



Title: Total Quality Management in Professional Service Organizations

Course:

Year: 1993

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Report No: P93035

ETM OFFICE USE ONLY

Report No.: See Above

Type: Student Project

Note: This project is in the filing cabinet in the ETM department office.

**Abstract:** This paper investigates and identifies Total Quality methods being used in professional service organizations. Interviews were conducted of legal firms, engineering firms, government organizations and management consulting firms with total quality as the focus. Each firm either has started to implement total quality or has future plans to do so. Although total quality is difficult to implement in professional service organizations, those that do so will ultimately be rewarded.

**TQM in Professional Service Organizations**

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Bryce G. Schroeder**

**EMP-P9335**

P9325

# **TOTAL QUALITY MANAGEMENT**

**IN**

## **PROFESSIONAL SERVICE ORGANIZATIONS**

Gary C. Anderson  
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Portland State University  
EMGT 506  
SPRING 1993

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① Good project, but needs editorial work, a stronger section on "conclusions," and greater detail and specificity in the "results" section. ② The references need to be properly cited.

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## Total Quality Management in Professional Service Organizations

### EXECUTIVE SUMMARY

Interviews were conducted with over twenty service organizations in Portland metropolitan area. They ranged from a one man Total Quality consulting firm, to a 10,000 employee engineering firm. We spoke to five legal firms, eight engineering firms, four government organizations, and four management consulting firms with Total Quality focus. Each of these firms were aware of the drive to implement continuous improvement. Each firm either has started to implement Total Quality or has future plans to do so.

The findings of our survey were:

- 29% had no plan for implementing Total Quality
- 71% were involved in implementing a Total Quality program
- 24% were in the first year of implementation
- 47% had been involved for over a year

Our results concluded:

The interviewees that had Total Quality programs all believed that Total Quality would be necessary for survival in the years ahead.

One of the principle <sup>tenets</sup> tenants of Total Quality is measurement, the interviews revealed that measurement is the most difficult part to implement.

The professional service firms have done almost no monitoring of customer satisfaction in the past. Most of these firms relied on repeat business to provide feedback from the customer.

Each organization must develop a system to organize teams and empower these teams to act on their own to improve the processes.

The only way that Total Quality will succeed in the professional service industry is if the process is modified to reflect the products and processes that service firms provide.

Total Quality is difficult to implement in professional service organizations but those that do so will be ultimately rewarded.

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## **Total Quality Management in Professional Service Organizations**

### **I. INTRODUCTION**

The search for quality is certainly not new. Phoenician inspectors eliminated any repeated violations of quality standards by chopping off the hand of the maker of the defective product. The inspectors of Phoenicia are being replaced by the world's consumers. Instead of cutting off your hand, for quality short falls, customers move on to buy someone else's products.

Quality can be defined as "fitness for use", or the ability to meet and fulfill customer requirements. Product quality has tangible measures. Features and functions can all be measured against how well they meet specification or customer expectation. Service quality is less tangible. It is therefore more difficult to establish standards that are easily measured. Satisfying the service customer is more difficult as the customer is less inclined to provide an adequate description of what they desire. As an example, a specification for a pump, which can be well defined as to purpose and performance, is easier to define than the experiential traits of a service which may range from fairly solid issues like timeliness to the softer expectations associated with a study or report on the future needs of the customer. The report may well contain any number of issues that the customer has not even envisioned.

A study of the top service organizations reveals that they have many things in common. They are dedicated to offering high quality service to their customers. They strive to listen to their customers. They design a strategy for implementing changes and communicate it to the whole organization. They set up an effective measuring system to monitor success. Finally they empower their employees to make the changes necessary to gain customer satisfaction.

This paper investigates and identifies Total Quality methods being used in Professional Service Organizations. Two methods have been used for that purpose: literature search and personal interviews. There has been a number of publications on Total Quality Management (TQM) in service industries (See Bibliography for more detail). Service industries that were of particular interest to the authors were Engineering Consultants, Law, Government, and Management Consulting.



