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**Total Quality Management And
Local Government in Canada:
Practice, Problems and Prospects**

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Abstract

In recent years, Total Quality Management has increasingly become a management approach embraced by public and private sector organisations worldwide. Although adopted initially by the private sector, Total Quality Management strategies have recently - and increasingly - been used by public sector organisations. However, public sector, particularly local government, experience with Total Quality Management has not been as systematically documented as private sector cases. Implementation issues in the public sector such as, problem identification, including the definition and distinction between the concept of customer and citizen; results; alternatives; and, performance measures differ significantly from private sector counterparts. Identification and documentation of these implementation issues are prerequisite requirements for the improved application of Total Quality Management in the public sector.

The purpose of this research study, which was supported by the Canadian Association of Municipal Administrators, is to examine the Total Quality Management efforts being undertaken by local governments in Canada. The analysis includes a survey of Canadian municipalities to assess the general state of Total Quality Management efforts at the local government level. These survey data are compared with similar studies recently completed at the local government level in both the United Kingdom and the United States. In addition, the research study includes a more detailed review of specific cases to critically assess the use of TQM; and, to provide a “best practices” assessment of the application of Total Quality Management at the local government level in Canada. The intention is to identify the principles of Total Quality Management through the survey and case analysis, which can identify problems and concerns associated with TQM; and,

provide a model for other public sector organisations - particularly local governments - attempting to implement Total Quality Management.

The results of these inquiries confirm that local governments in Canada are generally cognisant of the principles of Total Quality Management and continue to explore TQM applications. For the most part, Total Quality Management has proven successful within local governments in Canada. In addition, the results suggest that local governments considering Total Quality Management should undertake an in-depth corporate strategic assessment or planning exercise prior to initiation of a formal quality program and recognise their own unique strengths and weaknesses. Most importantly, the Total Quality Management concepts best suited for any specific organisation, including local governments, must be clearly identified; understood; supported, particularly by managers; and, strategically used rather than the universal application of all Total Quality Management principles.

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Biographical Sketch

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1.0 Introduction: Purpose, Research Issues and Definitions

1.1 Introduction

Globally, organisations both in the public and private sector are increasingly conscious of the “quality” of the goods and services that they produce.[1] This enhanced level of quality consciousness has fostered - and been fostered by - experts and techniques aimed at increasing the quality of outputs from both manufacturing and services, in the private and public sectors. The emphasis on quality from an organisational perspective has been particularly evident during the past decade. This enhanced level of interest in quality is, in part, due to the strong level of global competition and quality, including the concept of continuous improvement, is a method to distinguish companies from one another. Quality is seen as a mechanism to enhance competitiveness.[2]

Private and public sector organisations each have a set of reasons for examining “quality” as a solution to their particular problems. In the private sector, profitability is obviously the key to survival in the market place. The problem in this instance is to enhance products and the level of customer satisfaction with that product at least cost. In the public sector, the problem although similar, does include some significant differences. In particular, in Canada, David Zussman reports that “the stagnation or deterioration of service levels and service delivery has created a rising public dissatisfaction and an expectation of a level of public service which is very difficult to provide in the face of escalating costs and declining resources.”[3] Other commentators [4] agree that similar issues related to public dissatisfaction with government services must be addressed.

In both private and public sectors, individuals who manage organisations and who work in them are anxious - often frantic - to find ways to regain a perceived level of success in a period of significant change. In many instances this perceived level of success is one that the mid-twentieth century society took for granted.

1.2 Purpose of Study

The purpose of the study is to assess the use of TQM within local government in Canada. The study is timely and important for a number of reasons that will be discussed more fully in subsequent sections. Briefly, local government has seen significant legislative changes in most provinces during the decade of the 1990's. These changes have included forced amalgamation of local governments; and, in many cases more autonomy with respect to program and service delivery. Further, most provinces have substantially reduced financial assistance to local governments; and, "downloaded" the delivery of many programs. At the same time, citizens and customers of local governments continue to demand value for money. Finally, although there are studies and documents available with respect to the use of TQM and quality initiatives at the federal and provincial levels in Canada, there are no similar studies at the local government level.

Based on the foregoing discussion, the purpose of this research study is to determine the fundamental reasons why local government organisations in Canada, during a period of significant change, may choose to invest their time and resources to implement a management technology known as "Total Quality Management" (TQM). Specifically, the study will identify the level of use of TQM at the local government level in Canada; assess the factors that have led some local governments to adopt TQM; and, in addition, undertake an analysis of the success of those programs including the development of a

series of “best practice” concepts that may be instructive for other public sector organisations considering TQM.

1.3 Total Quality Management

“Total Quality Management” is the adoption of an array of organisational behaviours that proponents of TQM believe orient everyone working in that organisation to produce significantly improved products and services. The term “quality” in this context is generally defined in terms of “customer satisfaction,” widely described among those who have adopted TQM as “total” customer satisfaction. In turn, customer satisfaction is frequently defined in terms of the virtual absence of errors or defects in the production of a particular product or service.[5] Joseph Juran (1992), a quality pioneer, suggests there are two definitions of “quality” that are important. First, “quality features” is the concept that in the eyes of the customer, the better the product features the higher the quality. Second, “freedom from deficiencies” which is the concept that fewer deficiencies equals better quality.[6] As a result, both outcome satisfaction and efficiency are considered essential elements of TQM.

In instances where these two roles compete, outcome satisfaction does take precedence at a given cost to the consumer (at times referred to as “net customer value”). Frequently however, an improvement to one of these goals does result in some degree of improvement in the other goal as well. For example, in many instances the removal of “red-tape” in the issuance of a permit or a license will both enhance the efficiency of the overall system and also improve outcome satisfaction by reducing the time necessary to provide the customer with the appropriate documentation.

Further, the application of TQM in the delivery of services, particularly public services, provides some unique challenges. First, some commentators note that the literature on the topic of service quality "...is sparse." [7] Second, "service quality is more difficult for customers to evaluate than goods quality." [8] These are complex issues that will be explored in more detail in subsequent chapters.

The study of the evolution of TQM as pursued in this dissertation is an assessment of change and innovation in the application of public administration at the local government level. The decision to embrace TQM affects individuals, organisations and cumulatively, society itself. Individuals within an organisation modify their behaviour as they redefine the way they operate within the organisation, their values and goals, their relationships and degree of influence. Moreover, as time passes they may carry the new expectations – and principles of quality – from job to job.

An organisational decision to adopt TQM has important consequences throughout the entire organisation. Research [9] indicates that it means major organisational investment in training, redesigning work processes and modifying the organisational culture. It means patience to wait for pay-offs, which may require some time to materialise. It also means risking to some degree, the reputation of an organisation by adopting a management technique that, although widespread, has not yet become the routine way of doing business particularly in the public sector and at the local government level.

The decision to implement TQM takes place at the organisational level because that is the "action level" for TQM and organisations (in this case individual local governments) are the appropriate focus and unit of analysis for this study. Unless one understands what

organisations need by way of encouragement to embrace TQM, it will be difficult for other researchers to project the duration and degree of organisational and societal impact this renewed consciousness about quality might generate.

Finally, it is important to recognize that TQM is not without its critics.[10] The issues associated with the use of TQM will be explored from a critical perspective in a subsequent section.

1.4 “Quality” Terms and Definitions

A more detailed discussion of the evolution and definition of quality will be included in subsequent sections. However, it is important to introduce the concept of quality and establish the context within which this research project will be undertaken. In practice, the definition of quality depends on a variety of factors. Professor David Garvin (1984), describes five perspectives (see Figure 1.1) on how quality can be defined including transcendent; product-based; user-based; manufacturing based; and value-based [11].

This insight can help focus conversations about quality, what is measured and how (i.e. quantitative as well as qualitative measures are integral to TQM applications). The one facet of quality in Garvin’s definition that does require more elaboration in the context of this research is in respect to the delivery of services particularly government services. This component will be dealt with in more detail in subsequent sections.

Figure 1.1
Definitions of Quality

- A. Transcendent involves an innate excellence of concept with which Persig and others have wrestled;
- B. Product-based means that the object or service incorporates the desire, attribute or ingredient, a definition likely to be used by someone involved in product design on marketing and a definition that could describe Luskins electronics products or plastic sandals in the Third World;
- C. A user-based definition means an item satisfies a user's wants which can range from a warm meal for someone to afford to eat regularly to a private jet for someone able to commute in luxury;
- D. A manufacturing-based definition commonly employed by engineers means the item conforms to established specifications; and
- E. A value-based definition means the product or service embodies "affordable excellence" or what magazines that test and rate competing product quality call a "best buy."

Source: D.A. Garvin, "What Does Product Quality Really Mean?" Sloan Management Review, Boston, MA Fall 1984 p. 28.

The primary point in Garvin's work is that quality means different things when people apply the term from different points of view. For purposes of this study, the TQM point of view that is pertinent is "...in TQM, the most important and most appropriate definitions include the concept of meeting the needs of the customers." [12]

In the public sector, the definition of quality has evolved to reflect political and structural differences; however, many of the same key elements that have been identified as important in the private sector remain applicable.

Milakovich (1995) proposes a series of principles or guidelines for public sector quality improvement (outlined in Figure 1.2) which "must be customised to fit individual public services that vary according to:

- i. branch of government (executive, legislative, judicial);
- ii. type of governing board (elected or appointed);
- iii. agency size and geographic distribution of services;

- iv. primary function;
- v. level of government;
- vi. sources of revenue;
- vii. level of technology required to deliver services; and,
- viii. relationship with the private and not-for-profit sectors.”[13]

Milakovich (1995) suggests that one of the main impediments to successfully implementing quality in the public sector is the frequent wholesale adoption of a particular model from another organisation without ensuring that it can meet the circumstances unique to individual organisations.

Figure 1.2
Guidelines for Public Sector Quality Improvement

- A. Make customer satisfaction the primary goal and ultimate measure of service quality.
- B. Broaden the definition of “customer” to include both those internal to the organisation (i.e. employees in other departments) and those external to it (vendors, taxpayers, contractors, regulators, suppliers, etc.)
- C. Develop a common vision of the mission of the organisation based on extended customer requirements.
- D. Communicate a long-term commitment to all customers, reward teamwork, and encourage process improvement and innovation at all levels.
- E. Provide expanded education, training, and self-improvement opportunities in supervisory and leadership skills in order to exceed valid customer requirements.
- F. Ensure individual involvement by establishing and supporting organisation-wide improvement teams.
- G. Recognise, support and acknowledge employee loyalty, trust and team participation.
- H. Eliminate fear in work and remove barriers to developing pride in service (i.e. empowerment).
- I. Provide the proper tools and training for everyone to respond to extended customer requirements.
- J. Make the necessary changes in public organisations to successfully implement the preceding goals.

Source: M.E. Milakovich, Improving Service Quality: Achieving High Performance in the Public and Private Sector, St. Lucie Press, Delray Beach, FL 1995 p. 162.

On a more specific level, the definition of total quality management used by the Federal Quality Institute (a federal government agency in the United States charged with

promoting quality) is “a comprehensive customer-focused system...to improve the quality of products and services. It is a way of managing the organisation at all levels, top management to front-line to achieve customer satisfaction by involving all employees and continuously improving the work processes of the organisation.”[14]

In Canada, the National Quality Institute (NQI) is the principle organisation which is devoted to enhancing Canada’s national well-being through the adoption of total quality in the public, private, education, health care, and labour sectors of the economy. The NQI is a not-for-profit organisation funded by Industry Canada in partnership with the private business sector. One of its more visible activities is the sponsorship of the Canada Awards for Excellence to recognise private and, more recently, public efforts in the area of quality. The public sector component, initiated in 1995, is of particular relevance to this research project. The NQI guidelines have only recently been amended to distinguish private from public organisations. The existing public sector guidelines include a series of six sections of quality criteria that are used to measure organisations. The sections (which will be discussed in further detail in subsequent chapters) include: (i) leadership; (ii) customer focus; (iii) planning for improvement; (iv) people focus; (v) process optimisation; and (vi) supplier focus. These broad categories have been used to assist in the development of a questionnaire that has been an integral part of this research project.

