# Emerald Insight

## The TQM Journal
Theory C: the near future of quality management
Everard van Kemenade

## Article information:

## Users who downloaded this article also downloaded:

Chu#Hua Kuei, (2003),"Competing on Quality and Environment20037Christian N. Madu, . Competing on Quality and Environment. Chi Publishers, 2003. 301 pp., ISBN: 0#9676023#1#9", International Journal of Quality &amp; Reliability Management, Vol. 20 Iss 8 pp. 980-990

## For Authors

If you would like to write for this, or any other Emerald publication, then please use our Emerald for Authors service information about how to choose which publication to write for and submission guidelines are available for all. Please visit www.emeraldinsight.com/authors for more information.

## About Emerald www.emeraldinsight.com

Emerald is a global publisher linking research and practice to the benefit of society. The company manages a portfolio of more than 290 journals and over 2,350 books and book series volumes, as well as providing an extensive range of online products and additional customer resources and services.

Emerald is both COUNTER 4 and TRANSFER compliant. The organization is a partner of the Committee on Publication Ethics (COPE) and also works with Portico and the LOCKSS initiative for digital archive preservation.

# VIEWPOINT
# Theory C: the near future of quality management

Everard van Kemenade
*MeduProf-S, Eindhoven, The Netherlands*

## Abstract

**Purpose** – The purpose of this paper is to develop an idea on the next step in quality management, based on the experiences of the last 100 years.

**Design/methodology/approach** – A literature review has been undertaken on the history of quality management so far and on trends for the near future. Based on these findings a model has been designed to describe different elements of quality management. A focus is on the human aspects, like vision on the employee, roles of the quality manager and the skills required.

**Findings** – After the control, continuous improvement and commitment paradigm the time has come for a new paradigm based on the importance of the context.

**Originality/value** – The paper provides more insight into the near future of quality management in times of emergent change.

**Keywords** Quality management, Context, Emergent change, Adaptability

**Paper type** Viewpoint

## Introduction

Knowing where you came from helps you know where you need to go. Quality management appears to have a long history. Juran (1995) uses in his courses an image of the production of stone blocks, with the oldest known feedback loop (Thebe, 1450 BC) and mentions a history of quality management even going back to the Xia Dynasty of the twenty-first century BC in ancient China. Quality management systems, however, are said to date back just to the beginning of the last century. From that time until now quality management has developed through three paradigms (Kemenade, 2010): the control paradigm, the continuous improvement paradigm and the commitment paradigm. Each of these are described. For that purpose a model is used that mentions the characteristics (focus, the value orientation – using Beck and Cowen, 1996 – and the objective), the theoretical concept (the guru's that are connected to the movement, the definition of quality, the central discipline, theories by Mintzberg, 1979; Hardjono, 1995; Koopman and Pool, 1992) and the human factor (the vision of men, – using McGregor, 1960; Ouchi, 1981 – the role of the quality leaders in the organization – Kemenade, 2014 – and their required skills – Kemenade, 2012).

Current developments in the field of quality management direct toward a new paradigm shift. Using the same model the characteristics of this new emerging paradigm, the context paradigm, are described, called Theory C.

## Control paradigm

During the 1920s of the last century the systematic approach of quality management starts to surface. In the beginning the main characteristic of this quality paradigm is the focus on the end product. When mass production became common, it became too costly to inspect every single product. With the help of statistical process control, sampling became available as a way of quality inspection. In the value orientations of Beck and Cowen this

paradigm fits in the one where order is dominant. It lives by the grace of hierarchical structures and rigid rules and procedures. Quality management is seen as minimizing deviations from the norm. The original ISO standards belong to this paradigm.

Theoretically quality can be defined as conformance to product and process requirements (Crosby, 1979). It is all about meeting standards. Statistical theory was applied to this product and process control. Famous gurus of that movement were Frederick Taylor and Walter Shewhart. Shewhart, suggested the following three steps to take in quality management already in 1939: specification, production and inspection. Instruments used were inspection plans, control charts. Such a regime will often be structured in what Mintzberg calls the Machine Bureaucracy. The decision-making process is based on planning and control (Koopman and Pool, 1992).

