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IMPLEMENTATION OF TQM IN PUBLIC ADMINISTRATION BY APPLYING QUALITY MANAGEMENT SYSTEM IN COMPLIANCE WITH ISO 9001 STANDARD AND CAF SELF-ASSESSMENT MODEL

Introduction

Public administration must permanently adjust to the challenges of the changing environment in order to fulfill its legal duties as it is considered to be one of the most important elements of the economic structure. At present, it can be observed that it is rejecting gradually (although the process is too slow, perhaps) a bureaucratic approach for the sake of an approach that aims at the improvement of the public sector functioning, solution of problems and fulfillment of tasks with the application of such criteria as effectiveness, efficiency, justice and quality. That approach called New Public Management was developed in Europe in 1980s and 1990s. It is exactly the kind of approach that democratic states should accept if they want to transform smoothly into information societies with economies based on knowledge.

Within this approach public sector organizations should be interested in improving the quality of their services through the implementation of TQM. The process is a long-term and complex one, where the client is its key element. Thus, it should be understood by the whole staff (both the management and the inferiors) that a well served citizen is the core of the procedure and he/she should always be assisted and have even his most complicated problems solved in the institution he/she turns to.

When implementing the principles of TQM, significant changes regarding the management and administration should occur in organizations. The methods that are helpful in the course of the implementation of TQM rules are the management quality systems based on the ISO 9001 quality standards and the CAF self-assessment model, which aim at perfecting the organization operations in order to meet the clients' needs and introduce the necessary improvements.

The public sector organizations in Poland (e.g. state or self-government offices) have started applying a certified Quality Management System(QMS) in compliance with the ISO

9001 standards already since 1999 (following the reform of the self-government administration). Recently – due to the implementation of the CAF model in the state administration offices (in Poland since October 2006) – a significant increase of interest on the part of the public sector units in the improvement of service quality by means of this model of self-assessment can be noticed. The completion of several programs that implemented this method enabled the application of the model in several hundred offices¹.

Quality management systems and the EFQM model (CAF is the EFQM model adjusted to public sector) are necessary not only to companies but also to public sector organizations. They are based on similar principles and they aim at the improvement of services offered. Despite certain differences, it seems that they can complement one another and be used simultaneously in an organization.

2. Service quality in public administration versus TQM

The concept of TQM² consists in the integration of the company's objectives with the ones of its customers. In this approach it is crucial that the operations involve the whole organization (a system approach), the whole staff is engaged in the quality issues with the leading role of the managing staff, a process approach of management is applied as well as continuous process of improvement, various quality management techniques and other supporting methods that aim at achieving the strategic, long-term success of the company. The success is due to an increasing satisfaction level of customers and results in several benefits to all the members of the organization and society. If their work is to be efficient, the employees must be highly motivated and well behaved, be ready to work in a team and to improve their qualifications. Furthermore, the managing staff should act as leaders, plan relevant tasks and then create the right atmosphere to carry them out. That is in line with the Oakland's approach, who says that TQM has the following strategic objectives: customer oriented quality strategy, understanding of the fault prevention processes, people treated as subjects, their motivation, team problem solving and quality assurance in compliance with the ISO 9000 standards; they all guarantee the customers' demands will be met³. Thus, TQM is a vision that can be achieved by means of long-term planning, by carrying out and

¹See: www.mswia.gov.pl/portal/pl/2/9010/Szkolenia_dla_samorzadow.html (5 May 2012); www.administracja.mac.gov.pl/portal/adm/148/3890/Zakonczenie_projektu_systemowego_CAF.html (5 May 2012).

² TQM - Total Quality Management/Kompleksowe Zarządzanie Jakością.

³ Cf. J. S. Oakland, *Total Quality Management. A practical approach*, Department of Trade and Industry (DTI) 1989; J. S. Oakland, *Total Quality Management*, Butterworth-Heinemann, Oxford 1992.

implementing annual quality plans that will gradually result in making the vision come true, that will lead to the situation where the definition of TQM becomes a reality⁴.