Clearly, the definitions of TQM used by both the Federal Quality Institute and the guidelines of the National Quality Institute illustrate the fact that TQM is a social technology that emphasises “quality” as a critical aspect of an organisation’s operations, products, and services.[15]

One of the operating assumptions of this study is that because TQM is a system to enhance customer satisfaction and quality improvements it can, in fact, be measured in a variety of ways (i.e. focus groups, surveys, etc.). The second premise is that TQM differs from other individual quality approaches (i.e. quality circles, statistical process control, etc.) by uniting a series of the following set of characteristics:

- i. Holistic Approach or Application;
- ii. Customer Focused;
- iii. Measurement Oriented; and,
- iv. Continuous.

First, TQM is holistic in that it attempts to encompass all aspects of organisational activity. Many management approaches or systems used by organisations only address a limited slice of the organisational spectrum. For example, management by objectives (MBO) concentrates on short-term outcomes while planning programming budget systems (PPBS) is a more comprehensive focus on outcomes and costs.

Second, TQM is customer focused. Quality itself is generally defined in terms of customer wants and needs. Both public and private sector organisations define internal customers as in-house recipients of a product or service, or often workers responsible for the “next step” of a multi-step process; whereas external customers in the private sector are stockholders, purchasers and sometimes retail sales organisations. In the public sector the external customer includes agencies, other levels of government, purchasers/users, beneficiaries, citizens, and other clientele. The distinction between a “citizen” and a “customer” is one area where the public sector application of quality is clearly different than the private sector and this distinction will be explored in more detail in subsequent sections.

Third, TQM is measurement oriented. The organisation adopting TQM is heavily monitored for defects, customer dissatisfaction, and benchmarking through both internal and external comparisons often through detailed statistical measures. Indeed, quality has many historical ties to statistics and the attempts to control processes through the use of performance measurement tools.

Fourth, TQM is continuous. The organisation strives for continuous improvement rather than achieving and maintaining a fixed standard. The term continuous rather than continual is used throughout the literature to illustrate that the organisation, its processes, programs and outputs are under unyielding, self-imposed pressure to become even better.[16] Consequently, in developing the survey and examining case studies for this research project, these characteristics will be used as criteria or tests to establish that the cases (individual local government units) being studied have these elements in common in referring to TQM.

1.5 Local Government in Canada: An Overview

The research is focused on the local government level in Canada and the degree to which TQM has been used as an organisational and management tool. This research study is particularly relevant as local government in Canada is in a period of significant change; and, many other organisations in the public and private sector have embraced TQM as a means to address and manage change. As a result, an empirical assessment of the use of TQM and documentation of those factors that can assist in the successful implementation of TQM efforts is important. Indeed, the survey conducted as part of this research has been supported by the Canadian Association of Municipal Administrators (CAMA) as a means to acquire empirical data about the issue of TQM and local government.

In Canada, local government can be defined as a “body corporate constituted by the incorporation of the inhabitants residing within the defined area upon which the legislature has ...conferred corporate status, rights and liabilities...”[17] In law, a municipality or local government in Canada functions “...largely as a business corporation. Its council is comparable to a board of directors and the mayor is comparable to the chairman of the board.”[18]

Although a more detailed overview of local government in Canada is contained in Chapter 2, it is important to note that there are more than forty five hundred local governments in Canada and that greater than seventy-five percent of Canada’s thirty million people are considered “urban.”[19] Another important point from a legal and constitutional perspective is that local government is a “creature of the province”[20] in that it has neither independent legal powers nor independent authority.

Local government in Canada, does, however, play an important role in community governance; and, in the delivery of local services to its constituents and customers. From an organisational perspective, local government in Canada employs approximately one million people with wages and salaries in excess of thirty-five billion dollars.[21]

As change, notably in respect to financial issues, becomes more prevalent at the local government level, techniques such as total quality management may afford opportunities to address and manage change within an environment of continuous improvement. This research is aimed primarily at developing an empirical assessment of the use of total quality management as it is being used in local government. This study is particularly

relevant at this time as no similar research has been conducted into the use of TQM at the local government level in Canada.

1.6 Research Questions: The Use of TQM in Local Government in Canada

On a broad level, this study addresses several key issues regarding the means by which local government organisations in Canada acquire and apply TQM concepts and practices in their quest to elevate “quality” throughout their organisations processes, products and services. The central questions are: To what extent are the principles of total quality management employed in local government organisations in Canada; and, what causes those organisations to adopt total quality management and pursue quality as a fundamental organisational goal? Probing these issues can shed light on how total quality management disseminates (i.e. transfers or diffuses) information throughout the entire organisation. This is a particularly useful inquiry into the role of quality as part of the change management process required of all organisations (including local government in Canada) in the last decade of the twentieth century. The assessment does attempt to explore the ultimate impact of TQM implementation on the outputs of organisations included in the study. Also, the study discusses the transfer and diffusion of TQM throughout local government; and, the adoption of this organisational innovation at the local government level in Canada.

Supplemental to this inquiry, the study examines the following secondary or supporting questions: To what extent do local governments in Canada with comparable driving influences make different choices about whether to undertake major changes to the way they do business; and, are those changes accommodated along the lines promoted through

TQM? Can the influences and choice alternatives be categorised? Can distinguishing and generalisable causes be determined?

Finally, this study looks at similar empirical research related to the application of TQM and quality initiatives at the local government level in both the United Kingdom [22] and the United States.[23] The intent of this type of inquiry is to compare or benchmark quality efforts in Canada with existing efforts in both of these countries. Although there are differences within the legal and organisational dynamics of local governments between Canada, the United States, and the United Kingdom there are also significant similarities in function and mandate which warrant this type of comparison.

The research questions are important to the public sector generally and on a more specific level to local government in Canada. The public sector is in a state of substantial change worldwide [24] and it is important to document the use of total quality management initiatives in a scientific manner. Unfortunately, there are few empirical studies that have been undertaken to document the use of quality efforts in the public sector. At the local government level in Canada there has not been any empirical research or analysis into the evolution and use of TQM and quality initiatives.

As discussed, the value of the key question, why and how local governments in Canada decide to undertake TQM is important to develop baseline data for comparative purposes both within Canada and, to some extent, with local governments in other countries. The supporting questions provide a critical supplement to that key inquiry. If the study were to look only at organisations that have adopted TQM, it would be impossible to tell whether

the factors leading to a pro-TQM decision might for another organisation, lead to a decision about improvement or change not involving TQM.

1.7 The Context And Nature of The Research Questions

Total quality management, as with scientific management roughly a century earlier, has had several proponents. A discussion of scientific management evokes the names of Frederick Taylor, Henri Fayol, Frank Gilbreth, and others as innovators who have contributed their individual observations to a significant period in organisational behaviour and management.[25] Similarly, TQM has its pioneering advocates, each offering a marginally different view of the subject. Major TQM proponents include Tom Peters, W. Edwards Deming, Philip Crosby, J.M. Juran and others each advocating an identifiable set of “quality” principles.[26]

TQM, as generally described in the literature by these major proponents, has seven key dimensions:

- i. Top Management Leadership and Support;
- ii. Strategic Planning;
- iii. Focus on the Customer;
- iv. Employee Training and Recognition;
- v. Employee Empowerment and Teamwork;
- vi. Measurement and Analysis; and
- vii. Quality Assurance.[27]

In practice, an organisation is likely to display different levels of maturity towards its adoption of each particular TQM dimension. An organisation may, for example, display a

relatively mature strategic planning process alongside a relatively immature adoption of employment empowerment and teamwork. However, in theory, the practice of total quality management includes all of the dimensions as previously identified.

In addition, it is useful to note that for the most part, the TQM characteristics are neither a unique nor a new set of administrative practices. These practices have in fact:

- i. evolved separately at various times during the century;
- ii. were aimed at advancing administration;
- iii. enjoyed a previous period of enthusiasm; and
- iv. subsequently faded as a major force.

TQM incorporates the seven dimensions (i.e. the seven categories of administrative practice) into a package that is pragmatically driven and synergistically oriented. The “total” aspect of TQM provides that no single dimension applied by itself or with just one or two other dimensions is likely to provide the solid basis needed for an effective well-managed organisation. Perhaps balanced adherence to all seven dimensions versus strong adherence to only one or two of the TQM dimensions actually raises the odds of long-term organisational success; ultimately, it may be easier to adapt and apply in total, rather than in part.

Finally, it is important to note that TQM has been subject to criticism from a number of perspectives. These concerns relate to issues such as the difficulty of providing a common, clear definition of TQM [28]; the relatively low level of analytical research into the use of TQM; the question of assessment of the application of TQM from the perspective of accurately measuring the ability of TQM to “improve” an organisation [29]; specific

questions related to the implementation of TQM including the important question of employee involvement [30]; and, very few (other than anecdotal) examples of success achieved through the use of TQM [31].

These important concerns will be discussed as part of a broader critical assessment of TQM in Chapter 3.

1.8 Organisation of Dissertation

This research dissertation is organized as follows:

- i. The introductory chapter establishes a context, purpose, and parameters for the research and study of the use of total quality management and quality initiatives in local government in Canada. This Chapter also provides some preliminary information on the research and design of the methodology used in the research.
- ii. Chapter Two describes local government in Canada. As the key unit of analysis for this research the Chapter is required to provide a context for local government in Canada and details on the organisation and structure of local government. This Chapter will also outline some of the key issues affecting local government in Canada in the 1990's.
- iii. The third Chapter includes an analysis of the evolution and historical development of total quality management primarily from a private sector perspective. This chapter also outlines the literature critical to the use of TQM. Chapter Four provides a similar historical perspective from a public sector viewpoint.
- iv. In Chapter Five a discussion of total quality management at the local government level from an international perspective is presented. This Chapter looks in some

detail at recently completed empirical work documenting quality efforts at the local government level in both the United States and the United Kingdom.

- v. Chapter Six provides details of the methodology for the research conducted as part of this paper based upon the literature review outlined in Chapter's Two through Five. In particular, this Chapter discusses the development and distribution of a national survey; the use of documents submitted by survey respondents; and, the identification of specific cases with which more detailed follow-up interviews were conducted. The survey and the case studies were designed to critically assess TQM applications; and, to establish the key elements or "best practices" of the application of TQM at the local government level in Canada.
- vi. The seventh Chapter includes an analysis of the survey data on the use of TQM in Canadian local government. The Chapter also presents many useful elements from organisational documents submitted by survey respondents related to their TQM initiatives.
- vii. Chapter Eight provides a more detailed analysis of the use of TQM in selected local government cases through the use of a series of semi-structured interviews; and, a more detailed assessment of relevant documentation. The purpose of these case studies is to describe and analyse the use of TQM in selected jurisdictions with a view to documenting a "best practices" inventory using these specific organisations.
- viii. Chapter Nine offers comparisons and contrasts of the application of TQM and TQM techniques at the local government level in the United Kingdom, United States, and Canada based primarily on data generated by the survey and case studies. Also, this chapter includes a discussion of the results of the Canadian

survey; and, provides a critique of the application of TQM in local government in Canada.

- ix. Finally, Chapter Ten draws on the literature, survey, documents, interviews, and case studies to summarise observations, develop conclusions and offer some thoughts for further research. Essentially, the Chapter provides an insight into the prospects for the continued use of TQM at the local government level in Canada.

1.9 Summary

This dissertation is aimed at documenting the level of understanding and use of Total Quality Management within local government in Canada. The research includes a quantitative element; and, a qualitative, case study approach. The methodology included the development and use of a survey; the use of documents; follow-up interviews; and, case studies. These techniques were used to develop a “best practices” inventory of those applications of TQM proven to be successful at the local government level in Canada. This analysis affords an opportunity for some external comparisons or benchmarking related to similar empirical research work recently undertaken in both the United States and the United Kingdom regarding TQM applications at the local government level. Observations for further consideration or research are offered to conclude the project.

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2.0 Local Government in Canada

2.1 Introduction

The purpose of this section is to describe the authority, structure and organisation of local government in Canada. The approach will be to provide a brief description of the legal basis and purpose for local government; an overview of the historical development of local government; a description of the key elements of the current system; and, a list of some concerns and issues related to local government in the 1990's.

2.2 Local Government: The Legal Context

On a fundamental level, Alexis De Tocqueville (1953) in an often quoted phrase, has stated that: "Town meetings are to liberty what primary schools are to science; they bring democracy within the people's reach, they teach man how to use it and how to enjoy it. A nation may establish the government but without municipal institutions it cannot be said to have the spirit of liberty." [1] De Tocqueville argues that the purpose of local government is to foster a democratic spirit and to provide the means by which democracy itself, can be practiced, learned, and promoted.