In Hardjono's Four Phase Model© the whole complex of absorbing, digesting and exuding energy in organizations is expressed through four competencies: material, commercial, socialization and intellectual. Competencies which organizations need to survive, competencies they draw on from their environment and which they exude toward their direct stakeholders (owners, financiers, members, personnel, business partners such as customers and suppliers and the various treasuries). Accumulation of these competencies means growth which is experienced as being successful and which contributes to the survival chance in the long run; competencies which each of these stakeholders, as their own entities, need for survival and growth. The control paradigm is mainly interested in the material competence. The ability to increase, maintain and optimally utilize the resources (financial means, technology and material means).

Looking at the human factor the vision of men is like McGregor's Theory X: employees do not take responsibility, have a low job maturity or even are supposed to be lazy. Quality leadership is task oriented, they are like captains of the army. The leadership style is telling and directive (Hersey and Blanchard, 1977). Quality leaders need hard skills and knowledge about statistical measuring and testing.

## Continuous improvement paradigm
The control paradigm gradually evolved into continuous improvement. Satisfying the customer appeared to be more important than just making good products. Also in the course of time ISO standards more and more took the customer into account. In the value orientations of Beck and Cowen this paradigm fits in the one where success is dominant. It is characterized by entrepreneurship and productivity. Quality management is seen as satisfying customer expectations. The organization is seen as a system. An example of a model that describes an organization as a (complex) system is the 7-S model. This model underlines the interdependence between shared values, systems, structure, strategy, skills, staff and style (Athos and Pascale, 1986). Organization wide models were developed like the Malcolm Baldrige Award Model and the Excellence Model (European Foundation for Quality Management). National Awards were installed to motivate companies to keep improving.

Theoretically quality can be defined as fitness for purpose or fitness for use (Juran, 1951).

It is all about improvement. Famous gurus of that movement were Deming, who developed in the 1950s the PDCA-cycle, based on the ideas of Shewhart. Another representative of this movement was Imai and his Kaizen-approach. Management sciences were dominant.

Such an organization will often be structured along the lines of divisions (Mintzberg, 1993). The decision-making process is centralized neo-rational. (Koopman and Pool, 1992).

In Hardjono's Four Phase Model© the continuous improvement paradigm is mainly interested in the commercial competence. The ability to have access to markets and the ability to act on them.

Looking at the human factor the vision of men is like McGregor's Theory Y: employees like to work. Quality leadership is still task oriented, but with more attention to relational aspects. The leadership style is selling and coaching (Hersey and Blanchard, 1977). Quality leaders also need soft, interpersonal skills, like communication and social skills.

## Commitment paradigm

Deming (1986)already mentioned that satisfying a customer was not enough. In 1986 he defined quality as satisfying the customer beyond expectations. For that purpose Deming stressed the importance of the employees. Imai changed the translation of Kaizen from continuous improvement to "everyone, every day, everywhere" improvement[1]. More and more it became clear that you cannot continuously improve without paying enough attention to the human factor, without getting commitment from employees. So, the focus of this new evolving paradigm is on people. In the value orientations of Beck and Cowen this fits in the one where community is dominant. It is characterized by humanity, teamwork. Quality management is seen as exceeding the customers' expectations, providing him an experience rather than a service. The organization is seen as a system of people.

Theoretically quality is defined as delighting the customer. In the Netherlands it was Vinkenburg (2006, 2009, 2011) who introduced the commitment paradigm[2]. Organizational psychology was used as central discipline. An organization will often be structured as a professional bureaucracy (Mintzberg, 1993). The decision-making process strives for consensus. (Koopman and Pool, 1992).

In Hardjono's Four Phase Model© the commitment paradigm is mainly interested in the socialization competence. The ability to engage in and sustain external relationships with stakeholders and the ability to inspire employees, in such a way that they feel uplifted.

Looking at the human factor the vision of men is like Ouchi's Theory Z: organizations should facilitate employees in their work. Quality leadership is relationship oriented. The leadership style is participative and supportive (Hersey and Blanchard, 1977). Quality leaders also need soft, personal skills, self-consciousness and self-management.