The use of such approach in the public sector organizations results in several benefits for the whole organization members (the achievement of the strategic, long-term success) and the members of the society (the increase of customer satisfaction). It should be stressed that the concept of TQM is also associated with Deming's 12 principles, and a similar approach was presented by such forerunners of management as Crosby (in his 14 stages of quality improvement) and Juran (in his 10 steps to TQM).

For many years public administration has been treated in a completely different way than private sector and it has not been applying the methods of management and ways of increasing the organizational effectiveness and efficiency as well as high standards of customer service that have been used in private business. It seems that particularly public sector organizations should devote a lot of time to introduce suitable management methods that would improve the efficiency of their operations and the level of their services. However, it is the monopolistic character of the services offered by public administration units that they have no incentives (these appear on commercial markets) to improve the quality of the service. Thus, it is not the issue of the public service quality level or its improvement but the problem of creating relevant incentives; in other words it is the problem of creating a situation where public institutions themselves will be interested in *improving the quality of their services*. *Public administration*, when offering services that are in a way monopolistic in nature, has the duty to do it properly and with commitment so that the demands of citizens, who cannot take advantage of a competitive organization, should be met.

When considering the issue of improving the service quality in public administration, one should look more closely at the notion of the quality of such type of services. The definition that is in force now and is included in the PN-EN ISO 9001:2009 standard states that "*quality determines the degree to which a set of inherent characteristics fulfill the requirements*"⁵. If so, the quality of services could be defined as a degree to which a particular service meets the needs and expectations of customers, and the fact if the condition has been fulfilled (or not) is evaluated every time and individually only by a customer. However, if the definition is to answer the question of the quality of a particular service, a broader look will be indispensable that considers such detailed aspects as the customer's needs

⁴ J. Dahlgaard, K. Kristesen, G. Kanji, *Podstawy zarządzania jakością*, Wydawnictwo Naukowe PWN, Warszawa 2001.

⁵ PN-EN ISO 9001:2009 Systemy zarządzania jakością. Wymagania.

and expectations. A need is a feeling of unfulfillment that forces an individual to undertake actions to meet it. Customer's expectations are simply his/her requirements that may be perceived as the clearly defined ones (e.g. completion of a case, short time of waiting) or the unspecified ones (e.g. polite service). Both requirements are equally important, however, the fulfillment of unspecified requirements, which are difficult to define in a clear way, is much more complicated. Thus, the quality of services rendered by administration can be defined as follows: *"quality is the value that contributes to the improvement of the quality of our life and culture, and it is the degree of the fulfillment of common and individual needs"*⁶.

The implementation of the TQM concept in public administration involves a complete change in the ways of behavior, set of values and attitudes. The quality of service depends on people, their motivation, culture and readiness to work in a team, etc. The concept takes into consideration not only all the most important factors that decide about the success of a project (leadership, commitment, customer satisfaction, processes, relations with partners, staff motivation, their qualification, resources) but also the objectives of the organization and all the operations related to management.

3. The implementation of the CAF model in public administration

The CAF method was created by the IPSG, Innovative Public Services Group. It functions within the EUPAN, an informal European Public Administration Network, whereas CAF RC (CAF Resource Centre) is the body responsible for the implementation of CAF, which was set up within the EIPA (European Institute of Public Administration) in Maastricht. The Institute cooperates with a network of national correspondents and is supported by EFQM (European Foundation for Quality Management) and the Speyer University in Germany.

The CAF self-assessment model⁷ is the Excellence Model of EFQM⁸ assigned to public institutions, which is a practical tool that makes self-assessment possible, helps understand shortcomings and find solutions. It consists of nine criteria that define the organization's area of operations, how it approaches the tasks, what results it achieves in its relations with customers/citizens and society, including the key results of the operations. The evaluation of the criteria is based on opinion research and internal indexes.

⁶ M. Bugdol, *Zarządzanie jakością w Urzędach Administracji Publicznej – teoria i praktyka*, Difin, Warszawa 2008.

⁷ See *The Common Assessment Framework*, EIPA, <http://www.eupan.eu>. (5 May 2012) ; *CAF w samorządzie terytorialnym*, Ministerstwo Spraw Wewnętrznych i Administracji, Warszawa 2010.