Indeed, in Canada both politicians and citizens gain considerable experience at the local government level as preparation for involvement in "senior" level matters of provincial or federal jurisdiction. This type of perception in the Canadian context is consistent with the constitutional and legal status of municipalities. In Canada, only the provincial and federal governments have legal and constitutional status. Local governments are inferior as recipients of delegated authority from the provincial level. As a result, local government in Canada is described as a "creature of the province" [2] and each province retains significant

controls statutorily over their authority and jurisdiction, primarily to prevent abuse of power. In addition, the status in Canada reflects the traditional political view that the role of municipal government is concerned, for the most part, with administration and not policy in a broad sense. “Local governments are to function as ‘community housekeepers’ in a non-partisan way.”[3]

A further purpose for local government has been put forth which states that local government is an important organisation with the primary task of reflecting and providing for the needs and priorities of individuals within that community. It is indeed, one’s local community where the majority of public services are provided and the function of local government is not simply to provide those services, but to ensure local public control over the provision of those services. “The most important functions of municipal governments are their ability to identify the needs of the communities they serve and to provide services in accordance with the dictates of their consumers, the citizens.”[4]

In Canada, there are more than forty-five hundred local governments or municipalities classified as cities, towns, villages, rural municipalities or townships (see Figure 2.1). It should be noted that not all of the forty-five hundred local governments exercise a full range of municipal powers and generally cities have a broader range of powers as compared to towns and villages. This point will be explored in more detail in subsequent sections.

The distinction between each of the classifications and to some extent responsibility assigned to local government varies between provinces; however, as a general rule, villages, towns and cities have increasingly larger populations and, as noted, increasingly

more powers. Functionally, “municipal institutions (local governments) are organized not only to legislate in respect of local affairs but also to act as agents of the provincial governments insofar as they discharge duties pertaining to the administration of civil government, so that a municipality can be described as a public corporation created by the government for political purposes and having subordinate or local powers of legislation.”[5]

**Figure 2.1
Local Government in Canada, By Province**

Province	Total	Cities	Towns	Villages	Rural Municipality	Townships	Other*
British Columbia	168	33	12	57	0	0	66
Alberta	365	12	110	163	0	0	80
Saskatchewan	794	11	137	347	299	0	0
Manitoba	202	5	35	40	105	0	17
Ontario	835	44	143	120	0	479	49
Quebec	1577	272	0	270	0	153	882
New Brunswick	347	6	21	88	0	0	232
Nova Scotia	91	3	39	25	24	0	0
Prince Edward Island	79	1	8	30	0	0	40
Newfoundland	315	2	166	0	0	0	147
Total	4773	389	671	1140	428	632	1513

Source: Canadian Tax Foundation, *Provincial and Municipal Finances*, Toronto, ON 1995 p. 6.

* Note: “Other” refers to a wide range of agencies with specified but limited local functions such as drainage districts, dyking districts, rural lighting districts and other similar types of functions.

The distinguishing characteristic of a municipality is “...its power of local self-government; the inhabitants, being incorporated, are authorised to legislate in respect of matters of local concern...operating as miniature parliaments by which the people’s will is expressed through elected representation.”[6]

From a legal perspective, local government in Canada has the following attributes:

- i. “A corporate name;

- ii. a common goal by which assent of the corporation can be manifested notwithstanding internal differences of opinion;
- iii. membership as defined by those members within the corporate limits;
- iv. territory (geographic boundaries);
- v. perpetual succession notwithstanding death of members;
- vi. power to acquire and hold property for authorised purposes;
- vii. power to sue and be sued in its corporate name;
- vii. power to contract;
- ix. power of majority to bind others;
- x. exemption of agents from liability when acting in conformity with the fundamental law of the corporation;
- xi. a governing body (council) which exercises the powers of the corporation; and
- xii. right to exercise through its council certain specified authority(ies) over the population of a defined area.”[7]

As noted, local government has only those legal powers specifically delegated by statute enacted by a province. This relationship reflects the system contained in the Constitution Act 1982 whereby only the federal and provincial governments share enumerated powers. The federal government has a series of powers set out (s. 91) which are generally of an inter-provincial or national nature such as aeronautics, shipping, railways, defence, telecommunications and others. The ten provinces also have a series of powers that are enumerated in Section 92 including the following, which deal with local governments:

- “S. 92 (2) Direct taxation within the province in order to the raising of a revenue for provincial purposes.
- (8) Municipal institutions in the province.

(9) Shop, saloon, tavern, auctioneer, and other licences in order to the raising of revenue for provincial, local or municipal purposes.

(10) Local works and undertakings.” [8]

As a result of the Constitution Act 1982, the Provinces are “constitutionally competent to establish, direct, and confer upon municipalities those powers that they themselves possess...” [9] Although this framework does circumscribe the rule of local government to some extent the range of functions undertaken at this level continues to expand.

2.3 Local Government: Purpose and Function

For the most part, the importance of local government stems from its role in the provision of a wide range of services, to people and property. Although these services vary from province to province they may be classified as: “active services provided directly to people; passive services that benefit all by their existence; and regulatory services.”[10]

Active services may include for example social assistance programs, education services [11], and waste collection.

Passive services are those which are “on call” or “on demand” and available to all within the community, on that basis. These include: fire, police and protective services; provision of water, sewer and transportation services; development and maintenance of parks; cultural heritage sites and libraries; and, the promotion of the community from a tourism or industrial development perspective.

Regulatory services are those based on the ability of the municipality to pass bylaws to ensure an orderly, safe, and attractive community. These include planning and building controls; noise bylaws; and other similar types of mechanisms. A more detailed list of representative municipal functions is illustrated in Figure 2.2. Again, as discussed, the specific powers of a local government will vary based on size, type of municipality (city, town, village) and other factors dictated by provincial legislation.

Figure 2.2
Municipal Functions

Airports	Parks planning and zoning
Animal Regulations	Police protection
Building Inspection	Public Health Regulation
Business licensing	Public Transit
Cemeteries	Public Works
Civil defense & emergency measures	Recreation facilities
Control of firearms	Recreation programs
Economic Development	Refuse collection and disposal
Elections	Regulation of nuisances
Electricity generation and distribution	Sewage collection and treatment
Fire protection	Social welfare administration
General administration - purchasing, contracting, labour relation's etc.	Soil fill and removal regulation
House numbering	Storm drainage
Industrial parks	Subdivision control
Irrigation and flood control	Tax collections
Land purchase and development	Telephone service
Libraries	Television re-broadcasting
Museums	Water supply and distribution
Noise Control	Weed control

Source: R.L. Bish, Local Government in British Columbia, UBCM, Richmond, BC 1987 p. 19.

In general terms, there have been a number of trends evident with respect to the functions of local governments including:

- “i. Permitting municipalities to do only what is specified, but expanding permission to more and more functions as requested;

- ii. increasing mandates, or requiring local governments to perform particular activities both with and without provincial financial aid; and,
- iii. supervising local government financing and compliance with legislation more closely. In addition, a few things such as welfare have been assumed by the provincial government.”[12]

Clearly, there is a wide range of services delivered by local government in Canada. These services vary somewhat from jurisdiction to jurisdiction primarily as a result of the relationship of a specific province in delegating authority to the local government. However, the range of services provided by local governments continues to expand and indeed the role of local government in Canada is an increasingly important one.

2.4 The Evolution of Local Government in Canada

The earliest local governments in Canada evolved in response to the settlement patterns and urbanisation of the country. As population increased, and particularly as it became concentrated in a limited number of urban centres in the early years, it was necessary to administer a growing variety of local programs and regulations. The scattered nature of population over a very broad area with very limited forms of transportation and communication made responsibility for many aspects of decision-making difficult to handle by a centralised colonial authority. As a result, local government evolved to provide a forum for local decision-making.

In addition, after the American Revolution there were a number of United Empire Loyalists who moved to Canada and brought with them a more developed concept of local self-government and a tradition of “town meetings.” Under this system, selectmen

(Councillors) were elected at an annual town meeting by the inhabitants residing within a specified area of the meetinghouse. These selectmen were to oversee the affairs of the town between meetings and their appointment and actions were to be approved by the Governor.

One of the early statutes which had a significant impact on the structure of government in Canada was the Constitutional Act of 1791 (or Canada Act as it was also termed) which was approved by the British House of Commons. The main provisions of this Act were:

- i. “The creation from the Province of Quebec of the Provinces of Upper and Lower Canada, with the Ottawa River roughly being the dividing line;
- ii. Provision of a Government for each Province consisting of a British Lieutenant Governor, an appointed Executive Council, an appointed Legislative Council, and an elected Legislative Assembly;
- iii. The use of English Law and Land Tenure in Upper Canada;
- iv. The allotment of land as clergy reserves for the support of the church and clergy.”[13]

These changes provided some enhanced legislative support for local control and local decision-making. Also, in the Canadian context it was important to establish a British Common Law tradition in the areas that were primarily settled by the British and retain an area (Lower Canada or Quebec) in which French Civil Law and French traditions would be retained.

Further changes with regards to the development of local government included the adoption in 1843 of the Baldwin or Municipal Act in Upper Canada.[14] The primary

function of this Act was the consolidation of all municipal legislation under one Bill. Built upon previous legislation it ensured that the county became an “upper tier” of municipal government in Ontario and for the first time municipalities or townships were recognised as a rural unit of municipal government. The Act also established categories of municipal units such as villages, towns and cities. The municipal system established by this Bill in Ontario has remained remarkably intact to the present date and it was used as a model for other provinces.

The other major historical event, which provides a legal framework for municipalities, was the adoption in 1867 of the British North America Act. This Act (revised and now titled the Constitution Act 1982) established Canada as a federation with a central national government and a series of provincial governments, each with their own enumerated respective authorities. As previously discussed, Section 92 (8) of this Act provides that provincial government(s) may establish local government authorities. As a result, municipalities are very much the “creatures of the province” and jurisdiction is limited to those powers directly delegated by the provincial government. Due to this type of system, which is based on provincial control and delegated authority, it is somewhat difficult to compare municipalities from an inter-provincial perspective. However, the historical evolution and British Common Law traditions have ensured a substantial degree of consistency with respect to local government structure, organisation, and operation throughout the country.

2.5 The Current System of Local Government

2.5.1 Organisation

As noted, the purpose of local government is to ensure local political control over the delivery of local services and therefore, to ensure local needs and desires are reflected in the delivery of those services. As a result, the internal organisation structure of local government is designed to ensure proper and efficient administration of services with a degree of political responsiveness in respect to the delivery of those services.

The legal basis and definition of a municipality or local government have previously been discussed in some detail. Essentially, local government is “a body corporate constituted by the incorporation of the inhabitants residing within the defined area upon which the legislature has conferred corporate status, rights and liabilities.”[15] It is to function in law, primarily as a business corporation. The municipality has a council that is comparable to a Board of Directors; and, a Mayor who is comparable to the Chairman of the Board in a business context.

In Canada, the implicit assumption in the legislation is that members of the elected council share similar values and that its structure need not encourage political division or debate. “Indeed, it is arguable that provincial legislation suggests that there is no politically correct way to provide local government (local property) services such as garbage collection. The visible support of this notion is that there are very few established political parties functioning at the local government level in Canada.”[16] This apolitical approach to local government can be seen in the provisions for the selection and composition of councils and their committees, and the role of the Mayor and executive as set out in local government legislation in Canadian jurisdictions.[17] An organisation chart (Figure 2.3) provides an

overview of the structure of the typical local government in Canada and the main elements follow.