## Future trend

Last century we have witnessed an increasing interconnectedness of nations, companies and people. And like Lorenz (1963) said: "one flap of a seagull's wings could change the course of weather forever." As Stacey (1996) makes clear, the occurrence of sensitive dependence on initial conditions is no exception in social and planning processes. As a result there is an innate difficulty to actually control these processes and to know their outcomes. Uncertainty and instability are therefore up to a certain level inescapable (Zuidema and De Roo, 2004). Where in the past quality management could be seen as planned change, now more and more changes just emerge and they are most often beyond the realms of detailed planning. Mintzberg (1994) talks about "the fallacy of prediction and formalization." "Sometimes strategies must be left as broad visions, not precisely articulated, to adapt to a changing environment," he said and that challenges the conviction that organization should have SMART goals.

Emergent change can be defined as actions, adaptations and alterations that produce fundamental change without an a priori intention to do so. Lifvergen *et al.* (2011) make a comparison between planned and emergent change (see Table I).

Emergent change requires that we are willing to give up our certainties. The PDCA-cycle, e.g. might not work anymore (Kemenade, 2014). It is not about preventing the chaos to occur by planning, checking and making the right choices for adjustment. It is about perceiving the uncertainties and the chaos and seek for "synergy" with other organizations and people. Looking at the quality paradigms we mentioned so far, control and continuous improvement hypothesize planned change processes. The commitment paradigm does cope better with emergent change, but not completely. A new paradigm is needed.

## Results and analysis: the context paradigm
In such times of emergent change the way to do quality management differs from one context to another (including the cultural context). It is called Theory C. The focus of this paradigm is on interaction with the environment.

In the value orientations of Beck and Cowen this fits in the one where synergy is dominant. It is characterized by tolerance, by learning. Quality management is seen as adjusting to the context.

Quality is defined as delighting all stakeholders taking the context into consideration. Partly the paradigm goes back to the ideas of Woodward (1958), that there is no one way to do quality management in organizations. There is no one central discipline, the approach is multidisciplinary per definition.

Such an organization will often be structured as a adhocracy (Mintzberg, 1993) combined with organization in networks (Amaral and Uzzi, 2007). The decision-making process uses continuous dialogue. Vinkenburg (2012) mentions the old Egyptian Ma'at concept. The Egyptians had the wisdom not to set norms for an equilibrium. The idea was to search for equilibrium repeatedly, in the specific context and together with all stakeholders. Elements from the Ma'at concept like justice, solidarity, truth hand stability should not be seen as a norm (objective, measurable, always mandatory for everyone), but as a virtue, an attitude that emanates from exercise, education and "Bildung." In Hardjono's Four Phase Model© the context paradigm is mainly interested in the intellectual competence. The ability to learn and

| Planned change | Emergent change |
|---|---|
| Almost always accompanied by unexpected consequences (Livne-Tarandach and Bartunek, 2009) | The outcome is not the preconceived solution, but the development of the most appropriate solution for the stakeholders concerned (Todnem By, 2005) |
| Appropriate for structural changes (Burnes, 1996) | Appropriate for cultural changes (Burnes, 1996) |
| Appropriate for economic-based change (Beer and Nohria, 2005) | Appropriate for organizational capacity building (Beer and Nohria, 2005) |
| Appropriate for new organizational structures (Bamford and Daniel, 2005) | Appropriate for change process targeting work processes (Bamford and Daniel, 2005) |
| **Source:** Lifvergen *et al.* (2011) | |

Table I.
Planned change vs
emergent change

| Paradigms | Control | Continuous improvement | Commitment | Context |
|---|---|---|---|---|
| *Quality management characteristics* | | | | |
| Focus/object | Product, process | Customer | People | Interaction with the environment |
| Value orientation (Beck and Cowen, 1996) | Order (blue) "There are absolute and clear guidelines about right and wrong" | Success (orange) "I am climbing the ladder of success with measurable steps towards my goals" | Community (green) "I am a team player believing that relationships are more important than success" | Synergy (yellow) "I see life as an up-and-down journey from problem to solution, so I accept both chaos and order" |
| Quality management objective | Minimizing deviations from the norm, original ISO-standards | Satisfying customers' expectations, excellence model | Exceeding customers' expectations | Adjusting to the context |
| *Theoretical concept* | | | | |
| Definition of quality | Conformance to requirements | Fitness for use | Customer delight | Delight all stakeholders taking the context into account |
| Guru's Central discipline | Taylor, Shewhart Statistics | Deming, Imai Management sciences | Vinkenburg (Organizational) psychology | Woodward Multidisciplinary |
| Mintzberg (1979) | Machine bureaucracy | Divisional structure | Professional bureaucracy | Adhocracy, Network organization, (Amaral and Uzzi, 2007) |
| Koopman and Pool (1992) Hardjono (1995) | Planning and control Material capacity | Centralized, neo-rational Commercial capacity | Striving for consensus Socialization capacity | Intellectual capacity |
| *Human factor* | | | | |
| Vision of men | Theory X, McGregor (1960), "Employees are lazy" | Theory Y, McGregor (1960), "Employees like to work" | Theory Z, Ouchi (1981), "The organization should take care of" | Theory C, "Organizations and their employees are flexible" |
| Quality leader (Hersey and Blanchard, 1977) | Captain, task oriented, directive and telling | Coach, task oriented | Change facilitator, relation oriented, shepherd | Chameleon, both task and relation oriented |
| Quality leader skills | Hard skills, statistics | Management skills, interpersonal skills | Personal skills | Intercultural, contextual skills, adaptability, flexibility and creating synergy |