## **Total Quality Management in Professional Service Organizations**

A detailed plan was formulated that culminated in the creation of this paper:

- 1) A detailed literature search on Total Quality.
- 2) Extracting a "strawman" of how Total Quality could be implemented for Services(Appendix B.)
- 3) Creation of questionnaires and information for interviews (Appendix A.)
- 4) Selection of companies and interviewees.
- 5) Interviews.

The detailed literature search produced several articles and books that were used to create a Total Quality Service "strawman" as well as educate the authors. This "strawman" summarizes the steps detailed in literature to take a service organization toward Total Quality. The "strawman" can be found in Appendix B. The literature search and "strawman" was used to formulate a questionnaire in order to conduct interviews. Interviews were conducted with service professionals in the Portland Metropolitan area in the disciplines of interest. The interview forms and questions can be found in Appendix A.

Over 20 different service organizations were contacted. These organizations had the following involvement in Total Quality:

- 29% had no plan for implementing Total Quality
- 71% were involved in implementing a Total Quality program
- 24% were in the first year of implementation
- 47% had been involved for over a year

The organizations that had started a Total Quality program were all very interested in sharing their programs and experiences. These experiences were integrated with the information researched from current literature. Interview results can be found in Table 1.

The paper is organized into four separate sections:

- Total Quality Service Definition
- Literature Search
- Interview Summary
- Conclusions

## Total Quality Management in Professional Service Organizations

### II. TOTAL QUALITY SERVICE DEFINITION

Three terms need to be defined, service quality, quality as it relates to the total quality movement, and customers.

The United States Department of Commerce in the Malcomb Baldrige National Quality Award defines quality with the following paragraph: "Quality is judged by the customer. All products and service attributes that contribute value to the customer, lead to customer satisfaction and effect customer preference must be addressed appropriately in quality systems. Value, satisfaction, and preference may be influenced by many factors throughout the overall purchase, ownership, and service experience of customers. This includes the relationship between the company and customers -the trust and confidence in products and services- that leads to loyalty and preference. this concept of quality includes not only the product and service attributes that meet basic requirements, it also includes those that enhance them and differentiate them from competing offerings. Such enhancement and differentiation - product - service Customer driven quality is thus a strategic concept it demands constance sensitivity to customer and market information and rapid response to requirements. These requirements extend well beyond defect and error reduction, merely meeting specification, or reducing complaints. Nevertheless, defects and error reduction and elimination of causes of dissatisfaction contribute significantly to the customers view of quality and are thus also important parts of customer driven quality." [Appendix E].

Needs  
rewarding

The definition of quality is slightly different for each of the Quality gurus. Deming sees quality as suited to the market. Crosby defines quality as conformance to requirements. Fiegenbaum uses full customer satisfaction. Each of these definitions apply equally to the service and manufacturing sectors. The uncertainty of what the customer requires is often greater in the service industry. This requires that more attention be paid to the customer in order to better understand their needs. One of the interviewees, Gordon Culp of HDR, described Total Quality best: "[it is]...simply organized common sense".

References  
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## **Total Quality Management in Professional Service Organizations**

There are two types of customers; external and internal. We are all well versed on the external customer, they are the people who pay for and receive our services. The internal customers do not pay for our effort, but they are a part of the chain that eventually supplies the service to the external client. The principle of internal clients can be confusing. Each internal employee serves first as a customer when they receive the project. Then as the project is passed on to the next person in the company, the first employee becomes the supplier to the next internal client. The definition of customer is the same whether we are looking at a manufacturing company or a service company.

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### **III. LITERATURE SEARCH**

The transformation of the Japanese manufacturing sector from the benchmark of cheap to the benchmark of quality has become infamous. The successes of companies like Cadillac, Ford, Intel, Hewlett Packard, and Harley Davidson indicate the manufacturing sector of the American economy is making the transformation to statistical process control, empowering employees and leading their companies into the twenty first century. The service sector of the American economy has been slow to grasp the TQM tenants. There are five areas critical to Total Quality service. The areas, as found in the literature, are: Service Quality, Listening to Customers, Setting Service Quality Strategies, Measuring Service Quality, Empowering Employees.

