organizational members

Messages communicated should be few and compelling-centered upon organizational vision, goals and core values—not with 50 messages that people have trouble remembering [15].

Modeling of desired behavior by leaders

Employees often look at their superiors as role models. Hence, leaders must model the desired behavior in what they say and do; they must practice what they preach.

Conducting appropriate training at all levels to imbibe new culture

Training is essential to secure organizational commitment to quality improvement efforts, minimize resistance to change, and to enable employees to handle new task demands.

Reinforcing the desired behavior

To accelerate and sustain the cultural change process, the desired behavior of employees should be reinforced through recognition and reward systems.

Evaluating progress towards desired culture

Continually monitor and evaluate the cultural change efforts to determine if the desired behaviors' were attained. If the cultural change efforts are not successful, take corrective action.

How Leaders Embed and Transmit Culture

According to Schein [10], a leading authority on corporate culture, there are six primary mechanisms for embedding and reinforcing the desired corporate culture: (1) What leaders pay attention to, measure, and control on a regular basis; (2) How leaders react to critical incidents and organizational crises; (3) How leaders allocate resources; (4) Deliberate role modeling, teaching and coaching; (5) How leaders allocate rewards and status; and (6) How leaders recruit, select, promote, and excommunicate. Schein also identifies six secondary mechanisms for articulating and reinforcing culture: (1) Organizational design and structure; (2) Organizational systems and procedures; (3) Rites and rituals of the organization; (4) Design of physical space, facades and buildings; (5) Stories about important events and people; and (6) Formal statements of organizational philosophy, creed, and charters.

Making Quality a Way of Life

As stated by Otis Port, "Quality is not evangelism, suggestion boxes, or slogans. It is a way of life" [16]. Based upon successful cultural transformation efforts and literature review, there are numerous strategies for making quality a way of life in an organization. First, top management must demonstrate visible commitment and explicit involvement in efforts aimed at embedding quality into the basic fabric of everyday organizational life. Senior managers must personally lead cultural transformation efforts and reinforce the new organizational culture through word and deed. In the words of Thomson and Strickland [17], "Only top management has the power and organizational influence to bring about major cultural change." Similarly, Kotter and Heskett [13] state that competent leadership is the single most visible factor that distinguishes major cultural changes that succeed from those that fail. Towards this end, quality should be integrated into the organization's mission statement and corporate philosophy. For example, Sam Walton established and modeled three basic values that represent the core of *Wal-Mart's* culture: (1) Respect for the individual, (2) Service to our customers, and (3) Striving for excellence. Senior managers should serve on the Quality Council and Quality Improvement Teams; allocate adequate resources for quality improvement projects; establish corporate quality goals and measure progress towards attaining them on a regular basis; participate in training; and be accessible to employees and customers.

Second, leaders must role model the desired behavior. Employees watch the top leaders for signals about what matters and what does not [18]. People learn by observations and are likely to emulate those behaviors' that they believe are likely to lead to success [19]. Through their behavior (what they say and do), leaders should convey clear and consistent signals about desired values and norms [20]. For example, Sam Walton modeled customer service behavior by visiting his stores, meeting customers and greeting employees by their first names.

Third, top management needs to foster a climate of mutual trust and teamwork which is crucial for creating and sustaining a quality culture. In this regard, top managers should honor promises and commitments; maintain open and honest communication; avoid formation of cliques or subgroups; encourage free flow of information; establish cross-functional teams; and encourage discussion of key problems and issues.

Fourth, management should recruit new people (including for key positions) that are compatible with the desired quality culture. For example, Motorola shows potential employees a video in which the company's values are succinctly explained. Understanding these values helps people screen themselves before they sign up [21]. Organizations can also utilize personality questionnaires and interest inventories in selecting staff who will conform with the desired culture [19]. The organizational core values can be reinforced further through orientation or socialization programmes. For example, Disney World has a two-day orientation programme where every new employee meets Walt Disney (through videotapes) and learns about his vision and the core values, including treating every customer as a "guest" and every employee a "performing artist" [21]. New *Sanyo* employees go through an intensive five-month programme where they learn the *Sanyo* way of doing things—from how to speak to superiors to proper grooming and dress [22]. Some organizations also utilize stories or legends to remind everyone of the organization's core values and what they mean [13]. For example, at *Frito-Lay* there are numerous stories about truck drivers who went to extraordinary lengths in overcoming

adverse weather conditions to keep store shelves stocked with *Frito-Lay* products [23].

Fifth, management should provide appropriate training and other support which permits employees to embrace the new culture and to fully understand quality principles. The entire workforce needs to acquire new knowledge, skills and attitudes. Every employee must clearly understand his or her role in making quality happen [24]. Training sessions must start with top management and cascade down the organization. Quality training should cover quality awareness, basic quality concepts and tools, process management, communication skills, interpersonal skills, problem-solving skills, and team building. Organizations noted for world-class quality typically devote 40-80 hours per year, per person to training.

Sixth, employees at all levels have to be engaged, have to be involved, and have to take ownership of the cultural change [25]. Participation in the cultural change process tends to reduce resistance to change besides enhancing both satisfaction and employee productivity. In this regard, gaining the support of middle managers at the department or divisional level is crucial [26]. Management should get them involved in designing and promoting quality improvement efforts. Decision-making authority should be pushed down to the lowest possible level. Teamwork should be promoted through establishment of steering committees, cross-functional teams and quality circles.

