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Editorial

It has been a decade now since the "quality movement" gained significant momentum. In 1987, the United States created the Malcolm Baldrige National Quality Award and it became the de facto definition of Total Quality Management (TQM); other nations followed with similar awards and criteria. The value of the award has not been in its ability to discern winners and losers. In fact, only several dozen companies apply for the award annually. Rather, the award criteria has served as a template by which companies have assessed their quality systems, and developed strategic plans to address moving from their current state to a more ideal system.

A funny thing happened to the Award on its way to its tenth birthday. While maintaining the moniker "Quality Award", the award criteria took a major turn. Examination of these changes can tell us a bit about where the quality movement has come after a decade. The criteria now relate to not just quality per se, but "Performance Excellence". As stated in the 1998 criteria (<http://www.quality.nist.gov/>)... "The Criteria continue to evolve toward comprehensive coverage of strategy-driven performance, addressing the needs of all stakeholders--customers, employees, stockholders, suppliers and partners, and the public. The Criteria for 1998 further strengthen the systems view of performance management, and place a greater emphasis on the alignment of company strategy, customer and market knowledge, a high performance work force, key company processes, and business results. Increased focus has been given to all aspects of organizational and employee learning." Superior quality performance is no longer tied simply to the ability to control and continuously improve quality. Rather, organizations must develop a holistic approach to quality intimately tied to strategy, which enables continuous learning to occur.

Some would say that TQM has become passe'. Indeed, companies have fled from the acronym, adopting instead phrases such as continuous quality improvement, process improvement, six sigma, etc. Attendance in quality-related seminars and conferences has dropped, and it looks like we are past the hey-day when quality was at the tip of every executive's tongue. So was TQM simply another management fad? Or have the objectives of TQM been so successfully met that organizations can move onto the next set of challenges?

We argue that the answer to both of these questions is no: TQM was not just another business fad, and the challenges embedded in the objectives of TQM continue to face organizations today, as significantly in many ways as they did ten years ago. Let's consider the issue of "fad" first. While the pomp and circumstance of TQM has run its course, the concepts of TQM have in fact become deeply embedded in the collective consciousness of organizations. Even though their actions may suggest otherwise, most companies are fully aware of their need to focus strongly on customer needs, their need to continuously improve via the expertise of their employees, and their need to manage processes in a systematic and holistic fashion.

Despite this awareness, quality still poses significant challenges for organizations of today. The American Customer Satisfaction Index (<http://acsi.asq.org/>) shows that overall satisfaction with American products and services has declined 1.5 percent since 1994. With the exception of government services, the public is less satisfied with the products and services they are getting than they were four years ago, especially in the areas of transportation, communication, utilities, and services. While many organizations have successfully improved process quality, achieving quite significant reductions in defect levels and cycle time, they simultaneously continue to suffer from errors made at the level of strategic quality, making very high quality products that consumers don't want. Additionally, the cultural changes that people like Deming and Juran hoped for have not come about for the most part. In summary, while we have many organizations have succeeded with quality at a tactical level, few have succeeded with quality at the strategic level.

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We are optimistic that in the long run, quality management will become as much an implicit part of business life as financial management is today. Part of this hope stems from shifting perceptions and attitudes towards TQM. In general, one's attitudes towards an innovation relate to how one perceives the benefits of that innovation, relative to expectations. In the early 1990's, our expectations for TQM were out of synch with reality. TQM was being "sold" as a panacea--a cure all. Our expectations of results were being driven by our observation of successful Japanese companies--companies that had been "at it" for decades! Simultaneously, results were being hindered by poor implementation--change strategies that were inappropriate, piecemeal implementation and lack of strategic alignment, and more words than actions.

More recently, however, we have adjusted our expectations. Within-industry benchmarking has allowed firms to form more reasonable estimates of the types of improvements that are feasible, and no company expects that TQM alone can lead to unadulterated business success. TQM has been reframed as part of, rather than the whole of, what a successful business is about. Likewise, we have gotten better at implementation. There is growing recognition that the TQM practices that are to be enacted by a firm depend on the maturity of their existing quality system and the type of product and market environment that the firm competes in. TQM is no longer being seen as a set of practices that are uniformly implemented in all firms, in all situations, at all times. Rather, TQM is seen as comprising a set of values, and the practices that emanate from those values depend on history and context.

So we bring you this special issue of *Engineering Management Review* entitled **Beyond TQM**. By this we mean to imply not that TQM has stopped being important, but rather that we have gotten past the fad phase; we no longer have to wave the red, white, and blue banner of "TQM" in order to do something meaningful and significant for quality. The articles in this issue show us how far thinking and practice has come in the last decade.

Several of our articles relate to "reengineering", a business innovation that at times has attempted to distance itself from TQM. Nevertheless, quality improvement is quality improvement, regardless of whether it occurs incrementally or discontinuously. Malhotra's and Davenport & Short's articles provide a strong introduction to the concept and practice of reengineering, and for balance, ???'s article counter-argues about the intelligence of one of reengineering's most significant end results, downsizing. Rigorous implementation of statistical reasoning is still a TQM practice that has alluded many firms, and the articles by ??? and Gitlow & ??? highlight leading edge thinking and practice. The ISO 9000 standard for process quality assurance has also become an integral part of quality practice, and Uzumeri's article discusses its impact on management practice. As firms explore opportunities for quality improvement, many recognize that addressing quality issues in the new product development process can lead to significant leverage, as Hughes & Chaffin's article discusses. Across all areas of possible implementation, Plsek's article points out the need for creative thinking. Creativity is also needed in recognizing that firms need to go beyond customer satisfaction and focus on customer delight, as Jones & Sasser's article reminds us. Finally, ??? article contemplates the future role of the quality professional as we move forward.

The field of quality has matured in many ways. Welcome to the State of Quality, 1998.