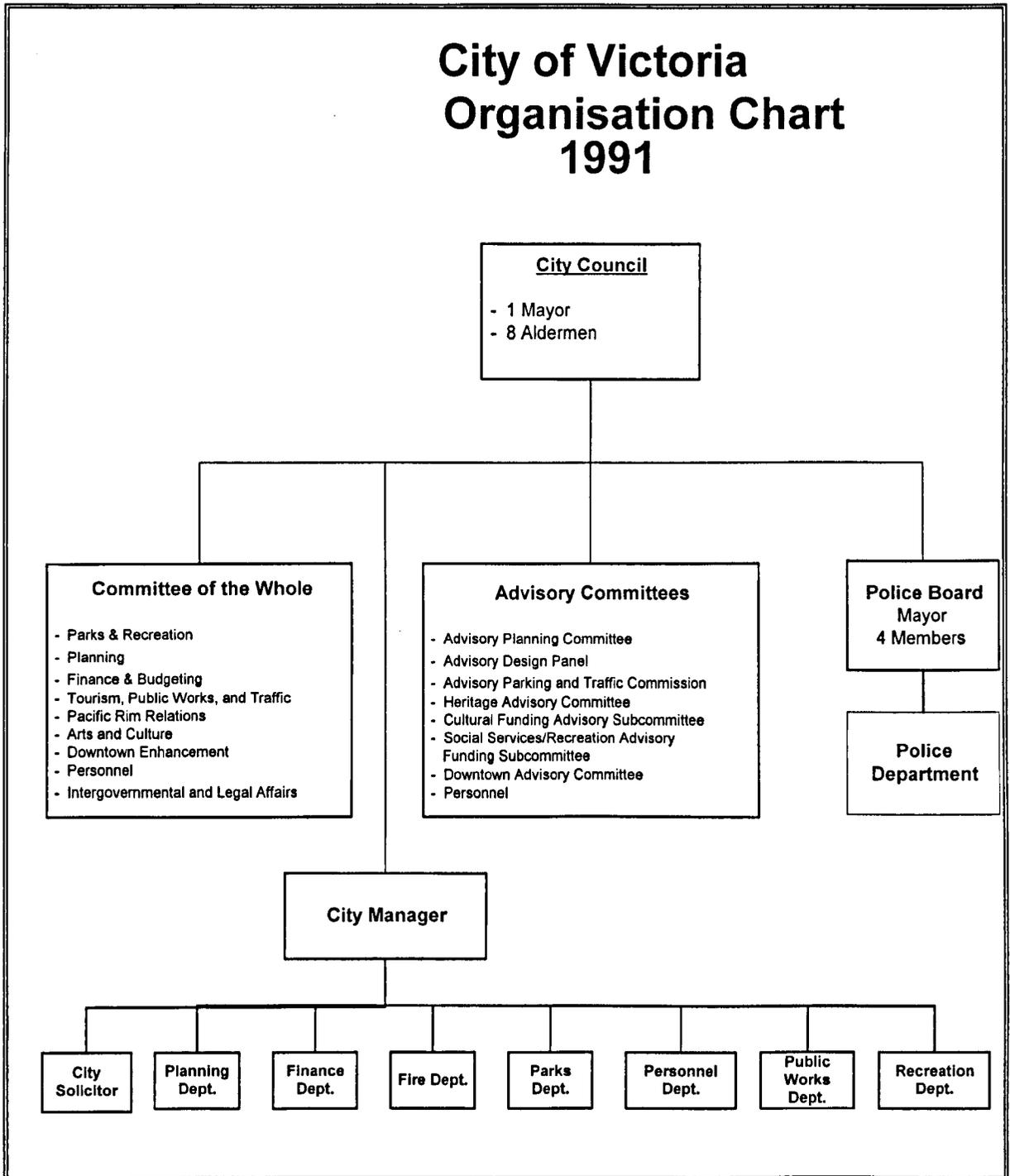
2.5.2 Council

The council has the most important decision-making function within a municipality. The local government council in Canada is an elected body and it is designed to ensure local input and control over local affairs. Generally local councils are elected to serve a three-year term of office.

As a result of the fact that municipal legislative power in Canada can be exercised only by bylaw or by resolution, it is the council which controls the legislative decisions of the municipality. It alone can exercise legislative authority and in several provincial statutes, it is expressly described as a “continuing body.”

A Council may pass bylaws regulating a wide range of issues including planning, land use management, parking, traffic, noise, animal control and others. In addition to legislative powers, they also exercise administrative and quasi-judicial powers. As a council is granted authority by its respective province, it may not delegate that authority without specific authorisation. In practice, this may result in some aspects of administration being dealt with at the council level. For example, a council may frequently decide the details of traffic regulation, such as the location of parking meters and stop signs, as they must exercise that authority pursuant to specific provincial legislation.

Figure 2.3
Local Government: Typical Organisation Chart



Source: R.L. Bish, *Local Government in British Columbia*, UBCM, Richmond, BC 1987 p. 32.

Moreover, much of the legislative authority granted to council is generally narrow and in many respects reflects policies and programs established at the provincial level. For example, most provinces use programs that involve conditional grants to local

governments. In these cases, local governments must use the conditional grant monies for the specific purpose dictated by the province.

The exercise of a quasi-judicial authority can be seen in decisions affecting disputes between parties including, for example, the passing of a zoning (or land use) bylaw or the granting of variances. Again in this instance, the council is making a decision and is functioning, in some respects, like a court. The council is attempting to resolve or arbitrate an inter-party dispute between competing interests. As a result of the exercise of legislative, administrative and quasi-judicial powers, elected local government officials must be politically accountable and responsive to local values.

In some municipalities, the use of a ward system of representation (see Figure 2.4), modelled after constituencies or ridings at the federal and provincial levels of government, is a method used to encourage political responsiveness. The election of a council-at-large tends to reduce the representation of diverse, political, geographic interests and conflicting political views and thus provide for a less accurate reflection of some local values.[18] There are some municipalities that continue to operate with an “at-large” system of municipally elected officials; however, for the most part municipal elections in Canada are conducted on a ward basis.[19] One argument against “at-large” types of an elected council, suggests that this type of model may enable (special interest) groups in a society which are most likely to exercise their franchise (for example, wealthy and better educated) to dominate elections and to elect a disproportionate number of representatives from that particular group.[20]

Despite the drawbacks of this scheme of elections at-large at the local government level, the legislation of Ontario, Alberta and British Columbia specifically authorises this method of election and the Vancouver City Charter permits this type of voting. Indeed, the legislation of these provinces indicates that elections at-large may be the more desirable approach. In addition, it is clear that the drawing of ward boundaries can have a profound effect on the way in which local values are reflected.[21] The drawing of boundaries to include diverse interests may succeed in producing the same results as an election at-large.

An additional concern with respect to the establishment of wards, is the number of elected officials in each ward. The Municipal Act in Ontario and the City of Halifax Charter authorize the election of more than one elected official in each ward. This use of a “multi-member constituency” may inhibit the development of a council that accurately reflects the political views of the community. In most municipalities where a two member constituency is used, experience seems to indicate that there is a great deal of animosity between the two elected officials.[22] Friction may occur between the two, not due to true political or ideological differences necessarily, but rather due to a competition for votes. The votes of some competing members in these instances often cancel one another out and representation of the political values of the ward may therefore be replaced by representation of the personal values of elected officials trying to out-manoeuvre one another. Finally, in terms of council size, there is considerable variation (see Figure 2.4) based for the most part on local and historical factors. As illustrated in Figure 2.4, an individual member of council may represent from 7,000 to 40,000 people. Notwithstanding these arguments, for the most part, the ward system is increasingly used at the local government level (see Figure 2.4).

In summary, the legislation governing the most important institution at the local government level (the council), is designed to ensure the goal of local political control over local services. Local government councils exercise legislative, administrative, and quasi-judicial powers within provincially defined limits and are accountable for those decisions to the local electorate.

Figure 2.4
Local Government in Canada: The Use of Wards versus At-Large Representation

MUNICIPALITY	POPULATION IN 1985	SIZE OF COUNCIL	PEOPLE PER COUNCILLOR	ELECTORAL BASIS FOR ALDERMEN
East York	101,974	9	11,330	4 wards (dual)
Edmonton	532,246	13	40,942	6 wards (dual)
Etobicoke	298,713	11	27,156	5 wards (dual)
Halifax	114,594	13	8,815	12 wards
London	254,280	19	13,383	7 wards (dual)
Mississauga	315,056	10	31,506	9 wards
Montreal	980,354	58	16,903	57 wards
North York	559,521	19	29,448	14 wards
Ottawa	295,163	16	18,448	15 wards
Saskatoon	154,210	11	14,019	10 wards
Scarborough	443,353	19	23,334	14 wards
St. John's	83,770	9	9,308	at large
Toronto	599,217	23	26,053	11 wards (dual)
Vancouver	414,281	11	37,662	at large
Victoria	64,379	9	7,153	at large
Winnipeg	564,473	30	18,816	29 wards

Source: D. Higgins, *Local and Urban Politics in Canada*, Gage, Toronto, ON 1985 p. 69.

2.5.3 The Mayor

In all provinces, the Mayor is a member of council and is the chief elected officer of the municipality. In addition to the duties and roles as a member of council and the presiding officer over council, the Mayor has administrative powers which include: “performing any other duty imposed on a chief elected official by this or any other enactment or bylaw; supervising and inspecting the conduct of all officials of the municipality and the performance of their duties; causing all negligence, carelessness and violation of duty to be

prosecuted and punished; and communicating from time-to-time to the council all such information and recommending such measures that he considers would benefit or improve the finances, health, security, cleanliness, comfort, ornamentation, and prosperity of the municipality.”[23] Although this description of the Mayor’s power is taken from the Municipal Government Act (Alberta), it is relatively standard across the country and provides for a broad assessment of the duties of the Mayor.

In practice, the actual functions of the Mayor are somewhat more difficult to define. In some instances, a Mayor may simply perform “ceremonial duties” and may be active in introducing and promoting policy initiatives; or, alternatively may take a leading role in negotiating with senior levels of government. In most cases, the Mayor sits on a variety of local boards and commissions. It should also be noted that the Mayor in all cases, in Canada, is elected at-large. Therefore, in the case where a ward system is in place, the Mayor has a constituency broader and different from that of individual members of council.

It is clear that the Mayor, contrary to popular belief, does have limited legal authority. Specific duties of the Mayor are somewhat ill defined and the office is largely what the individual makes of it. The Mayor in Canada, unlike the pattern in the United States, which includes a “strong Mayor system,” has neither the power to veto legislation nor to make appointments. The Mayor has no legislative authority to reinforce the role as political spokesman for the community.[24]

In addition, the Mayor in Canada does not have the political authority of a party leader at the senior levels of government.

Indeed, in part, it can be argued that "...the failure to develop political parties in urban government in Canada is the result of the separate election of the Mayor, weak position of the Mayor, and the inability therefore to provide strong political leadership. Moreover, the separate election of the Mayor also provides for some divisions within council because of the separate constituencies and the failure for political views to have a focus on the council. This often results in a lack of cohesive and consistent policy development to reflect local values." [25] On occasion, it is clear that individual Mayors can have the support of a large backing on council. Large cities in Canada (notably Toronto and Montreal) have had such strong Mayors; however, this appears to be the exception rather than the rule and occurs in spite of the legislative structure and restrictions rather than because of it. [26]

The method of electing a Mayor in Canada combined with the lack of strong legal authority providing for specified duties for that position can result in the inability of the position to serve as a strong spokesperson for the local values of the community. The lack of specified authority can mean that the Mayor may not have power to influence policy direction of a council. Finally, the election of the Mayor, which is separate from individual members of council, means that the council itself may be artificially divided without a strong centre around which political opinion may form. There are some commentators who have suggested that "...the office of the Mayor would be more effective structurally if it were elected by the council itself and were to function in effect as the local Premier." [27] This type of procedure could more clearly identify the political choices to be made at a local level and the extent of support for these choices. Notwithstanding these criticisms, the office of the Mayor does serve an important role in local government as the spokesperson for the council.

2.5.4 Standing Committees

To assist in the process of decision-making most local governments have adopted a structure (see Figure 2.3) which includes the use of standing committees of council. Unfortunately, there is very little uniformity with respect to the role, number and authority of standing committees at the municipal level. In some cases legislation establishes the number, role and areas of authority of standing committees with substantial certainty. However, other provincial legislation only prescribes minimum requirements for such committees or makes no reference to committees at all.

In practice, although widely used throughout the country, standing committees of council have little real power. They are unable to make decisions themselves because, as noted earlier, a municipality must act through its council. They can be important in some cases however, in hearing delegations or acquiring information and providing recommendations to the full council. Indeed, even in cases when council meets as “Committee of the Whole Council,” that committee must make recommendations to the formal council for final determination. As a result, the impact of committees is limited; although the use of committees to provide for more detailed specialist discussion of specific issues is widespread throughout the country.