#### **Service Quality**

Perhaps the best known success story regarding Total Quality Management in an American Service company belongs to Federal Express. The growth from eight packages on April 17, 1973 to 300 million packages a year, 94,000 employees, 420 aircraft, and \$7 Billion in revenue in 1990 is well documented [2]. Frederick Smith noted after receiving the Malcomb Baldrige Award, "There is no secret to whatever success Federal Express has enjoyed. What we do is all in the books. Our secret, if there is one is just doing what they say." The four qualities that set Federal Express apart are:

- \* A consistent, clearly stated service quality goal - 100% customer satisfaction.
- \* A mathematical measure of service failures, Service Quality Indicators (SQI).
- \* Employees who are empowered and trained to do whatever is needed to satisfy the customer.
- \* A "people first" environment.

← Reference

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Federal Express constantly surveys their customers to determine how they are doing, and continuously informs their employees of the results. It is their communication network and the "people first" attitude that the officials at Federal Express insist are the reasons that they won the Malcomb Baldrige National Quality Award. Federal Express views the commitment to employee satisfaction as the precursor to meeting their two fundamental corporate objectives: 100 percent customer satisfaction, and 100 percent service performance.

A service company, like Federal Express, cannot recall their defective work, repair it, and return it to service. The first try is the only one that counts. Frederick Smith said, "So in trying to understand the service side of quality, one must necessarily grasp the significance of the human side of quality."

*Reference?*

### **Listening to Customers**

"A complaint is somebody letting you know that you have not satisfied them yet."

Donald L. Beaver, founder - New Pig Corporation

Mr. Beaver sees a complaint as an opportunity to distinguish his company from his competitors. He is happy to hear that the customer has taken the time to complain [26]. The average customer has several reasons why they do not normally complain. They may feel that the company does not listen and therefore it is fruitless to complain. It requires effort to complain, it is easier just to move on to another company. With this in mind it becomes apparent that the customer who complains is offering an opportunity for you to improve his level of satisfaction. A company has to actually solicit complaints and make it easy for the customer to make their desires known. Customer surveys are done in companies like Federal Express. Stew Leonard, a nation-wide grocery retailer, has started customer focus groups in which the Leonards meet monthly with a group of 12 customers who are given a chance to indicate what changes they think are needed in the store, each participant is given a \$20 gift certificate [4].

Top service organizations continually listen to customers, determine what the customer is saying and responds to their needs. In this way they can keep up with the customers changing expectations. Federal Express listened for months to customers complaining about the surcharge for

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Saturday service. After the surcharge was removed they discovered that Saturday service increased to the point where it produced a profit.

Nordstrom places the customer at the top of its organization chart, with the sale and support people directly below. The Board of Directors is at the bottom of the company structure. An often told story relates that after several visits to a Nordstrom store's men's department, a customer's suit still did not fit. He wrote the company president, who sent a tailor to the customer's office with a new suit for fitting. When the alterations were completed, the suit was delivered to the customer - free of charge [17].

There are many other ways to communicate with your customer. Crayola crayons holds focus groups with children as young as eight years old. Bethlehem Steel sends their employees to visit their customers. By seeing first hand what the customer wants the employee is driven to correct the deficiencies [26].

We need to teach the front line employees to listen and communicate with the customers. The unmet customer needs must be passed up the organization to insure that the company strategy provides the product the customer wants. In 1959, Honda introduced their line of motorcycles. Their intent was to compete with the large cycles being manufactured in the United States. The salesmen noted that the customers were constantly asking where they could get one of the Supercub scooters that they used. This information was passed up the organization and completely altered the strategy of Honda and resulted in the motor-scooter boom of the 1960s [26].

Finally a service organization should learn to walk in the customers shoes [26]. Even when the effort is taken to find out what your customer wants, it may not be enough if your competitor goes one step further. You must become so in touch with your customer that you can discover needs that he has not yet thought of.