**Table II.**
Overview of quality paradigms

to share knowledge and information and the innovative capacity, which is based on the collective intellect of the various organizational members.

Looking at the human factor the vision of men is that organizations and employees within are flexible and can adapt to emergent change (Theory C). Quality leadership is both task and relationship oriented. The leadership style is situational. Maybe more often based on delegation, but also directive, coaching or supportive, when the circumstances ask for that (Hersey and Blanchard, 1977). Leaders have to be able to ride the waves of culture (Trompenaars and Hampden-Turner, 2012). They are like a chameleon, taking the color of the environment. Quality leaders need hard and soft skills. Besides that, in this paradigm intercultural skills, adaptability, flexibility and creating synergy are crucial.

## Discussion

There is no scientific proof for all elements of Theory C yet. At the moment two case studies on the development of quality management are conducted, one in Nigeria and one in Egypt, both in healthcare. Main objective is to train the quality leaders in the required skills and change the leadership style to make it fit the context, according to Theory C. The results are promising. More research is needed to these and the other elements of the model and Theory C, as the paradigm for the near future (Table II).

## Notes

1. See, e.g. the interesting video www.youtube.com/watch?v=jRdTFis4-3Q, accessed December 12, 2013.

2. See also: van Kemenade (2010).

## References

Amaral, L.A.N. and Uzzi, B. (2007), "Complex systems – a new paradigm for the integrative study of management, physical, and technological systems", *Management Science*, Vol. 53 No. 7, pp. 1033-1035.

Athos, A. and Pascale, R. (1986), *The Art of Japanese Management*, Simon & Schustre, New York, NY.

Bamford, D. and Daniel, S. (2005), "A case study of change management effectiveness within the NHS", *Journal of Change Management*, Vol. 3 No. 4, pp. 391-406.

Beck, D. and Cowen, C. (1996), *Spiral Dynamics*, Blackwell Publishers, Malden, MA.

Beer, M. and Nohria, N. (Eds) (2005), *Breaking the Code of Change*, Harvard Business School Press, Boston, MA.

Burnes, B. (1996), "No such thing as 'one best way' to manage organisational change", *Management Decision*, Vol. 34 No. 10, pp. 11-18.

Crosby, P. (1979), *Quality is Free (ISBN 0-07-014512-1)*, McGraw-Hill, New York, NY.

Deming, W.E. (1986), *Out of the Crisis*, MIT Press, Cambridge, MA, p. 88.

Hardjono, T.W. (1995), *Ritmiek en organisatiedynamiek*, Kluwer, Vierfasenmodel, Den Haag.

Hersey, P. and Blanchard, K.H. (1977), *Management of Organizational Behavior: Utilizing Human Resources*, 3rd ed., Prentice Hall, Englewood Cliffs, NJ.

Juran, J.M. (1951), *Quality Control Handbook*, McGraw-Hill, New York, NY.

Juran, J.M. (1995), *A History of Managing for Quality*, ASQC Quality Press, Milwaukee, Wisconsin.

Koopman, P.L. and Pool, J. (1992), *Management en besluitvorming in organisaties: een strategisch perspectief*, Van Gorcum, Assen.