In summary, legislation in Canada has structured municipal government in such a way that it reflects its purpose of acting on behalf of local political views. All final authority is vested in the council although divisions are sometimes created in the council through competition for different constituencies and thus personal antagonisms and conflicts may be encouraged. The Mayor is the chief elected officer and it is a position that is elected at-

large. As a result, this position is seen to be an important figure; however, in practice this position has limited real or independent authority.

Again on a broader level, it is difficult to assess the real centre of power as the absence of local political parties can encourage decision-making and structures that may not be consistent. As a result of the lack of this type of scheme, the administrative arm of a municipality may become increasingly important in providing leadership and consistency in policy development and implementation.

2.5.5 Administration

The local government council has the authority and power to make policy decisions within its jurisdiction. The administration or municipal staff are charged with providing policy advice to council and implementing the decisions of council in an efficient and effective manner. Although the administrative structure of Canadian municipalities varies broadly, there are essentially three models including:

i) Council/Committee Model

The simplest, oldest and most widely used of the organisational structure models is the Council/Committee Model. It is used primarily by smaller municipalities, and in some respects, this model is derived from the British tradition of local government. The model is characterised by the elected council meeting both as a whole and in a number of standing committees designed to deal with a specific area of policy and administration.

Special committees may also be created from time-to-time on a short term or issue-specific basis. Each of the standing committees has direct contact with one or more of

the operational departments usually through the head of the department. Administrative staff report both to the respective standing committee and through it to council as a whole and are supervised in some respects by their particular standing committee.

Individual departments may at times be responsible to council through one standing committee for one issue or purpose and through another committee for another issue.

The standing committee normally advises council on policy matters within its scope of operations including the assessment of the advantages and disadvantages of possible policy alternatives. Meetings of the standing committees with the department heads are generally open to the public. The standing committees may decide to hear public briefs and delegations before presenting recommendations for consideration by the entire council. Except for very minor specified matters, the standing committees are generally not delegated much authority by council.

This model does have a number of advantages including the fact that it can provide strong linkages between council as the legislative body and the administration on a regular basis. There are multiple links between council and the administration because of the fairly numerous standing committees. As a result, communication between council and administration is improved. Also, as the meetings of the standing committees are generally open to the press and public, there are two opportunities for private individuals and other interests to pursue their position with the local government, the standing committee and the council. As a council generally accepts the recommendations of the standing committee these committees should be seen as the first point of access. The

further advantage of this type of model is that it provides individual Councillors with the opportunity to specialise in a particular area of policy and administration.

Notwithstanding the foregoing, the fact that this model has been almost completely abandoned, particularly in larger municipalities, suggests that it does have some serious drawbacks. The most important issue that has been raised is that there is a lack of a coordinating mechanism other than council as a whole. The danger here is that some issues considered by a committee may not have the advantage of input from other committees or indeed other administrative departments. Each committee is quite specialized, almost as specialized as each department. Each committee, which is comprised of only some of the members of council, may lack the ability to coordinate issues that are coming before the council. If there is any commonality in terms of membership among the whole set of committees it is probably through the office of the Mayor sitting *ex-officio*. However, in larger municipalities this places a significant and onerous burden on the office of the Mayor. Among the other disadvantages often cited with respect to this model is that the individual members of the typically small council may be required to serve on too many standing committees. Finally, there is frequently a tendency for a debate at the committee level to be repeated again in front of the entire council. This consumes additional, valuable time. As a result of these concerns this structure is increasingly seen as suitable for primarily smaller municipalities in Canada.

ii) Council/Chief Administrative Officer (City Manager)

The Council/Chief Administrative Officer model is, in some respects, a response to the lack of co-ordination attributed to the Council/Committee model. Although, more recently it has become the most common model in Canadian municipalities. It does have certain

attractiveness in that it is fairly simple in terms of operation, it appears to be well suited to small and medium size municipalities; and it is based on a “business model” of decision-making. The labels “City Administrator,” “Chief Administrative Officer (CAO),” and “City Manager” are more or less interchangeable terms of this model for the appointed senior administrative staff member.

This model originated in the United States in Stanton, Virginia in 1908 and was first imported into Canada by Westmount, Quebec in 1913. In the US, the structure was designed to establish in local government a type of decision-making structure commonly associated with private business. “By adopting this business model, local government was supposed to be able to rid itself of a host of evils that were then thought to be widespread and particularly serious in the United States including political corruption, nepotism and other forms of favouritism. It was assumed that a private company, which is not subject to those perceived evils could be transposed to local government in terms of structural design and provide a corporate board of elected directors concerned only with matters of policy that would leave administration in the hands of employees headed by a general manager.”[28] The manager is appointed by council to direct day-to-day operations of the public corporation. Generally, the manager has authority to recruit and dismiss staff, organize departments, assign responsibilities, control the lines of communication and authority within City Hall, and draft the annual budgets for presentation to council. In theory, the sole administrative power to be retained by council was the hiring or firing of the city manager. This model represents a conscious attempt to achieve a distinct separation between the legislative or policy-making function and the administrative functions for the ultimate objective of removing “politics” from local government.[29]

The primary elements of the Council/CAO model are "...clearly based on the principles of separation of power that characterises American constitutional practice rather than the British Parliamentary model adopted at the two senior levels of government in Canada." [30] The Council/CAO structure has been modified in Canada to ensure that there is more contact between council and the civic bureaucracy. For example, in most cases, department heads frequently deal directly with council rather than only indirectly through the CAO. Also, the authority possessed by the CAO to appoint and dismiss department heads is somewhat weaker in Canada as opposed to the US. Usually this type of hiring and firing power includes the direct involvement of council. Further, the elected council in Canada does have a significantly greater role in drafting the budgets and the CAO is less confined to the purely administrative role of managers, as would be the case in the United States. "By virtue of that policy role and by being at the apex of the administrative structure, the position of the CAO is potentially very powerful indeed, although less so than in the United States. Much hinges on this office and on the particular person occupying that position." [31]

One of the key advantages in this model is the strong degree of co-ordination. The lines of communication between the council and administration or departments are designed to go through the office of the CAO. The CAO may frequently serve as the liaison between council and the departments on the one hand and some special purpose bodies on the other. Also, the model provides that members of council have more opportunity to concentrate on the legislative functions, as their administrative workloads are less than those under the Council/Committee model. One final advantage that has been cited [32] relates to the CAO providing a degree of continuity that the election process may deny to a council. This is particularly important in respect to a council that does not have a political agenda as

has been discussed previously. Council normally appoints the CAO for a fixed term or in other instances “at pleasure.” In either instance the position of CAO is one of some importance in the overall structure of decision-making within Canadian municipalities.

The advantages of the CAO system also include some less attractive features. There are some risks involved because so much depends on one individual (CAO) and one office. The incumbent is to a great extent in control of the flow of information to and from council. Finally, to appoint one individual to be responsible for the administration of an increasingly complex structure involving as many as two dozen departments and thousands of personnel is an increasingly difficult task. As a result of these concerns, a few municipalities in Canada have not adopted this Council/CAO structure; however, they have generally adopted a similar model identified as the Council/Board of Commissioners Model.

iii) Council/Commission Model

In some respects the Council/Commission model is “essentially a Western Canadian adaptation of the City Manager Model.”[33] This model is similar to the city manager type of system with the addition of a form of executive committee. The important question being addressed by virtue of this model is again the issue of co-ordination. The significant difference between this model and the Council/CAO system is the substitution of a multi-member board of commissioners to replace the single position of the CAO. The model includes as few as two and as many as four commissioners appointed by the Mayor and Council. The Mayor usually serves *ex-officio* as a member of a “Board of Commissioners.” In some cases there may be a “Chief Commissioner”; however, this is not always the case.

The multiple membership of the commission recognises both the necessity for co-ordination and addresses issues of concern such as the span of control limitations associated with the CAO model. The municipalities that use this structural model tend to have as many standing committees of council as there are appointed members of the board of commissioners. Each commissioner meets with his or her respective standing committees on a regular basis. Again, the standing committees do not have the power to act on their own on most matters and they have only a limited mandate to direct administration.

In this model, each department head is directly responsible to council through the appropriate commissioner and, in some cases, through the entire board. Commissioners are hired by council on the basis of their technical and managerial qualifications and they serve as a small executive, co-ordinating body between the legislating council and the administrative departments.

Along with the identified advantages of co-ordination and appropriate span-of-control, there are some potential difficulties that have been identified. As with the CAO model, there is a considerable amount of power and influence concentrated in the hands of a small group that is not directly accountable to the public. Informally, the board of commissioners may be in a position to control, in some respects, the policy-making function by being in control of the channels of communication and information between council and the administrative departments. If the appointed commissioners each become too strongly committed to their own departments the co-ordinating function of the board from a corporate perspective may be marginalised.

The board of commissioner's model is increasingly used primarily by larger cities (Toronto, Ontario adopted this model in 1996) in Canada to bring a level of co-ordination and effectiveness to local decision-making.

In summary, there are a number of decision-making structures in use in Canadian municipalities. Each has its advantages and disadvantages and reflects local circumstances and historical evolution based on the statutory provisions of individual provinces. Although there are a variety of models in use with respect to decision-making in Canada, there is remarkable similarity between communities in respect to the functions, opportunities and challenges facing Canadian municipalities.

2.5.6 Finances

One of the key challenges facing most organisations, including local governments, is the issue of finances. In Canada, local government revenue is raised from three main sources: local property taxes; grants from other levels of government; and, user charges (see Figure 2.5). A key concern in respect to revenue is related to the ongoing level of funding available from senior government grants. These grants, some of which are conditional and tied to specific projects; and, some of which are unconditional, have been dramatically reduced in recent years.[34] For example, in Grande Prairie, Alberta provincial grants (conditional and unconditional) were approximately three and one-half million dollars in 1990. By 1995, these grants totalled less than one-half million dollars.

In terms of expenditures (see Figure 2.5), approximately 60% of municipal budgets in British Columbia are in the area of salaries. The main categories of operating expenditures are outlined in Figure 2.5. The key areas are police; recreation and culture; and, public

works. Similar trends in respect to revenues and expenditures at the local government level are evident across the country.

Figure 2.5
Municipal Revenues and Expenditures in British Columbia 1995

1995 MUNICIPAL REVENUES (Estimates)		
	\$ Million	Percent
Property and Other Taxes	980	62.0
Grants in Lieu of Property Taxes	70	4.0
Grants from Other Governments	160	10.0
Fees & Sales of Service	361	23.0
Transfers from Other Funds	16	1.0
TOTAL	1,587	100.0
1995 MUNICIPAL OPERATING EXPENDITURES (Estimates)		
	\$ Million	Percent
General Government	169	14.2
Police	236	19.8
Fire	170	14.3
Other Protection Services	35	3.0
Public Works	216	18.2
Garbage and Waste Management	58	4.8
Public Health	43	3.6
Development Services	34	2.9
Recreation & Culture	227	19.2
TOTAL	1,188	100.0

Source: UBCM, British Columbia Local Government, UBCM, Richmond, BC June 1995 p. 2.

The final section of this chapter will elaborate on some of the challenges facing Canadian municipalities and the responses that have been developed to address those changes including the application of total quality management principles.

2.6 Local Government in Canada: Challenges and Prospects

As previously noted (see Table 2.1) there are more than 4500 local governments in Canada. At a national level, many of these local governments have formed an independent association - The Federation of Canadian Municipalities (FCM). The FCM has

approximately 600 member municipalities representing more than 70% of all Canadians. It was established in 1937 primarily to serve as a national association to promote research and discussion on issues of importance to local government and to serve as a lobby group in respect to discussions with senior levels of government. One recent example of this latter objective is the Canada Infrastructure Works Program. This program was a two year, six billion dollar effort to “improve the quality of the physical infrastructure in local communities.”[35] The program was one which was developed by the FCM and included the financial participation of provincial, federal and local levels of government.

In addition to the infrastructure program, the FCM and local government in Canada have a number of issues and challenges to face in the 1990's. These include:

- i. **Finances:** Almost every province has instituted a program to reduce the level of conditional and unconditional grants to local governments.[36] The continued reduction of senior level government funding assistance puts considerable pressure on local governments.
- ii. **Constitutional Status:** As noted, the current system in Canada recognises the federal and provincial levels of government as constitutionally sharing authority. As an “inferior” level of government, local government is excluded from a wide range of policy issues. Further, many provinces have initiated substantial changes to enabling legislation to alter the range of services delivered by local governments [37]; and, in some cases to force municipal consolidation.[38]
- iii. **Service Delivery:** Local government - like organisations in both the public and private sector - must re-evaluate and assess “the business they are in.”[39] It is important in a period of complexity and change to retain a clear focus for an organisation including local governments. Gaebler and Osborne (1993) have

popularised the notion of steering (governance) versus rowing (service delivery) as an important distinction for governments to recognise.