### **Setting Service Quality Strategies**

The first and most important step towards improving the quality of service organizations is establishing a strategy that spells out what will be accomplished and what changes are needed to meet the goal. To initiate

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a quality service strategy a service organization must find out what the customers wants, segregate the customers according to their expectations, and match the organizations ability to provide the service with the customer's expectations.

Pan Am has researched and segmented, it's customers and decided their primary market is international passengers. It was necessary to place emphasis on one group of customers to the detriment of another group. Pan Am Airlines relies on its domestic routes primarily to distribute the passengers that arrive in New York on its overseas flights. In order to accommodate the overseas passengers the domestic flights are often delayed for long periods of time. While this provides a good level of service to the overseas passenger it conversely provides a poor quality service to the domestic passengers.[8]

Once the customers are segmented into groups find those groups where the company can provide the best service to the largest segments. It may be that the firm will not find the direct conflicts that Pan Am experienced but will find groups that by setting priorities are slated to receive a lesser level of service. While the compan may wish to provide the highest level of service to every group, it must be willing to accept the fact that it cannot make all the people happy all of the time. They are far better off to insure that the primary customer groups are happy and then look to see where the firm can provide service to additional groups. Once the strategy is set it must be communicated and emphasize the plan to the employees. Federal Express takes every oportunity to advertise its quality goals. They are placed on bulletin boards, on business cards, on stationary and repeated frequently on the company television station. Management must walk the walk and talk the talk at all times. Finally, they must live by the quality strategy.

### **Measuring Service Quality**

Measurement is both the first and last step in the process of quality improvement. In order to determine what needs to be done, it must first be establish where the organization is at the present time. With this in hand the company can then look at where they want to be and set a strategy that will get them there. After going through the quality improvement process the company again measures where it is with respect to customer

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satisfaction and assesses the success in making the change that the customer desires.

In dealing with the service companies many of the measures of customer satisfaction are intangible. Reliability, empathy, and responsiveness have to be measured. It is easy to see why this is more difficult than tolerances measured with a gauge, or capacity measured by volume. Intangible items rely heavily on perception as the judgment medium. Sometimes referred to as mental quality, service quality requires an in depth knowledge of the customer.

Once the customer is determined, the company needs to look at what the customer wants. This is where the differences between manufacturing and service become evident. The manufacturing companies deal in material quality, while the service companies deal in intangible quality. Statistical Process Control (SPC) fits extremely well when dealing in processes that perform repetitive activities with the same or similar results. In the service industries there is little repetition and the results of the process are more often different than alike. When using SPC in a service company it is necessary to work with a smaller sample size and to be creative in the definition of the key measures. Customer satisfaction is an example of a key measure that can only be examined through the customer's eyes.

A numerical rating can be assigned by the customer but in comparing answers with other customers there will always be differences in how they compare their feelings with a number. This requires that the survey that is done is of a sufficient size that a comparative rating can be used. In designing the survey the questions must be formatted to solicit answers that are comparable. An example would be to ask how our competitors are doing. This comparison is more valuable than the numbers that the customer assigned. An example of a service company that has integrated SPC to a high level is Federal Express. They have established a Service Quality Indicator (SQI) in twelve critical customer satisfaction categories. The goal for service quality is established at the daily average of these indicators. Federal Express then uses these indicators as the catalyst and have empowered there people to do whatever is necessary to see that the indicators are met. [2]



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The organizations that seek superior customer service measure their performance often and use the results to improve quality. American Express's Travel Related Services Company (TRS) constantly surveys their customers. They feel that the customer satisfaction survey is the most meaningful picture of how good their perceived service quality is. These surveys offer a check as to the relevance of the service measures that are being used.

### **Empower Employees**

"Customer satisfaction begins with employee satisfaction."  
Frederick W. Smith, Federal Express.[2]

Sidney Yoshida discovered what he calls "the iceberg of ignorance", while doing a study in a large factory. What he discovered is that virtually every problem known to management was also known to at least a few of the rank and file employees. What's more, foreman and other employees knew of hundreds of problems of which higher level people were unaware. Only 4 percent of the problems listed were known to top management. Most of the problems were hidden like the vast majority of the iceberg [26]. What this points out is the need for the employee to have the authority to fix the problems they are aware of.

