



Title: Is Con Metco Ready for TQM?

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Abstract: Total Quality Management is a quality philosophy that is popular today. Consolidated Metco does not use this philosophy. One of the main tenets of TQM is that management must support the process. Management personnel were interviewed for their attitudes concerning TQM. They were somewhat hostile to TQM. Con Met quality was assessed using the Malcolm Baldrige Award criteria. The author would not recommend a TQM program at Con Met.

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**Total Quality Management I
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ABSTRACT

Total Quality Management is a quality philosophy that is popular today. Consolidated Metco does not use this philosophy. One of the main tenets of TQM is that management must support the process. Management personnel were interviewed for their attitudes concerning TQM. They were somewhat hostile to TQM. Con Met quality was assessed using The Malcolm Baldrige Award criteria. Con Met quality is need of some improvement but not a major overhaul. The author would not recommend a TQM program at Con Met.

Total Quality Management (TQM) is a current quality philosophy. TQM is many things to many people. The definition used by Evans and Lindsay, "Total quality management is an integrative management concept for continuously improving the quality of goods and services delivered through all levels and functions of the organization." [3] is an example of the concept. The purpose of this paper is to assess the possibility of applying TQM at my workplace. One of the basic tenants of TQM is that top management must support the total quality effort [1] [2] [4]. Therefore I asked some questions of top management to determine their attitudes to TQM and the need for it at Consolidated Metco (Con Met).

I asked two questions of the company president, the vice president of engineering, the controller, and the quality assurance manager. The first question is "What is your perception of Total Quality Management?". The second is "Do you think that this or a similar program is necessary or desirable for Consolidated Metco?". The answers to these questions are the basis of my analysis of the readiness of Con Met for TQM.

Based on these interviews (see appendix) the following attitudes can be generalized:

- TQM is just the latest in a line of buzzwords and acronyms to describe philosophies of quality control or quality programs.
- The basic premise of quality is just the right way to do business.
- There is management resistance to adopting a program with a name.
- Con Met is already doing things that are the best parts of TQM.
- The benefits of implementing a complete TQM program will not offset the cost.

These attitudes caused me to reevaluate the purpose of the project. There are valid arguments against TQM at Con Met. The easiest argument to check is the belief that Con Met is already doing the most important aspects of TQM. To determine the areas where Con Met might be lacking in TQM, the "Malcolm Baldrige National Quality Award" criteria can be used as a framework.

Section 1 Leadership

Con Met management is certainly committed to quality. There was no mention of cost of quality in any of those questioned. They all said that quality was important and needs to be continuously improved. No one said that current quality is good enough. The Con Met philosophy statement has quality as the

Section 4 Human Resource Utilization

My perception of human resource utilization at Con Met is very positive. Training may be a weak point at Con Met just now because of the rapid expansion of the work force required last year to meet record demand. Newer employees are not as well versed in the need and reasons for SPC. They also do not have the experience to spot problems or defects as the more experienced employees. Time and training will help close the gap. Con Met does not have a training staff. Managers are responsible for training of hourly employees. This usually consists of regular meetings with new and old employees combining to discuss processes and procedures. Training of managers and salaried employees is the responsibility of the individual. Since the company has no in house training program, the policy is very liberal on outside training.

Constant improvement is another TQM principle that is employed at Con Met. Everyone at Con Met seems to question the way things are done. People are continually looking for process or product improvements. There is little fear to drive out at Con Met. Employees are encouraged to report problems.

The Con Met quality effort is more in line with Deming's philosophy than that of Juran or Crosby. There is no focal point or quality team to be responsible for quality improvement. Goals for quality improvement are not established. Measurements of quality are not very sophisticated. Rework is still done as required but it is not accepted as a normal process. All parts are expected to conform.

Problem solving at Con Met is another area that may not be in accordance with TQM. The process is normally situational. The people involved may be from several areas or only one depending on the nature and severity of the problem. Teamwork at Con Met is not structured in a particular way. The person requiring help can call on any other person or persons in the organization to participate on a team. This system while rather loose has not been subject to any abuses that I am familiar with.

Taguchi experiments are often implemented by the quality assurance department. More severe product problems may involve personnel from almost every department in a grand cross functional task force to arrive at a solution.

As a consultant I would say that human resource utilization is not a particular weak point at Con Met.