- iv. Partnerships and Entrepreneurial Approaches: In response to financial constraints, many local governments are increasingly looking to public or private sector partners as part of a more entrepreneurial approach to service delivery. This type of approach has included major infrastructure projects such as highways and water and sewer systems.[40]
- v. Performance Management and Quality: Local government is and must be increasingly cognisant of the customer for its services. As part of that recognition, local governments continue to pursue increased improvement to service delivery by measuring outputs as opposed to the more traditional concern with inputs (dollars allocated to a program). Tindal (1995) notes that a focus on providing top quality service at the local government level can have a number of benefits including:
 - a. Cost reductions over time by reducing rework;
 - b. Public perception of local government improves. As a result, the current widespread disillusionment with government is eased;
 - c. Tolerance for current tax levels improves. People respond positively when shown they are receiving value for money;
 - d. Staff morale can be enhanced and energised by the pursuit of top quality service; and,
 - e. Improved morale, commitment and enthusiasm results in increased productivity and additional cost savings.”[41]

Another issue facing local governments includes the increasing use of technology [42] to provide more efficient operations internally and enable a better level of customer service. In Canada, the federal government has initiated a “Smart Communities” [43] program to encourage and guide local governments in the use of technology to enhance service delivery.

Implicit in the issues facing local government in Canada identified by Tindal (1995) is the role of the new public management model (NPM). Briefly, the NPM is a concept which “...promotes a theory of the state which calls for a drastically reduced role for governments, accompanied by much simpler government structures carrying out a limited number of core functions and emphasising the satisfaction of its ‘customer’ needs. Some of its proponents pay too little attention to political imperatives in general and to the critical importance of such democratic values as the public interest and the rule of law.”[44] These important issues raised regarding the new public management will be explored in more detail in subsequent chapters.

Finally, one of the challenges facing local government in the 1990’s is simply “... the neglect of the study of local government in Canada.”[45] In part, the limited amount of research into the problems and issues of local government reflects a number of factors. First, local government is not parliamentary and policy development, at best, is difficult for the average citizen to understand. Second, one of the primary local services – education – is delivered in Canada by a totally separate elected school board. Third, the absence of political parties at the local level makes Canada “almost unique in this respect.”[46] Fourth, there is considerable overlap between provincial and local government functions which, again, leads to some confusion for the average citizen. As a result, there are issues

involved with the study of local government in Canada that are somewhat more complex than those that impact other levels of government or the private sector.

2.7 Summary

In summary, local government in Canada does have significant constraints in respect to function as a result of an inferior legal and constitutional position. However, it is clear that local government in Canada provides a wide range of important functions to its citizens and customers. Also, it is apparent that local government is in a period of significant change. Increasingly, senior levels of government are “downloading” program and service delivery to local governments. At the same time, local governments receive fewer transfer monies to support the increased scope of functions being delegated to them. Also, in the 1990’s there have been a variety of new legislative packages introduced in many provinces aimed at reducing the number of local governments; and, changing the “rules of the game.” As an observation, the reduction of provincial financial support has increased local government reliance on the property tax. Increasingly, local governments are encountering more and more resistance to raising the property tax to offset reductions in provincial funding. Of course, this type of scenario puts stress on local government to “do more with less.” One tangible example of fiscal restraint is the title of the 1998 Federation of Canadian Municipalities Annual Conference “Lo-Cal Government in the 1990’s.” Finally, there is increased public pressure to improve the quality of services delivered at the local government level.

This period of considerable change and uncertainty for local government affords significant challenges and opportunities. Unfortunately, the mechanisms used to manage in turbulent times at the local government level are not well documented in Canada.

Subsequent sections will address in more detail the use of total quality management as a specific organisational management mechanism or technique used to address many of these current and emerging issues within local government.

2.8 Endnotes

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- [2] T.J. Plunkett, Urban Canada and Its Government: A Study of Municipal Organisation, MacMillan, Toronto, ON 1968 p. 116.
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- [5] I.M. Rogers, The Law of Canadian Municipal Corporations, Carswell Pub. Co., Toronto, ON Volume 1 1993 p. 2.
- [6] Ibid., p. 6.
- [7] Ibid., pp. 9-10.
- [8] Ibid., p. 310.
- [9] Ibid., p. 312.
- [10] Antoft, p.31.
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- [13] C.R. Tindal, Local Government in Canada 4th Ed., McGraw Hill, Toronto, ON 1995 p. 18.
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- [16] Ibid., p. 8.
- [17] For a more detailed discussion of this topic see, for example, W. Magnusson, and A. Sancton ed., City Politics in Canada, University of Toronto Press, Toronto, ON 1983.

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- [26] Ibid., p. 14.
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- [42] For example, R.W. Robertson, "Smart Communities: A Role for Local Governments," Municipal World, St. Thomas, ON Volume 109 No. 11 November 1999 pp. 13-14.
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3.0 The History, Evolution and State of the Art of Quality

3.1 Introduction

The terms “quality,” “quality management,” and “total quality management” all have distinct meanings that will be pursued in subsequent sections. However, to some extent these terms have been used almost interchangeably to describe a management philosophy that has become topical and prominent in the latter half of the twentieth century.[1]

In particular, “quality management” is an increasingly important subject as organisations attempt to deal with the scale and nature of change. Interestingly, “quality” is not as new a phenomenon as might be anticipated by a cursory review of the popular press.[2] Juran (1995) notes “...it is misleading to assume that the entire history of managing for quality took place within this century. A widespread example of such misleading assumptions is the claim that certain twentieth century individuals – Shewhart, Deming, Juran, Ishikawa, or others – ‘invented quality.’ Such simplistic hero worship has no basis in fact.”[3]

Indeed, “quality” has an extensive history which “... consisted of long periods of relative stability punctuated by short periods of turbulent change. One such period of turbulent change is of recent origin – it began with the Japanese quality revolution of the last several decades.”[4] Juran goes on to argue that the response to this recent interest in quality has interesting parallels to the scientific management movement of the 19th century.[5]

In fact, prior to World War II the concept of quality was widely used and at that time quality was based primarily on the actual physical characteristics of a specific product.[6] This “product-based” approach was statistically driven and included the necessity to

identify differences in specific measurable attributes of that product. In many respects, this manufacturing-based definition of quality reflected the view that the organisation or industry must measure the quality of the product based on its conformance to a pre-determined set of specifications. Obviously, deviations from these pre-specified characteristics are a cause for some concern as by definition they reflect a lower level of quality. In many respects, these preliminary definitions of quality illustrate a view that is internally driven to the extent that the end user or customer of an individual product has seldom been included in the assessment of quality at this stage.

As part of the mandate to improve quality during the industrial period, specific employees (quality inspectors) were charged with the responsibility of ensuring the minimal level of product quality specified by an organisation was attained.[7] For the most part, these inspectors were established as part of a specialised independent department and generally reported to the highest level of the organisations. In some respects, this type of inspection system created considerable internal concern within an organisation by separating the quality function from the production function and this concern will be discussed further in subsequent sections.

More recently, quality principles have been expanded to include non-manufacturing processes such as those involved in service industries [8] and in the delivery of government services.[9] Clearly, there is increased recognition that “quality” has broader applications beyond manufacturing and a more detailed understanding of the history and evolution of quality is required prior to an assessment of the current state of the quality movement. The purpose of this chapter is to provide an overview of the evolution, expansion and current use of quality as a management tool.

3.2 “Quality” Defined

Notwithstanding the range of management theories that continue to be expounded in response to the complexities of change “quality” remains an important paradigm for organisations worldwide.

The notion of “quality” evokes a broad range of response that is, in part, due to “... the tangible nature of the service (product) offering; and, the definition of quality may vary from person to person and from situation to situation.”[10]

It is, however, important to provide some consistency and definition to the term and to the management philosophies that have emanated from “quality” such as “total quality management” or “continuous quality improvement.”

As noted in Chapter 1, “quality” is defined in different ways depending on the context of the observer. Garvin (1988) as previously identified (see Figure 1.1) describes quality as having five components: transcendent; product based; manufacturing based; user based; and, value based.[11]

Feigenbaum, a quality pioneer, simply defines “quality” as: “the total composite product and service characteristics of marketing, engineering, manufacturing and maintenance through which the product and service in use will meet the expectations of the customer.”[12]

J.M. Juran, another quality pioneer, offers a somewhat different definition of quality. Juran identifies two distinct meanings for “quality”: “Product Features is one of these

definitions. In the eyes of customers the better the product features, the higher the quality. Freedom from deficiencies is the other major definition of quality. In the eyes of customers, the fewer the deficiencies the better the quality.”[13] The distinction Juran (1995) notes is important as the product features impacts sales and in this context higher quality (or features) usually costs more. On the other hand, product deficiencies impact on costs and higher quality usually costs less. These characteristics are illustrated in more detail in Figure 3.1. On balance, Juran (1995) argues that quality is cost-effective for organisations.

Figure 3.1
Quality Defined

PRODUCT FEATURES	FREEDOM FROM DEFICIENCIES
Higher Quality Enables Companies to:	High Quality Enables Companies to:
Increase customer satisfaction	Reduce error rates
Make products saleable	Reduce rework (waste)
Meet competition	Reduce field failure (warranty charges)
Increase market share	Reduce customer dissatisfaction
Provide sales income	Reduce inspections (tests)
Secure premium prices	Shorten time to put new product on market
Major effect is on sales	Increase yields/capacity
Usually higher quality costs more	Improve delivery performance
	Usually high quality costs less

Source: J.M. Juran, Juran on Leadership for Quality, Free Press, New York NY, 1989 p.16.

Other commentators [14] agree and include total quality management (TQM) as an interchangeable term defined as: “...organisations that have a strong customer (internal and external) focus; a defined program of continuous improvements; and, the involvement of employees.”[15] The International Organisation for Standardisation uses a similar

definition for total quality management: “a management approach of an organisation, centred on quality, based on the participation of all of its members and aiming at long-term success through customer satisfaction and benefits to the members of the organisation and to society.” [16]

For the most part, definitions of quality reflect the fact that TQM originated in a manufacturing or products oriented environment. More recently, service quality has been an important issue facing private and public sector organisations. Some commentators have, for a variety of reasons, (see Figure 3.2) taken the view that service quality as a concept is considerably less mature than is the case with product quality.

Figure 3.2
Reasons for Increasing Importance of Service Quality

- Service industries lag behind in systematic quality efforts.
- There is considerable dissatisfaction with service quality.
- Manufacturing firms need to differentiate their goods from those of their competitors, and added services provide such opportunities.
- The public sector, which was originally meant to serve the citizen, has lost its mission to a large extent. It has grown steadily, burdening taxpayers, at the same time being accused of high costs, inefficiency, and low quality. Efforts to get it back on its course are being made in various ways, among them deregulation and privatisation.

Source: S. Brown, E. Gummesson, B. Edwardsson, and B. Gustausson, Service Quality: Multidisciplinary and Multinational Perspectives, Lexington Books, Toronto, ON 1991 pp. 10–11.

Other commentators are more optimistic about the current state and future of service quality. Milakovich (1995) suggests that “most people (in the US) work in service industries and fully one-third of all US services are exported.”[17] As a result, “future expansion of American service industries increasingly depends on access to global markets and success in global markets means competition based on quality.”[18]

In terms of defining service quality, for both private and public sector application, Zeithaml *et al.* (1990) have developed ten dimensions which are important criteria in the identification of a series of discrepancies (or gaps) between the expectations and perceptions of the customers. The work by Zeithaml (1990) is particularly relevant to this research as it provides a detailed discussion on the application of quality to the service sector; and, as a result it is more applicable to the public sector than many of the earlier manufacturing (goods) oriented studies. The ten dimensions (see Figure 3.3) include tangibles; reliability; responsiveness; competence; courtesy; credibility; security; access; communication; and understanding the customer.

These ten dimensions were identified through the use of focus groups (customers); and the dimensions were used to develop a customer-based model of service quality (see Figure 3.4).