⁸ See *Excellence Model – EFQM 2010*, <http://www.efqm.org/en/> (5 May 2012).

The main objective of the CAF model is to assist the understanding process of quality management and to improve the hitherto condition of management. More precisely, it aims at the introduction and consolidation of the principles of the complex quality management in public administration, the facilitation of self-assessment of public sector organizations in order to make diagnoses and undertake suitable operations, the construction of a bridge that connects various models applied in quality management and at the facilitation of mutual learning between public sector organizations.⁹ The CAF method constitutes one of the best tools of collecting the information about an organization and of monitoring it on its way to quality management.

The process consists of three phases and ten stages:

Phase I – The start of the CAF process (Stage 1. Organizing and planning the process; Stage 2. Communicating the launch of the process in the office),

Phase II - Self-assessment process (Stage 3. Setting a self-assessment group; Stage 4. Training of the group; Stage 5. Undertaking the self-assessment; Stage 6. Reporting the results),

Phase III – Improvement plan / prioritization (Stage 7. Drafting an improvement plan; Stage 8. Communicating the improvement plan; Stage 9. Implementing the plan; Stage 10. Planning the next self-assessment).

4. The implementation of the quality management system in compliance with the ISO 9001 standard in public administration

The ISO 9000 Quality Management Standards are not technical standards and they do not describe in a direct way the parameters that a product or service should meet but they describe certain principles that ensure adequate quality. That is why they can be used in all type of organizations, public administration including. However, one should not forget the specific nature of the institutions where the system will be implemented. The specific features result from the following facts:¹⁰

- the lack of competitors, thus the lack of motivation to increase the efficiency and reduce the costs,

⁹ *The Common Assessment Framework*, EIPA, <http://www.eupan.eu>. (5 May 2012).

¹⁰ T. Buchacz, S. Wysoki, *Zarządzanie jakością w administracji – europejskie wzorce, polskie doświadczenia*, [w:] J. Czaputowicz (red.), *Administracja publiczna. Wyzwania w dobie integracji europejskiej*, Wydawnictwo Naukowe PWN, Warszawa 2008.

- the effects of operations are immeasurable and do not bring income, it is difficult to determine their effectiveness, however they are socially important and must be carried out,
- financial resources depend on the condition of public finance and not on the quality of management and services rendered,
- the services are ordered by the state and they cannot be commercialized,
- long-term planning is disturbed by rotation and actions on the part of politicians.

At present the group of the ISO 9000 standards consists of four basis standards:

- **ISO 9000:2005 Quality management systems** - Fundamentals and vocabulary (in Poland - PN-EN ISO 9000: 2006 Systemy zarządzania jakością - Podstawy i terminologia),
- **ISO 9001:2008 Quality management systems** - Requirements (in Poland - PN-EN ISO 9001: 2009 Systemy zarządzania jakością - Wymagania),
- **ISO 9004:2010 Quality management systems** - Guidelines for performance improvements (PN-EN ISO 9004:2010 Systemy zarządzania jakością - Wytyczne doskonalenia funkcjonowania),
- **ISO 19011:2002 Guidelines on Quality and/or Environmental Management Systems Auditing** (in Poland - PN-EN ISO 19011:2003 Wytyczne dotyczące audytowania systemów zarządzania jakością i/lub zarządzania środowiskowego) and other standards, technical specifications and reports that support basic standards, which include guidelines concerning specific issues within the framework of the quality management system.

These standards – as it has been mentioned before – have become one of the most common documents certifying high standard of services rendered by public administration, the offices of self-government administration in particular. At present many institutions and customers are convinced about several benefits gained as a result of the implementation of the systems. They are based on the eight principles of quality management: customer-orientation, commitment, leadership, process approach, system approach, continuous improvement, fact-based decision making, mutually beneficial contacts with partners.