The importance of training <sup>the</sup> employees is pointed out by John Wallace, CEO of Wallace Company. He says that empowerment must be approached carefully. Wallace employees are put through extensive training. "We're not telling them to run the company. We're asking them for their input to help us in making the right decisions." [4]

At Nordstrom the policy statement is just one sentence, "Use your best judgment at all times." The Nordstrom stores spend a lot of time and effort teaching their employees what the best judgment consists of. Once trained they are ready to provide the highest level of customer satisfaction. [17]

A story out of Hewlett-Packard Co. is told about a factory that experienced four defects in every 1,000 soldered connections. The <sup>e</sup>Engineers cut the defects in half by modifying the process. Then HP turned to its workers. They practically rebuilt the operation and slashed the defects to two defects per million.[3]

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### **IV. SURVEY FINDINGS**

One of the most interesting observations, while gathering survey data, was the willingness of the participants to participate in the survey. In each case the people interviewed were people who seem to have little or no time to give up. For companies that were involved in a Total Quality program, when the subject of Total Quality was mentioned as the topic, time constraints seemed to take a back seat. Many of the participants were willing to set aside an hour and a half, just to talk about Total Quality. In each case the firms could identify improvements that were the result of Total Quality. The tabular results of our survey can be found in Table 1 on page 16. The driving questions asked by the interviewees were how much, how fast, and how do we measure to know when we get there?

#### **Demographics**

Interviews were conducted with over twenty service organizations. They ranged from a one man Total Quality consulting firm, to a 10,000 employee engineering firm. We spoke to five legal firms, eight engineering firms, four government organizations, and four management consulting firms with Total Quality focus. Each of these firms were aware of the drive to implement continuous improvement. Each firm either has started to implement Total Quality or has future plans to do so.

The size of the firm ~~is a major factor~~ appears to be a major factor in how fast Total Quality can be implemented. In the smaller companies where direct communication already exists, the employees did not have to spend time on team building exercises. It was easy for a team to jump into a project. One of the firms that we interviewed went through the first round of Quality Teams in 60 days. This proved to be a severe drain on the energy of the employees and is not recommended for every firm.

The larger firms have a much more difficult road. The bureaucracy that exists is cumbersome and requires great effort for the firm to change direction. With large firms there may not appear to be top management commitment to the employees doing the work. Large firms often have procedures and rules that serve as barriers employee empowerment. The

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need for training appears to be far greater when the top manager does not directly interface with each employee. Having several thousand employees that have to be taught to implement a continuous improvement process, takes an extended period of time. The large firm is controlled by a manager who is used to being in control. Total Quality places control in the hands of the employee that has direct contact with the customer. Many of the larger firms are still struggling with the concept of control.

Besides the influence of size, there is a difference in philosophy regarding how fast the implementation should take place. On one hand several firms are setting up a limited number of teams that take an improvement process through to it's conclusion. The team is then dissolved and another opportunity is chosen, a team established and the process started again. This group feels that they need to control the implementation and insure that the process is successful. The other train of thought is to get as many people involved as quickly as possible. This group starts with the first quality team and then uses the members of the team to start several Quality Teams. This philosophy accepts that there will be some failures but the process will be implemented so much faster that the failures will have little impact. In all cases the teams used group problem solving. One of the firms interviewed volunteered a copy of their "Steps to Group Problem Solving". This guide can be found in Appendix D.

The annual revenue does not seem to correlate to the speed or success of implementation of Total Quality. The number of employees runs parallel to the revenue figures for the most part, so the funds available per employee should be close to equivalent.

### **Quality Team**

The firms that are implementing Total Quality are using the Quality Team template to research improvement opportunities. There are some differences in how the participants are selected. The smaller companies tend to just assign everyone to a team. The larger companies look for volunteers, usually starting with upper management and then working down until the team is filled. In most of the firms, interviewed the teams are self directed. In the firms that are managed by partners there is often a desire to restrict the partners involvement on the teams.