In principle, if an organisation can identify shortfalls (gaps) in respect to balancing customer's expectations and perceptions there are opportunities to improve the quality of service as perceived by their customers by reducing (or eliminating) the gaps.

Figure 3.3
Ten Dimensions of Service Quality

Dimension and Definition	Examples of Specific Questions Raised by Customers
<p>Tangibles: Appearance of physical facilities, equipment, personnel, and communication materials.</p>	<ul style="list-style-type: none"> ▪ Are the bank's facilities attractive? ▪ Is my stockbroker dressed appropriately? ▪ Is my credit card statement easy to understand? ▪ Do the tools used by the repair person look modern?
<p>Reliability: Ability to perform the promised service dependably and accurately.</p>	<ul style="list-style-type: none"> ▪ When a loan officer says she will call me back in 15 minutes, does she do so? ▪ Does the stockbroker follow my exact instruction to buy or sell? ▪ Is my credit card statement free of errors? ▪ Is my washing machine repaired right the first time?
<p>Responsiveness: Willingness to help customers and provide prompt service.</p>	<ul style="list-style-type: none"> ▪ When there is a problem with my bank statement, does the bank resolve the problem quickly? ▪ Is my stockbroker willing to answer my questions? ▪ Are charges for returned merchandise credited to my account promptly? ▪ Is the repair firm willing to give me a specific time when the repair person will show up?
<p>Competence: Possession of the required skills and knowledge to perform the service.</p>	<ul style="list-style-type: none"> ▪ Is the bank teller able to process my transactions without fumbling around? ▪ Does my brokerage firm have the research capabilities to accurately track market developments? ▪ When I call my credit card company, is the person at the other end able to answer my questions? ▪ Does the repair person appear to know what he is doing?
<p>Courtesy: Politeness, respect, consideration, and friendliness of contact personnel.</p>	<ul style="list-style-type: none"> ▪ Does the bank teller have a pleasant demeanour? ▪ Does my broker refrain from acting busy or being rude when I ask questions? ▪ Are the telephone operators in the credit card company consistently polite when answering my calls? ▪ Does the repair person take off his muddy shoes before stepping on my carpet?
<p>Credibility: Trustworthiness, believability, and honesty of the service provider.</p>	<ul style="list-style-type: none"> ▪ Does the bank have a good reputation? ▪ Does my broker refrain from pressuring me to buy? ▪ Are the interest rates/fees charged by my credit card company consistent with the services provided? ▪ Does the repair firm guarantee its services?

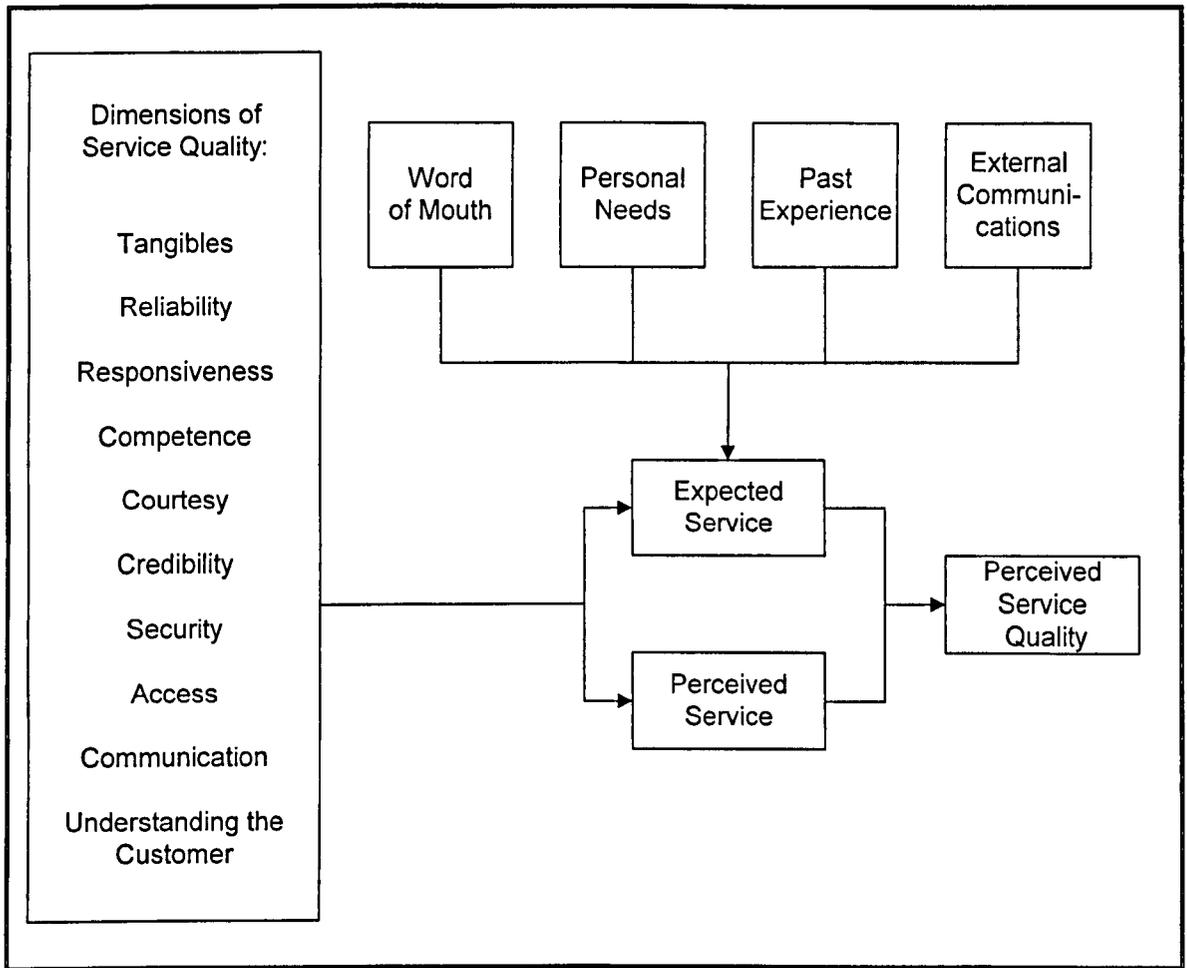
Figure 3.3 continued...
Ten Dimensions of Service Quality

Dimension and Definition	Examples of Specific Questions Raised by Customers
Security: Freedom from danger, risk, or doubt.	<ul style="list-style-type: none"> ▪ Is it safe for me to use the bank's automatic teller machines? ▪ Does my brokerage firm know where my stock certificate is? ▪ Is my credit card safe from unauthorised use? ▪ Can I be confident that the repair job was done properly?
Access: Approachability and ease of contact.	<ul style="list-style-type: none"> ▪ How easy is it for me to talk to senior bank officials when I have a problem? ▪ Is it easy to get through to my broker over the telephone? ▪ Does the credit card company have a 24-hour, toll-free telephone number? ▪ Is the repair service facility conveniently located?
Communication: Keeping customers informed in language they can understand and listening to them.	<ul style="list-style-type: none"> ▪ Can the loan officer explain clearly the various charges related to the mortgage loan? ▪ Does my broker avoid using technical jargon? ▪ When I call my credit card company, are they willing to listen to me? ▪ Does the repair firm call when they are unable to keep a scheduled repair appointment?
Understanding the Customer: Making the effort to know customers and their needs.	<ul style="list-style-type: none"> ▪ Does someone in my bank recognise me as a regular customer? ▪ Does my broker try to determine what my specific financial objectives are? ▪ Is the credit limit set by my credit card company consistent with what I can afford (i.e. neither too high nor too low)? ▪ Is the repair firm willing to be flexible enough to accommodate my schedule?

Source: V. Zeithaml, A. Parasuraman, and L. Berry, Delivering Service Quality: Balancing Customer Perceptions and Expectations, The Free Press, MacMillan Pub., New York, NY 1990 pp. 21–22.

Clearly, one of the key elements of the definition of service quality deals with the concept of “customer” (see Figure 3.5). In terms of quality, a customer is anyone who is impacted by the product or process. Juran (1992) (see Figure 3.5) identifies customers as internal or external.

Figure 3.4
Customer Assessment of Service Quality



Source: V. Zeithaml, A. Parasuraman, and L. Berry, *Delivering Service Quality: Balancing Customer Perceptions and Expectations*, The Free Press, MacMillan Pub., New York, NY 1990 p. 23.

Figure 3.5
Concept of Customer

Internal Customers: Impacted by the product/process and also members of the company that produces the product. They are often called “customers” despite the fact that they are not customers in the dictionary sense, that is, they are not clients.

External Customers: Impacted by the product/process but are not members of the company that produces the product. External customers include clients who buy the product, government regulatory bodies, and the public (which may be impacted due to unsafe products or damage to the environment).

Source: J. Juran, *Juran on Quality By Design: The New Steps For Planning Quality Into Goods and Services*, Maxwell MacMillan, New York, NY 1992 p. 8.

Additional discussion of the concept of customer (as distinguished from “citizen”) in respect to public sector service provision will be undertaken in subsequent sections.

Although the foregoing discussion illustrates that consistent definitions of “quality” and “service quality” are somewhat difficult to achieve there are clearly key elements applicable to the quality movement. As noted by Brown (1993), “Quality. Most organisations claim to have it yet many organisations have difficulty grasping its many dimensions.”[19]

To appreciate the current status of the terminology associated with the quality movement it is important to have an understanding of the evolution of quality.

3.3 The History and Evolution of Quality

There has been a considerable amount of publicity about the quality movement in both the popular and professional literature during the past few years. For the most part, the literature has identified quality as a relatively recent phenomenon originating either just prior to or just subsequent to World War II.

However, on a broader level, quality initiatives have a significantly longer history. Juran (1995) points to a continuum of quality initiatives or improvements (see Figure 3.6) adopted and adapted by society over time to address a continuously changing and evolving environment. This interpretation of the evolution of quality by Juran is particularly intriguing given the current focus by organisations on the topics of change, change management and quality as “recent” phenomenon. In addition, this “longer view” of the

history of quality provides for a better sense of the role of the industrial revolution in the broader quality movement.

Figure 3.6
Changing Forces and Responsive Strategies (Evolution of Quality)

Conditions and Forces	Strategies Adopted in Managing for Quality
Hunger, food gathering Division of Labour - food suppliers Early manufacturers; rise of village craftsman The Guilds	“Incoming” inspection by consumers Inspection by consumers in marketplace Reliance on skill and reputation of craftsmen Specifications: materials, processes, products, export controls, audits
The Industrial Revolution	Written specifications; measurement, test laboratories; extension of inspection; standardisation
Taylor System Growth of volume and complexity	Central inspection departments Quality assurance departments; quality engineering; reliability engineering
World War II Life behind the Quality Dikes	Training in Statistical Quality Control Special organisation and processes to protect society; audits
The Japanese revolution in quality (Japanese Strategies)	Upper managers personally in charge Training in managing for quality extended to all functions Quality improvement of a continuing revolutionary pace; QC circles
The Japanese revolution in quality (US response)	Efforts to restrict imports Numerous strategies undergoing tests

Source: J.M. Juran, *Juran on Leadership for Quality*, Free Press, New York, NY 1989 p. 11.

The concepts used by Juran in tracing the evolution of quality include a product (either good or service) which is consumed or used by a customer with expectations as to the performance of that particular quality or service. As the customers needs or expectations evolve so do those of the producer of the product or service leading to incremental improvements over time.

Although, there are clear linkages to quality throughout history as detailed by Juran (1995) the current wave of interest has more recent roots. Indeed, as a formal, coherent

management theory, most commentators [20] argue that quality can be traced to the early part of the twentieth century and the use of statistical quality control techniques by Bell Labs in the United States. This work was aimed at providing statistical analysis of the production process and use of those data to reduce product non-conformance in a systematic manner. The use of statistical quality control was expanded throughout American industry as part of the war effort between 1939 and 1945; however, in the race to produce more consumer goods for a post-war population, quality became less important.

Subsequent to World War II, two of the American pioneers and leaders in the quality movement (E. Deming and J. Juran) were involved in the reconstruction efforts in Japan. In Japan, the principles of quality and quality management seemed to be taken more seriously as a systematic method to enhance the rebuilding of the Japanese economy.[21]

During the last twenty years, quality has re-established itself in the United States and throughout the world as an important management tool which has been expanded from the industrial sector to the service sector and finally to governments at all levels. An overview of the evolution of quality as a cohesive, systematic management model is contained in Figure 3.7 and additional details on the specific elements and application of quality are contained in subsequent sections.

