A MANIFESTO OF TQM (4)

— Quest for a Respectable Organizational Presence —

The TQM Committee

Union of Japanese Scientists and Engineers

(4)   Human Resources

- Positioning of employees in business management: Human resources (the most important management resources); and the right employee in the right place
- Education and training: Employee development; multi-skilled and multi-professional employees; and planning, evaluation, and feedback for education and training
- Respect for people: QC Circle activities; morale and enthusiasm; leadership; respect for autonomy and creativity
- Self-directed Participation: Understanding of one's own job; participation in business management; and participation in various workplace activities

(5)   Information

- Positioning of "information" in business management: Business environment information; communications for organizational operations; technological knowledge base; and customer data base
- Information systems: Data base; flow of information; network; computers; information systems for quality and technology; CAE (Computer-Aided Engineering); and configuration management systems
- Analysis: Information extraction, processing, integration, and creation; and analytical methods and tools
- Standardization: Standardization of data and data exchanges

(6) Management System

- Organizational structure and its operations: Structure of management system; corporate (headquarters) functions and their roles; relationship of division and product group organizations and staff functions; engineering staff departments; inter-departmental coordination; committee structure and operation; division of company; and project teams
- Daily Management: Division of business; operational resources (4M: man, machine, material, method); standardization; maintaining activities; and improving activities
- Policy Management: Establishing policies; appropriateness of policies; deploying policies; consistency among policies; developing measures; action plans and procedures; tracking progress; cause analysis of under-achieved policies; compilation of implementation results; reflection; forwarding remaining issues to the following year; and relationship to cross-functional management (QCDSME ... : quality, cost, delivery, safety morale, environment, etc.)
- Relationship to the other management improvement programs: Relationship to and fusion with TPM; JIT (Just-in Time); ISO 9000; ISO 14000, etc.
- TQM promotion and operation: Objectives of TQM; promotional organization and its master plan; and understanding and overcoming obstacles

(7) Quality Assurance System

- QA for product planning, development and design: Research and technology development; planning and determination of processes for new product introduction; understanding of customer requirements; product conceptualization; contract specifications; system design; consideration for ease of manufacturing; cost planning; concurrent development; design evaluation; utilization of DR (design review); product safety; PL (product liability); environmental consideration; change management; development of production methods; process design; equipment specifications; process management plan; tools and jigs; operation standards; and skill training
- QA for production: Production plan; process management; progress management; inspection; change management; fool-proofing; defects; cost; delivery; inventories; lead time; and people
- QA for purchasing/procurement: Purchasing/procurement policies and plans; evaluation and selection; purchasing specifications; receiving; and vendor support, guidance, and development
- QA for sales/service: Market understanding; market needs; feedback to planning; QA policies and plans for sales; product knowledge; sales management; distribution channels; delivery; before-sales service; after-sales service; claim/complaint handling; understanding customers' hidden requirements; and technical support

(8) Cross-Functional Management Systems

- Operation of Cross-Functional Management: Selection of subject matters for Cross-Functional Management; and operational systems for Cross-Functional Management (committee structure, executive in charge)

- Quantity and delivery management: Management indicators; management systems; understanding of progress; and understanding and management of inventory levels and lead times
- Cost management: Cost planning; understanding of cost structure; cost information systems; understanding and analysis of plan-actual gaps; and methods and technical bases for cost improvement
- Safety, hygiene, and labor environment management: Employee safety and health; workplace environment; and safety education
- Environmental management: Consideration of surrounding environment; consideration of global environment; environmental management systems; ISO 14000; LCA (Life Cycle Assessment); and the Eco Mark

(9a) Core technology, Speed, and Vitality

- Core technology: Understanding of core technology; technological levels; technological strategies; administration for technologies; patents; intellectual copyright; and core competence
- Speed: Decision-making processes; decision-making speed; response to changes (flexibility); organizational layers; and management information network
- Vitality: Entrepreneur spirit; morale; enthusiasm; and positive attitude

(9b) Customer Relations, Employee Relations, Social Relations, Supplier
       Relations, and Stockholder Relations

- Customer relations: Customer satisfaction; complaints/claims; supplemental services; repeat and loyal customers; collaboration; and communications
- Employee relations: Employee satisfaction; retention rate; morale; loyalty; workplace environment; and labor safety and hygiene
- Social relations: Transparency; fairness; corporate citizenship; environmental management; contribution to society; co-existence with local community; and a member of international community
- Supplier relations: Cooperative relations; co-existence, co-prosperity; friendly rivalry; group companies; and fair business
- Stockholder relations: Profits; dividends; and stock prices

(10)   Realization of Corporate Objectives: Attainment of Mission, Building Respectable
        Presence, and Securing Profits

- An organization with respectable presence: Customer satisfaction; profits; technological levels; quality of the organization; and goodwill
- Attainment of mission: Recognition of mission; total assessment of mission attainment; and future plans
- Shining examples: TQM unique to the organization's reality; and new TQM concepts, methods, and technologies

5. Strategies for TQM Build-up

Strategies for TQM Build-up

(1)   Disseminate TQM concepts as they are developed
(2)   Develop TQM's Building-Block Technologies
(3)   Actively provide mutual-learning opportunities
(4)   Assume international leadership
(5)   Ensure strategic nature in TQM

The change from TQC to TQM also presents many tasks for restructuring TQM. Being a quality-centered management approach, TQM's mission should aim for contributing to organizational efforts to building efficient and effective organizations. In this vein, TQM must develop and disseminate concepts, and their applications, techniques, and methods in response to changes in business environments while supporting user organizations according to their needs. TQM must always strengthen its basic technologies and methodologies as a quality-centered management approach, take leadership in keeping ahead of changing times with an enterprising spirit, and play an integral role in fusing and integrating itself with various organizational improvement and transformation methodologies.