The process of implementing QMS in an organization is not divided into stages very precisely, there are several approaches in this case and the literature on the subject is

extensive ¹¹. However, it is possible to distinguish some characteristic stages of the implementation process:

- Making decision on implementing QMS.
- Setting up a timetable/ plan of action.
- Conducting a review of the organization
- Training senior management.
- Appointing a QMS manager and working groups.
- Preparing system documents.
- Appointing internal auditors and training the staff.
- Internal audits.
- Final audit and applying for certification.
- Obtaining the certificate from a certifying unit.

Following all the indispensable operations in the implementation stages, in the course of the two last ones that aim at the verification and confirmation whether the organization meets the requirements defined by the standards (a certifying audit), the external auditor examines the whole range of the organization operations from the point of view of their compliance with the standards and issues a certificate confirming correct implementation of the QMS.

The implementation of QMS that complies with the ISO 9001 standard in public sector institutions may contribute to the change and improvement of their work organization, and – first of all – it may result in the improvement of the service. It may also constitute an instrument that changes the structure and methods of their functioning and lead to the change of the public administration image.

5. Implementing TQM concept in public sector organizations – a model approach

The implementation of the TQM concept in organizations is a long –term process that requires a substantial amount of various resources. There is no precisely determined methodology of implementing the process. However, some recommendations can be found in the literature that should be followed by organizations striving to TQM (as in the Oakland’s model mentioned before). The term “striving” seems to be an adequate one as it is difficult

¹¹ See: A. Hamrol, W. Mantura, *Zarządzanie jakością : teoria i praktyka*, PWN, Warszawa 1998; A. Hernas, L. Gajda, *Systemy zarządzania jakością*, Wydawnictwo Politechniki Śląskiej, Gliwice 2004.

to state explicitly (due to the lack of uniform implementation principles) whether the TQM system has been implemented.

First of all, the implementation of TQM in a company starts with the acceptance of the right attitude – that of leadership and involvement – on the part of the Board and the managing staff of particular departments. At this stage, which might be called the initiation stage, it is the duty of the managing staff to coordinate the operations, to define clearly the tasks and, which is perhaps the most vital element, to convince the employees to this concept of management. The staff will only then be committed to the pro-quality operations if they are adequately motivated by their superiors, and this is possible through a wide training programme offered to the managing staff and the employees.

The next step is the review of the existing systems, i.e. the diagnosis of the system, and then the adjustment of processes, which means planning and adjusting them in a way that the TQM objectives can be achieved. Then a plan of the improvement of processes appears and the reorganization of the whole system occurs that aim at meeting the (internal or/and external) customer's requirements. This can be achieved either by radical changes (*reengineering*) or by continuous improvement of the organization (*kaizen*). At this stage it is highly significant to motivate the staff to be active and involved. This is the stage when both of the presented methods (CAF and QMS in compliance with the ISO 9001 standard) may be useful, which is presented in fig.1. It often happens that in the course of the QMS implementation the employees gain new knowledge and increase their qualifications, the processes are formalized and the standard of their quality is specified, which can support a quicker and more efficient evolution of the organization towards QM. An efficient and modern organization structure based on effective communication is the basis of TQM and it is created at the stage of process integration and company restructuring.

The CAF and QMS implementation process in the public sector organizations is not an easy one. *In the course of implementing* either a quality management system based on the ISO 9001 standards or the CAF model, being the elements of TQM, *significant changes must occur within the organizations as regards the approach and perception of their objectives, which shows in suitable management and administration. The customer-oriented approach must be supported by adequate culture, communication and commitment because only then the transformation will be permanent and efficient and will aim at meeting the citizens' needs*

and expectations. Thus, it must result in a general improvement of the services rendered by these institutions and a measurable increase of the customer satisfaction level¹².

There are five stages as regards the condition of an organization and they refer to the whole process related to the concepts of continuous improvement and the acceptance of the customer-oriented approach. They form a process of improving service quality and a successful completion of each one will result in the implementation of TQM in the organization. In the course of each stage the organizations will face various problems. Thus, it is crucial to identify them, to find the causes and then to remove them so that the process proceeds smoothly and eventually is beneficial¹³.

The stages may refer to the implementation of every method that increases the service quality, no matter whether it is CAF or QMS. The stages are the following:

- awareness,
- preparation,
- carrying out the self-assessment process,
- planning (preparation of the improvement plan),
- implementing the plan of action and continuous improvement.