Lifvergen, S., Docherty, P. and Shain, A.B.R. (2011), "Toward a sustainable healthcare system: transformation through participation", in Mohrman, S.A., Shani, A.B.R. and Worley, C. (Eds), *Organizing for Sustainable Effectiveness*, Emerald Books, Bingley.

Livne-Tarandach, R. and Bartunek, J.M. (2009), "A new horizon for organisational change and development scholarship: Connecting planned and emergent change", in Woodman, RW., Pasmore, W.A. and Shani, A.B.R. (Eds), *Research in Organisational Change and Development*, Vol. 17, Emerald Group Publishing, Bingley, pp. 1-35.

Lorenz, E.N. (1963), "Deterministic non-periodic flow", *Journal of Atmospheric Science*, Vol. 20, pp. 130-141.

McGregor, D. (1960), *The Human Side of Enterprise*, McGraw-Hill, New York, NY.

Mintzberg, H. (1979), *The Structuring of Organizations: a synthesis of the Research*, Prentice Hall, Englewood Cliffs, NJ.

Mintzberg, H. (1993), *Structure in Fives: Designing Effective Organizations*, Englewood Cliffs, New York, NY.

Mintzberg, H. (1994), "The fall and rise of strategic planning", *Harvard Business Review*, Vol. 72, pp. 107-114.

Ouchi, W.G. (1981), *Theory Z*, Avon Books, New York, NY.

Shewhart, W.A. (1939/1986), *Statistical Method from the Viewpoint of Quality Control*, Department of Agriculture, Dover, p. 45.

Stacey, R. (1996), *Strategic Management and Organizational Dynamics*, 2nd ed., Pitman, London.

Todnem By, R. (2005), "Organizational change management: a critical review", *Journal of Change Management*, Vol. 5 No. 4, pp. 369-380.

Trompenaars, F. and Hampden-Turner, C. (2012), *Riding the Waves of Culture*, Nicholas Brealey Publishing, London.

van Kemenade, E.A. (2010), "Past is prologue. know the history of quality management to achieve future success", *Quality Progress*, August, pp. 49-52.

van Kemenade, E.A. (2012), "Soft Skills for TQM in higher education standards", *ASQ Higher Education Brief*, Vol. 5 No. 2, pp. 1-12.

van Kemenade, E.A. (2014), "The myth of the pdca-cycle in times of emergent change", *Quality World*, under review.

Vinkenburg, H. (2006), "Dienstverlening; paradigma's, deugden en dilemma's", *Kwaliteit in Praktijk*, Kluwer, Deventer, B1-5.

Vinkenburg, H. (2009), "Stromingen, scholen en zienswijzen in de kwaliteitskunde (Trends, schools and ways of thinking in quality management)", *Synaps*, Vol 31, p. 5.

Vinkenburg, H. (2011), "Naar een derde school in de kwaliteitskunde (Towards a thrid school in quality management)", *Sigma*, pp. 6-10.

Vinkenburg, H. (2012), "Kwaliteit in balans (Quality in balance)", *Sigma*, Vol. 1, pp. 32-35.

Woodward, J. (1958), *Management and Technology*, Her Majesty's Stationary Office, London.

Zuidema, C. and De Roo, G. (2004), *Integrating Complexity Theory into Planning: Truth or Dare*, Urban and Regional Studies Institute (URSI) University of Groningen, Groningen.

**Further reading**

Deming, W.E. (1950), "Elementary principles of the statistical control of quality", *JUSE*.

Deming, W.E. (1993), *The New Economics*, MIT Press. Cambridge, MA.

Gleick, J. (1988), *Chaos: Making a New Science*, Heineman, London.

Watts, A.W. (1957), *The Way of Zen*, Vintage Books, New York, NY.

Weick, K.E. (1995), *Sense Making in Organisations*, Sage, Thousand Oaks, CA.

Weick, K.E. (2000), "Emergent change as a universal in organisations", in Beer, M. and Nohria, N. (Eds), *Breaking the Code of Change*, Harvard Business School Press, Boston, MA, pp. 223-241.

Wilber, K. (2000), *A Theory of Everything, An integral Vision on Politics, Science and Spirituality*, Shambala publications, Boston.

**About the author**
Dr Everard van Kemenade, PhD, is a Quality Manager at the MeduProf-S in the Netherlands.
Dr Everard van Kemenade can be contacted at: everard.van.kemenade@meduprof-s.com