Having looked at Baldrige Award Criteria in relationship to Con Met, I think that there is no question that Con Met quality could benefit from improvement in several areas. Management would agree with this assessment. A TQM program would have to be tailored to the company and definitely not be called TQM. It is questionable that the quality benefits would pay for the increased costs required to implement the program except for small incremental improvements.

One possible avenue of approach to selling TQM at Con Met is to assume the role of a consultant hired to improve quality. As such, the issues to be addressed or obstacles to be overcome can be identified. Almost explicit in the published material on TQM is an organizational paradigm shift [10]. TQM seems to start with the attitude that the company looks at quality the old way not the TQM way [5]. This is simply not the case at Con Met. The attitude of productivity versus quality does not exist. The attitude of productivity versus TQM does exist in the opinion of some managers. The first step in selling top management on TQM is not proving that quality goes hand in hand with profits. The first step is that TQM will provide improved quality over that experienced today. Con Met is very profitable and successful. The ISO 9000 requirements of at one customer have been met and another's are in process. There is no customer or business success imperative for TQM.

My approach to this case after looking at the alternatives is to continue to push for quality improvement in those areas under my control. I have input in design, testing, manufacturing and customer service. As I examine the operations of Con Met in the light of TQM precepts I find that Con Met is well on the way to becoming a Total Quality Company. It would be unwise and insulting to insist that Con Met needs a paradigm shift. I will encourage others in the company to get TQM exposure and training.

References

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APPENDIX

Is Con Met ready for TQM?

Selected comments and replies to the questions:

What is your perception of Total Quality Management?

Do you think that TQM or a similar program is desirable or necessary for Consolidated Metco?

- The Company President

TQM is a buzzword. I don't like buzzwords. There have been many buzzwords for quality over the years.

What do you do when the next quality philosophy comes out? We have a quality program.

We do not need a flag to rally round. We can do things better but we are already doing things right. TQM just reflects the things you do to run a business right.

- VP of Engineering

TQM is a current fad. We are customer focused. We listen. We use continuous improvement. We differ most from TQM in not using measurements. We do not have a formal program but have been doing TQM type stuff all along. Things like cross functional teams and bench marking competitor designs.

- QA Manager

Many interpretations of TQM. Should be applied to the whole organization. Don't think Con Met needs it. But it would be of tremendous benefit. We are doing OK. Have to feel threatened to use it. Would support any effort to promote TQM in the organization.

- Controller

Why spend the money? We are doing a good job with what we have. TQM is a "big company" thing. There no value added for us to use TQM. We have good quality reputation and happy customers. We are profitable. The additional benefit of implementing would not be worth the additional costs. We are always trying to improve things. One goal is to introduce Activity Based Costing at one plant location this year.

CONSOLIDATED METCO PHILOSOPHY

◆ QUALITY IN PRODUCTS AND SERVICES

- Con Met will strive to be the leader in its markets in the production of quality products.
- Con Met will maximize its efforts to provide the best quality possible in manufacturing, design, and customer service.
- We will always pursue the highest quality awards that our customers have to offer.

◆ CUSTOMER SERVICE

- Our day-to-day activities will always be directed toward providing the best possible customer service.
- Every employee must be customer-oriented and do everything within their control to help distinguish Con Met as a company that excels in meeting the customers' needs.

◆ TECHNOLOGICAL LEADERSHIP IN OUR INDUSTRY

- Con Met will constantly review technological developments by others and determine their applicability to our business.
- We will continue to analyze our own product designs and our customers' designs to determine if modifications would improve quality, cost, durability, or serviceability.
- Con Met will have an ongoing activity to design, develop, market, and manufacture new products for industries it serves.
- We will maintain top technical support for our customers.

◆ EMPLOYEE SATISFACTION AND RESPECT

- Con Met employees will show the highest respect for each other as individuals and as members of the same team.
- The Company and its employees will work toward providing job and personal satisfaction for all employees who accept the challenge.
- The Company will work to promote an environment that will encourage all employees to contribute their ideas and for their ideas to be heard, responded to, and recognized.
- Facility condition, maintenance, and housekeeping will always be such that each employee can be proud. Optimum, safe working conditions will prevail.

◆ PROFITABILITY

- Profits will be pursued in order to provide capital for investment in additional equipment, product designs, and new technologies.
- A portion of the profits will be used to improve future financial security for our employees.
- Profits will provide a reasonable return to the stockholders.