In this model, *in the course of the process of service quality improvement, the organizations should consider fundamental questions concerning the awareness of their targets and the will to reach them.* It is of vital importance that the public sector organization should have an adequate degree of awareness in order to go through the subsequent stages of the model. The following stages determine the diagnosis of the system and the plan of action. When the organizations ask the question how to meet these targets, the answer may come from the methods of CAF or QMS in compliance with the ISO 9001 standard.

The concept of TQM can be put into practice by means of both methods (fig.1) Every organization must adapt the basic principles of quality management, which in a way constitute the basis of their further actions. It is worth noting that they are compatible as they are based on the same assumptions that customer comes first. Since there are no uniform TQM implementation stages, it seems that both methods can be helpful when building the system. The CAF method achieves this through self-assessments and improvements, while QMS

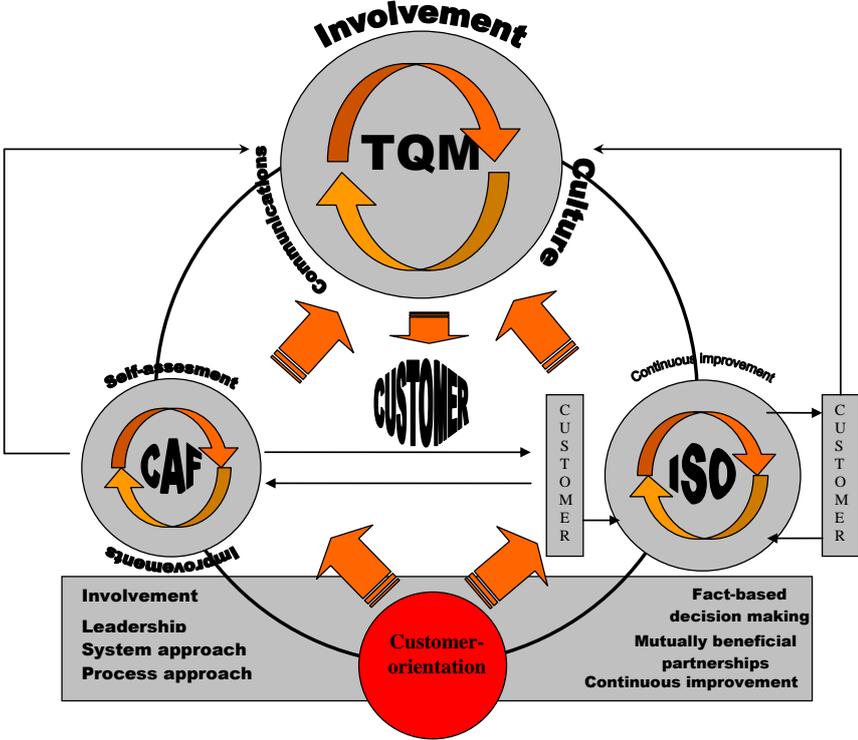
¹² Soliński B., Grzesiak P., Kapłan R.: *CAF drogą do TQM w instytucjach publicznych*, „Zarządzanie Jakością” Nr 3-4/2010, Warszawa 2010.

¹³ The analysis of issues regarding CAF implementation was conducted in: Soliński B., Grzesiak P., Kapłan R.: *Ewaluacja wdrażania modelu CAF*, „Problemy Jakości” 10/2011, Warszawa 2011.

through formalization of the management system based on documents, and both these elements are indispensable when implementing TQM.

The presented model (fig.1) shows all the possible approach configurations when implementing TQM (with both methods) and proves that it is not necessary to choose between the two.

Fig. 1. TQM implementation model with the use of the CAF and QMS in compliance with the ISO 9001



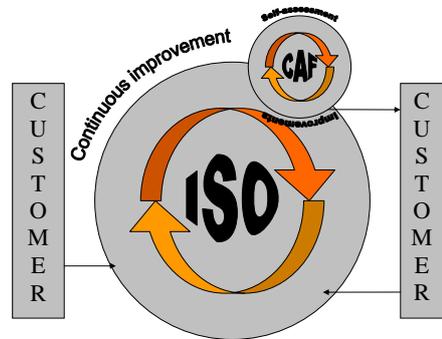
From the author's resources.