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The structure of the teams varies widely between firms. In the companies where the quality teams are selected the number of team members tends to run between four and six members. In the companies where the quality teams are reflective of the work teams the teams tend to be larger. In some cases the teams are fifteen to twenty. At one of the government agencies interviewed the teams were totally autonomous. The teams were responsible for their own hiring, scheduling and first level discipline.

In all the interview cases there were not more than forty teams in place. It seems that the larger firms are still at a fairly low level of implementation and therefore have a limited number of teams in place. The smaller firms that have full participation in the program are limited by the number of employees.

### **Communication**

Communication is one of the areas that the smaller firms have a distinct advantage. When the entire staff can be drawn together in one location, each employee hears the same message and knows that every other employee has heard the same message as well. The larger firms have tried some innovative ways to counteract this disadvantage. One of the larger companies has a television production capability. The employees have the opportunity to view the various training at their convenience. While this guarantees that everyone that views the tape hears the same message, it does not insure that everyone sees the tape. This system does not provide for interaction among the employees and leaves many questions unanswered.

Some of the companies have tried to videotape the training. Comments from employees are, that this is impersonal and leaves something to be desired. In one case a company hired a video production firm to tape the training. It seems that nobody checked the quality of the tape. When the tape was run for the subsequent meeting the quality was so poor that the tape could not be used. This did not start the Quality program off well.

Most of the firms admitted that the one area that they were weak in was communication with their clients. In many cases the only measure that the company had was return business. Several of the companies interviewed are in the process of implementing a survey of customer satisfaction. One

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problem with professional service organizations is the client tends to either be happy or upset. There is often little gradient in the responses. This tends to happen because there is often one chance to provide the customer what they want. If the firm is successful the client tends to be satisfied, if the success is less than the client anticipated, then the client tends to be dissatisfied. To offset this dilemma some companies are asking the client on a regular basis what the level of satisfaction is with the work to date. Continuous feedback gives a better picture of how the client feels and allows the company to correct issues before they become major problems.

### **Measurement**

The one area that every interviewee has a concern is measurement. In every case the companies were struggling to come up with measures that provide a clear picture of the desired change. The professional service industry tends to deal in soft issues. Service measurement systems tend to revolve around the areas of cost, time, and quality. Cost is easy to measure but is difficult to compare between projects, especially in the case of service areas such as Law and Engineering where each project is unique. Cost is also after the fact which does not allow for proactive correction.

Time is a good subjective measure but again is difficult to compare between projects. Time is sensitive to seasons, staffing demands, and client delays. In the cases where the professional service organization and the client go through a process multiple times, time can become a good indicator. In the case where the service is delivered once, time does not indicate very much.

The measure of quality tends to be subjective. If the definition of quality is suitable for the customers use, then only the customer can truly determine the level of quality in the product. This means that the best measurement comes from direct contact with the client.

In most cases we found that the majority of measures revolved around perceived success. The companies felt that they were doing better since they implemented Total Quality. In many instances they did not have any empirical evidence.

Only three of the twenty-one companies interviewed have actively

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benchmarked other firms. Some of the companies referred to gathering benchmarking data from books or articles. A number of the firms had hired outside consultants who had made suggestions based on previous experience with other organizations. However, with the exception of the three companies, no formal benchmarking methodologies were in place.

### **Results**

In virtually every case where a company has started to implement Total Quality there has been improvement. Many of the people interviewed were not sure how much things have improved or how long the change would survive. The employees respond much quicker to change that they or their fellow employees recommend. The skepticism that accompanies management driven change is not as prevalent. As the employee witnesses the successes of the improvement program, they are often enthusiastic to be a part of the next Quality Team that is set up.

The companies we interviewed shared numerous successes. One company has seen the client satisfaction index improve fifteen percent in one year. A government agency tells of calls from citizens who call to congratulate the supervisors on how well the crews are working in the field.