Seven, the desired quality culture should be reinforced by incorporating core values in the performance management system and basing rewards on meeting quality goals and demonstrating appropriate behavior (besides technical competence). Who gets promoted says more about real values than any mission statement or credo [13]. Management must recognize both individual and team achievements.

Eighth and finally, management should use every vehicle possible (including conferences, videos, posters, in-house magazines) to communicate organizational direction, key values and quality achievements by employees. According to Kotter, "Without credible communication, and a lot of it, employees' hearts and minds are never captured" [27].

Conclusion

Creating and sustaining a quality culture that facilitates continuous change and improvement is crucial for long-term organizational success. Changing organizational culture is a challenging and time-consuming process as it necessitates changes in the way people think and behave. To ensure success, cultural change efforts must focus on formulating a clear, compelling and shared vision; securing sustained top management commitment; role modeling of desired behavior by top leaders; promoting employee involvement and empowerment; conducting appropriate training at all levels to imbibe the new culture; maintaining open and honest communication; fostering a climate of trust and collaboration; and embedding cultural changes in the organization's structure, systems and policies. It is highly important to ensure that the desired culture is compatible with organizational strategy.

References

- Kreitner R, Kinicki A (1998) *Organizational Behavior*, 4th ed., McGraw-Hill, New York.

- Ranjit SM (2004) *Enhancing Personal Quality: Empowering Yourself to Attain Peak Performance at Work*. TQM Consultants Sdn Bhd, Kuala Lumpur.
- Sinclair J, Collins D (1994) "Towards a Quality Culture?". *International Journal of Quality & Reliability Management* 11: 19-29.
- Alexander PC (1988) "Quality's Third Dimension". *Quality Progress*, 21-23.
- Crosby PB (1990) *Leading: The Art of Becoming an Executive*. McGraw-Hill, New York, 214.
- Pascale R, Millemann M, Gioja L (1997) "Changing the Way We Change". *Harvard Business Review* 75: 127-139.
- Collins JC, Porras JI (2002) *Built to Last: Successful Habits of Visionary Companies*, HarperCollins Publishers Inc., New York.
- Cameron KS, Smart KL (2001) "The Importance of the Quality Culture", *Intercom*, May, 41-42.
- Dean JW, Evans JR (1994) *Total Quality-Management, Organization and Strategy*, West Publishing Co., St. Paul, MN, pp. 288.
- Schein EH (2004) *Organizational Culture and Leadership*, 3rd. ed., Jossey-Bass, San Francisco.
- Kreitner R, Kinicki A (2007) *Organizational Behavior*, 7th ed., McGraw-Hill, New York.
- Linkow P (1989) "Is Your Culture Ready for Total Quality?". *Quality Progress* 22: 69-71.
- Kotter JP, Heskett JL (1992) *Corporate Culture and Performance*, The Free Press, New York.
- Fox R (1991) *Making Quality Happen: Six Steps to Total Quality Management: A practical guide to Implementing Tqm*. McGraw-Hill, Sydney, Australia.
- Hesselbein F, Johnston R (2002) *On Leading Change: A Leader to Leader Guide*, John Wiley & Sons, San Francisco, USA.
- Ranjit SM (2006) *Enhancing Managerial Performance: Empowering Yourself to Become a High-Performance Manager*, TQM Consultants Sdn Bhd, Kuala Lumpur.
- Thomson AA, Strickland AJ (1999) *Strategic Management: Concepts and Cases*, 11th ed., McGraw-Hill Book Co., Singapore.
- Filipczak B (1996) "CEOs Who Train", *Training*, June, 57-64.
- Williams A, Dobson P, Walters M (1989) *Changing Culture: New Organizational Approaches*. Institute of Personnel Management, London, 309.
- Kolb DA, Osland JS, Rubin IM (1995) *Organisational Behavior: An Experiential Approach*, Prentice Hall, Englewood Cliffs, NJ.
- Kouzes P, Posner BZ (1993) *Credibility*, Jossey-Bass, San Francisco.
- Robbins SP (2001) *Organizational Behavior*, 9th. ed., Prentice-Hall, Upper Saddle River, NJ.
- Thomson AA, Strickland AJ, Gamble JE (2005) *Crafting and Executing Strategy*, 14th ed., McGraw-Hill, Boston.
- Crosby PB (1989) *Let's Talk Quality: 96 Questions that You Always Wanted to Ask Phil Crosby*, McGraw-Hill, New York, 208.
- Juechter WM, Fisher C, Alford RJ (1998) "Five Conditions for High-Performance Cultures". *Training and Development* 52: 63-67.
- Smith ME (2003) "Changing an organization's culture: correlates of success and failure". *Leadership & Organization Development Journal* 24: 249-261.
- Kotter JP (1996) *Leading Change*. Harvard Business School Press, Boston, 187.

This article was originally published in a special issue, [A World View Defense And Human Security](#) handled by Editor(s). Dr. Rola Abdullah Ibrahim Al-Hoqa'il, University of Dammam, Saudi Arabia