As fig.1 shows, the theses of the methods are complementary. So far the public administration has been using the methods rather separately In this case two implementation options of the methods are possible:

- in the case when QMS is functioning, the customer's requirements and relations between processes have been defined and a formalized system exists, the CAF model may serve as a method supporting the improvement of the existing system (see fig.2);
- in the case when the CAF model has been implemented, the self-assessment has been carried out and the implementation of the improvement projects has started,

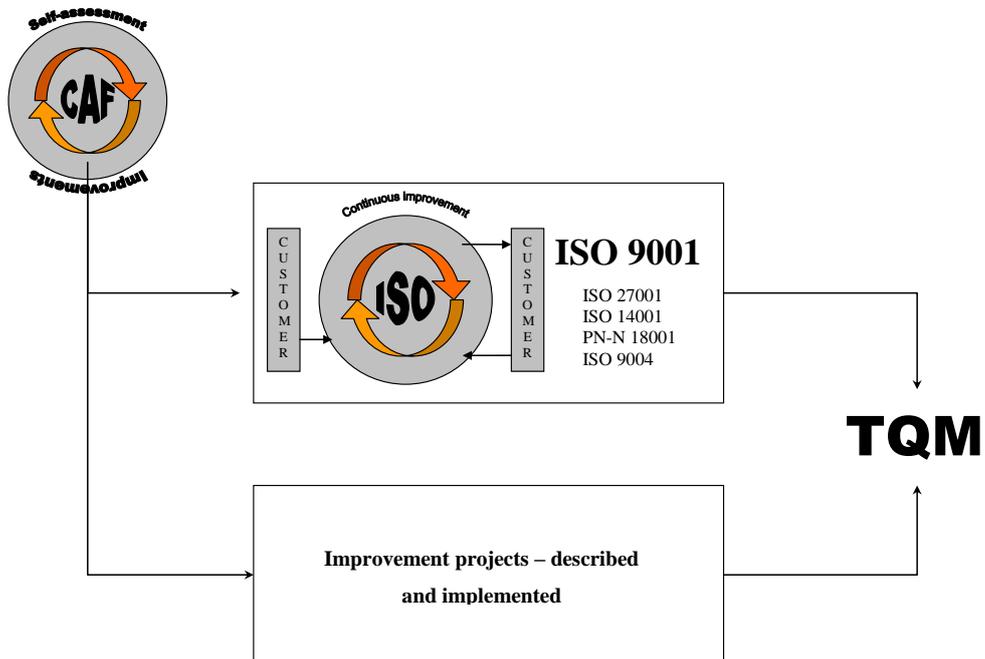
the QMS that formalizes the whole system and has a significant impact on the whole organization can be implemented as one of the projects (compare fig.3).

Fig. 2. QMS with the CAF method implemented as the element facilitating the process of continuous improvement



From the author's resources.

Fig. 3. CAF method with QMS implemented as one of the improvements



From author's own resources.

Conclusion

The process of the service quality improvement in public organizations is a fact. Although hundreds of such organizations have implemented either the quality management systems in compliance with the ISO 9001 standard or the CAF self-assessment model, they have a long way towards the TQM concept.

As it was presented, the TQM concept may be put into practice through both methods (CAF, QMS); it is important that they can co-exist and complement and there is no need to make choices. However, in order to implement both method properly and to reach TQM, it is crucial that the public sector organization has a certain degree of awareness as regards its targets and willingness to meet them. Only then both these methods may be helpful.

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Summary

The paper presents the idea of improving the service quality in public sector organizations through the implementation of the TQM concept. The paper presents two approaches that were most frequently used in recent years and moved closer these organizations to the concept of TQM that uses the quality management system based on the ISO 9000 standards and the CAF self-assessment model. The paper characterizes mutual interactions between these approaches and their possible joint application with the aim at implementing the TQM system in public sector organizations.