There were only minimal setbacks that came out of the interviews. In most cases any setbacks were due to inadequate training or a lack of adequate support for the team.

*Needs  
specific  
and  
more  
detail*



## Total Quality Management in Professional Service Organizations

### V. CONCLUSIONS

This paper investigates and identifies Total Quality methods being used in Professional Service Organizations. There are several consistent themes and lessons that were found during the course of this research.

*Needs  
to  
be  
strengthened*

#### **Total Quality will Create a Strategic Advantage.**

The interviewees that had Total Quality programs all believed that Total Quality would be necessary for survival in the years ahead. In the near term, a Total Quality program would create a strategic advantage, enabling them to outdistance the competition.

A recent survey in the Engineering News Record of 300 architectural, engineering, and construction firms revealed that half the executives and top managers in these industries do not understand Total Quality and therefore do not accept the theory of continuous improvement. However, the customers, both private and public are starting to expect their service providers to have a Total Quality program in place.

#### **Measurement**

One of the principle tenants of Total Quality is measurement, the interviews revealed that measurement is the most difficult part to implement. Fifty percent of the firms interviewed do not use measurement. Metrics must be established for each quality area addressed, to assure progress and continuous improvement. Metrics should be as simple as possible. Determine why a process or service needs to be changed, then measure the indicator to monitor improvement.

The minimum measurement system that must be set up is to sit down with the customer and discuss their expectations, commit these to writing, and set a regular scheduled meeting to revisit these expectations. The more frequent these meetings the less chance for missed expectation. The professional service firm must be proactive.



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### **Customer Surveys and Feedback**

The professional service firms have done almost no monitoring of customer satisfaction in the past. Most of these firms relied on repeat business to provide feedback from the customer. Our surveys showed that 66% of the firms interviewed were surveying their clients. This is key to developing a good working relationship with the customer.

Interviewees' customers' surveys were consistent with literature research asking:

"How are we doing?"

"Are we providing what you need?"

"Are you satisfied with our work?"

It is important to take the results of the customer surveys and find the root cause of dissatisfaction, if any. This information needs to be distributed to all employees to provide the basis for improving customer satisfaction.

### **Listen to the Customer**

The service professional has to learn how to listen. The interviewees highlighted customer listening skills as "required training" for all employees. The definition of quality in a service industry is based on the customers perception of what they need. In order to avoid waste and rework, we must begin by listening to the customer. Further research is needed to determine how communication skills, particularly listening, can be effectively integrated into service professionals curriculum.

### **Empowered Teams**

Each organization must develop a system to organize teams and empower these teams to act on their own to improve the processes. Results of the research showed that the "working in teams" approach is key to Total Quality. However, there were only two of the twenty-one organizations that had a recognition process linked to team and individual accomplishments. Creating the team with the employees doing the work and empowering these teams to do what is needed to provide client satisfaction is the key to success. An empowered employee becomes responsible for his actions.

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### **Top Down Commitment**

Research interviews confirmed the literature findings that a successful Total Quality program requires commitment from top management.

Total Quality does not happen overnight. In fact the process is never complete. The basic principle is that improvement is continuous. No matter how well the task is accomplished there can still be improvement. If you do not improve your competitor will. Senior management must be patient, and allow Total Quality to become a part of the corporate culture.

### **Customize and Implement**

Perhaps the most formidable barrier to Total Quality in the professional service organization is the lack of examples of successful implementation. Interviewees identified that existing Total Quality templates, from product based industries do not fit well with their organizations. When an existing Total Quality system is forced upon the service company the opportunity for successful implementation is remote. The only way that Total Quality will succeed in the professional service industry is if the process is modified to reflect the products and processes that service firms provide. A successful system will include the customer and their perception of quality service. Interviews were conducted with over twenty service organizations. They ranged from a one man Total Quality consulting firm, to a 10,000 employee engineering firm. We spoke to five legal firms, eight engineering firms, four government organizations, and four management consulting firms with Total Quality focus. Each of these firms were aware of the drive to implement continuous improvement. Each firm either has started to implement Total Quality or has future plans to do so.

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