The following lists the issues that TQM must tackle in order to materialize its mission:

(1)   Disseminate TQM concepts as they are developed

Though the TQM Model introduced in this booklet does not necessarily reflect the consensus of all members concerned at this time, we believe it has value because it reveals TQM's overall framework within a concrete model. We hope this can trigger focused discussion among people, which may result in further modification and development of the TQM model.

Of this new TQM model, the framework of which is provided in this booklet, the TQM Committee will continue to explain, answer questions, and invite discussions through various means such as publications, papers, articles, commentaries, seminars, symposiums, workshops, forums, web sites, and mailing lists. To test the validity of this TQM model, the TQM Committee will also collect best practice examples and conduct benchmarking studies, modify the model as deemed necessary, and thus, bring new TQM concepts to maturity.

(2) Develop TQM's Building-Block Technologies

Building-Block Technologies, which new TQM should possess, must be identified, and then developed and modified, if necessary, by creating favorable environments (e.g. organization, shared responsibilities, incentives, etc.) for developing these technologies.

Chapter 3 introduced Building-Block Technologies that the new TQM should develop or strengthen. The important question is not so much on whether these technologies should be developed, but rather, how to promote such technology development. Many experts have already discussed "the issues of TQM's future" in various media. After being pointed out, however, actions to address these issues have not always been followed. The urgent matter is to create an environment that triggers such actions.

To encourage further study and application, it may be necessary to establish some incentives such as research grants, awards, and publications.

(3) Actively provide mutual-learning opportunities

To disseminate, educate, and further develop TQM, we will actively provide forums for effective mutual-learning, especially cooperative opportunities between industry and academia.

Some examples are symposiums and workshops on a specific theme such as "effective utilization of information technology in TQM," a symposium based mainly on contributed papers (including award and publication opportunities), a TQM symposium for top management, symposiums for TQM promoters, and TQM research groups (e.g. research grants, industry-academia collaboration, and publication opportunities).

(4) Assume international leadership

To establish TQM as a universal management approach, we need to create a mechanism through which the concepts, techniques, and applications of TQM in Japan may be actively shared with the world. The name change from TQC to TQM will not automatically make TQM as practiced in Japan accepted internationally. Its contents must be known and withstand testing by everyone else. TQM has developed as TQC in Japan in its own right, but includes many universal features. Any country possessing something worthy of contributing to the world has an obligation to contribute duly. In this vein, we must make TQM appealing to the world, and consequently, let ourselves be known in the world, which is an aspect of internationalization.

The need for international communication has been discussed, but it, too, has fallen short in taking actions. Although we face many issues such as language barriers, organizational structures, and appropriate personnel, we must still establish a necessary mechanism for international communication.

(5)   Ensure strategic nature in TQM

In this booklet, we discussed the need for new TQM strategies. The TQM Committee believes that companies and organizations that apply TQM are not the only ones needing such strategies, but TQM itself needs its own strategies. To change the name from TQC to TQM, it was necessary to establish a TQM Committee. This fact itself provides evidence that the TQM society lacked strategic planning functions.

In considering the future of TQM, the Committee strongly feels the need to establish an organization that will magnetize others to join in its strategic planning. Tentatively, we will call it "the X Committee." The X Committee should be able to make convincing proposals and practical measures in the dissemination and education of TQM and its wider applications (both domestic and abroad), in public relations, in promotional and leadership systems, in encouragement and incentives, in technology development, and in TQM issues. The TQM society in Japan today needs such an organization.

Postscript

In this booklet, we reconfirmed the significance of TQC in the past, considered what is needed for the future of TQM, and presented a new conceptual model of TQM. However, our true concern was not the content of the model itself, but the presentation of a tentative model, such as this one, as a basis for discussion. Such a model needs not be perfect, but should provide a focus for fruitful discussion among concerned people. We anticipate various questions and comments such as: It is still not unclear how TQM differs from TQC; The TQM concepts are now so wide, they are indistinguishable from a business management model; Such and such are missing; Respectable presence makes sense; Core technology, speed, and vitality summarize well. We sincerely hope that this TQM model will become a beginning of discussions on TQM concepts.

What do you think we really wished to communicate in this booklet? It is summarized in a few lines at the very end. We made a strong case to appeal that the TQM society in Japan should establish functional branches for strategic planning and promotion. We named a hypothetical group "the X Committee," and its functions were those that late Dr. Kaoru Ishikawa used to perform in his leadership. In order to play these Ishikawa roles, the committee requires a magnetic center that exerts a centripetal force at its core. Though not so easy, we feel it is urgent to establish such a committee.

In the past 10 years, we saw a reversal in the roles that Japan and the United States played with respect to Quality. The establishment of the Malcolm Baldrige National Quality Award represents the tip of the iceberg in America's quality strategies. The TQM Committee hopes that restructuring TQM in conjunction with changing names from TQC to TQM will strengthen the concepts, methodologies, applications, and effects of TQM. Thus, we will play a greater leadership role in Quality again.
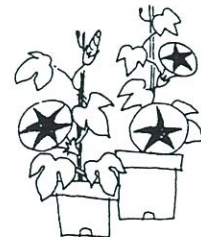
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