3.4 Quality Leaders

As noted, the development of “quality” as an identifiable management system began in North America at the turn of the twentieth century. There were a number of specific individuals who played important roles in the formulation of quality management, including the evolution of quality as a formal system and the pursuit of specified

principles. The identification and assessment of the contributions of those individuals provides a useful insight into the evolution of quality.

Figure 3.7
The Quality Movement: An Historical Perspective

<u>1920</u> <u>“Start of Quality”</u>	<u>1939 - 1945</u>	<u>1950’s</u>	<u>1951</u>
<i>Bell Labs - Walter Shewhart Pioneers Statistical Quality Control (SQC)</i>	<i>World War II SQC used in American industry</i>	<i>US Industry loses interest in SQC</i>	<i>Deming’s Japan lecture tour - Total Quality Control (TQC)</i>
<u>1953</u>	<u>1954</u>	<u>1962</u>	<u>1964</u>
<i>Union of Japanese Scientists and Engineers (JUSE) states: “quality is every employee’s responsibility”</i>	<i>J.M. Juran (mentored by Shewhart) holds first Lecture in Japan on Total Quality Management (TQM)</i>	<i>Kaoru Ishikawa at Tokyo University creates Quality Circles</i>	<i>(JUSE) determines the successful use of TQC is a prerequisite for capturing the “Deming prize for Quality Control”</i>
<u>1978</u>	<u>1980’s</u>	<u>1987</u>	<u>1988</u>
<i>Professor Yozi Akao writes Trailblazing book that names Quality Function Deployment (QFD) process.</i>	<i>Quality process begins to be reintroduced and implemented in US</i>	<i>Malcolm Baldrige National Quality Award created by Public Law 100-107 in US</i>	<i>Malcolm Baldrige National Quality Award Foundation established (Baldrige was Secretary of Commerce from 1981 to his death in 1987).</i>

Source: M.B. Chalk, “Implementing Total Quality Management Within Communities,” *Economic Development Review*, American Economic Development Council, Chicago, IL Summer 1993 p.6.

TAYLOR (1856 – 1915)

Frederick W. Taylor is generally credited with being one of the first to attempt to use new approaches to improve the work of unskilled workers in industrial organisations. Taylor, an engineer, developed a series of concepts that laid a foundation for work improvement during this century. His systematic approach of analysis and the application of some basic concepts to manual work earned Taylor the title of “Father of Scientific Management.” In his book, The Principles of Scientific Management [22], Taylor advocated separation of

tasks and specialisation of labour to achieve higher outputs. His theory of management included:

Daily Task – Each person in every organisation should have a clearly defined task that is large enough that it can incorporate the specific requirements that can be undertaken for one day. Each employee should have a standard set of tools and conditions to complete that pre-specified task.

High Pay for Success – The concept of performance pay is an important part of Taylor's Management Theories.

Taylor argued that tasks in large sophisticated organisations should be made difficult so as to require skilled accomplished workers able to undertake specialised tasks.

Taylor was able to provide evidence of management on an applied level that could increase production capabilities. However, his theories did create a gap between planning work, and work improvement, which in the long run isolated the employer, and the employee from one another; and, more importantly, isolated the employee from the responsibility for work improvement. Joseph Juran (1992) has stated that “the result of Taylor's management principles has been to deliver a devastating blow to craftsmanship.”[23] The division of responsibility, according to Juran (1992), resulted in the creation of separate departments of inspectors to monitor the quality of output and in effect, diffuse the responsibility for quality within the organisation to the extent that individual employees were not accountable for their work.

In summary, most commentators identify Taylor's work as being "...stunningly successful in raising productivity;" [24] however, it has been criticised as "...establishing major obstacles to introducing modern processes for quality planning..." [25]

SHEWHART (1891 – 1967)

Walter A. Shewhart was a statistician, employed by Bell Labs during the 1920's and 1930's. He wrote an article entitled, The Economic Control of Quality of Manufactured Products, [26] that was considered by statisticians as a key contribution in the area of improving the quality of manufactured goods. In particular, Shewhart is noted for the analysis of variations in respect to every facet of manufacturing and his theories that variation could be understood through the application of statistical tools including sampling probability analysis and statistical deviation. Shewhart coined the term "statistical quality control" (SQC) as a means of identification and control of variance in manufactured products.

These statistical methods provided information on work process and the theories promoted the ability of work process control and alteration as required. The theories provided information with respect to the limits of random variation in completing a task and noted, in instances beyond these limits, required process changes to ensure improvement. These control charts could be used to monitor performance over time, thereby providing employees and the organisations with the capability of monitoring work and making improvements as required. In addition, the work of Shewhart as a statistician attracted the interest of many other statisticians to the question of improvements, particularly in the area of manufacturing. Other quality leaders including both Deming and Juran worked with Shewhart at the Bell Lab and his contribution to quality cannot be underestimated.

DEMING (1900 – 1994)

Doctor W. Edwards Deming was educated at the University of Wyoming and received a Ph.D. in 1927 from Yale University. He taught and used statistics extensively and worked with Shewhart on a number of statistical applications in the area of manufacturing process improvement.

Dr. Deming is most noted for assisting Japanese engineers in the 1950's as part of the economic recovery efforts after World War II. During the war, Deming was involved in the production of war material. In that capacity, he used the statistical techniques of Shewhart and others to ensure quality control with respect to the production of equipment.

After World War II, Deming was invited to Japan to participate and assist in the 1951 census. At that time, he became aware of the complete devastation in the country and offered assistance to the Japanese in their rebuilding efforts. In 1951, the Union of Japanese Scientists and Engineers (JUSE) invited Deming to come to Japan and deliver a series of lectures on quality.[27] His approach to quality is quite straightforward. Specifically, Deming advocates that quality is primarily the result of senior management actions and decisions and not the result of specific activities undertaken by employees or workers. Deming continues by emphasising the fact that the “system” of work determines how work is performed and is the critical element in an organisation, and only managers can create and maintain that system. The management functions of resource allocation, training, equipment, selection, provisions of plant, and working environment are important components in ensuring quality products. Senior managers are therefore the keys to the successful application of quality.

In addition, the employee does have specific responsibility for the resolution of “special” problems as the result of actions or events directly under his or her control. For example, in a production environment, a lathe operator does have control over the finished product and must ensure that tolerances do not vary beyond acceptable limits. However, how that particular part fits into the rest of the production process is indeed, part of the overall quality management system, and individual employees are hard-pressed to be held accountable for the type of complexity and inter-disciplinary decision-making required in these types of environments. Deming developed a checklist of “fourteen points” (see Figure 3.8) which has been widely used as a means to promote the use of quality in an organisation.

In summary, the Deming philosophy of quality attempts to separate what may be described as “common” from “special” causes that contribute to variations in product or service quality and allocate correctly the task of improving quality between the manager or the specific employee. To undertake the foregoing, Deming suggests that statistical quality control is very important and he has stated that, “statistical understanding of systems allows accurate diagnosis and solutions of problems.”[28] In recognition of the importance of the work undertaken by Deming the Japanese Union of Scientists and Engineers established the Deming Prize for Quality in 1951; and in the period 1950 - 1970 more than 14,700 engineers attended Deming quality courses. Finally, in 1960 Emperor Hirohito decorated Deming with the Second Order of the Sacred Treasure, an award in recognition of Deming’s work in the successful application of rebuilding Japan.[29]

Figure 3.8
The specific steps advocated by Deming to achieve quality

1. Drive out fear in an organisation. Empower employees.
2. Eliminate quotas and numerical goals.
3. Break down all barriers between departments. Use “horizontal” quality.
4. Eliminate inspection. Learn to build products right the first time.
5. Institute a vigorous program of education and self-improvement on a broad level.
6. Remove barriers that rob workers of their right to pride of workmanship.
7. Leadership is the key: the aim of leadership should be to help people do a better job.
8. Eliminate slogans, exhortations and production targets. These are “top-down” in nature and counterproductive in the long run.
9. Adopt a new philosophy. This is a new dynamic economic age. Western managers must awaken to the challenges of the day, learn their responsibilities and take on leadership for change.
10. End the practice of awarding business based on the price tag. Move toward a single supplier for any one time. This long-term relationship should be based on loyalty and trust.
11. Improve constantly the system of production and service.
12. Put everyone in an organisation to work to accomplish the transformation to quality.
13. Institute specific job training programs.
14. Create constancy of purpose (vision) toward improvement of product and service to become competitive, to stay in business and to provide jobs.

Source: E. Deming, Out of Crisis, MIT Press, Cambridge, MA 1986 p. 88.

JURAN (1900 -)

Dr. Joseph M. Juran was educated at the University of Minnesota. On graduation, he began his employment with the inspection department at Bell Telephone, Hawthorne Works. As part of his employment, Juran was familiar with the works of Shewhart and used those statistical approaches in the production of telephone equipment.

After World War II, Juran visited Japan and provided assistance to Japanese managers in respect to restructuring of industry. He was instrumental in providing assistance to Japanese industry and service sector organisations in terms of the introduction of quality

concepts and tools designed to ensure that a systematic approach to quality management was undertaken as part of the production process. As part of the work undertaken in Japan, Juran has documented three fundamental managerial processes that were originally used to assist in the management of the finances of an organisation. The processes Juran advocated have been called the “Juran Trilogy” and they include:

- i. **“Quality Planning:** A process that identifies the customer, their requirements, product, and service features that the customers expect and the processes that will deliver those products and services with the correct attributes and then facilitate the transfer of this knowledge to the production arm of the organisation.
- ii. **Quality Control:** A process in which the product is actually examined and evaluated against the original specifications expressed by the customer including a system to ensure defects are corrected.
- iii. **Quality Improvement:** A process in which the sustaining mechanisms are put in place so that quality can be achieved on a continuous basis. This includes the structural and organisational elements involved in the allocation of resources, the assignment of people to pursue quality projects, training those involved in pursuing projects, and in general, establishing a permanent, systematic approach to the pursuit of quality and maintenance of quality within the organisation.”[30]

In particular, Juran suggests that to implement quality, it is necessary to identify cross-functional team projects that can be targeted and scheduled for improvement. In his view, it is important to concentrate attention on identifiable quality improvement within an organisation. These can be used as “success stories” for subsequent adoption by other areas of the organisation.[31]

In recognition of his contribution to the development of quality in Japan, the Emperor of Japan awarded Juran the “Order of the Sacred Treasure” and US President Bush awarded Juran the “National Medal of Technology for Quality.”

CROSBY (1925 -)

Philip B. Crosby is a quality advocate and author made famous by the 1979 best selling book entitled Quality is Free. He began his career in manufacturing in the early 1950's and subsequently became the Director of Quality for the Pershing Missile Project at the Martin Marieta Corporation. In that position, he was successful in reducing manufacturing defects in the production of missiles by embarking on what was called a “Zero Defects Program.” From Martin Marieta, Crosby moved to IT&T where he became the Corporate Vice-President for Quality and where he started the Quality College to impart the concepts and principles of quality management to all IT & T employees. In 1979, he retired and established a new consulting firm (Philip Crosby Associates).

Crosby's approach to quality may be summarised in a series of steps that are built around four fundamental beliefs that he calls “absolutes.”

- i. “Crosby defines quality as ‘conformance to requirements not allegiance.’ This differs from the conventional definition of quality in that it does not reference the manner in which the item is constructed or method by which a specific service is provided. Rather, this definition is more strategic in focus and trying to understand the full array of expectations that a customer has and drives an organisation to meet those expectations. Clearly, this external view of quality is energising because it establishes targets that may be far more demanding and realistic than those that may be established internally.

- ii. The quality system for suppliers attempting to meet customer's requirements is to do it right the first time - prevention, not inspection. This notion attempts to correct the problem created by Taylor and others by ensuring that the employee manufacturing the product or providing the service does not simply pass on defective work. There will be few, if any, inspectors in a quality organisation since everyone has the responsibility for his or her own work. There is no one else to catch errors.
- iii. The performance standard is zero defects. Crosby has continually advocated the notion of zero errors, which can and should be the target. Certainly, he cites the fact that we will probably always choose an airline that strives for zero accidents or a surgeon that strives for zero fatalities as examples where no tolerance for failures is acceptable. Crosby states that it is important to ensure that all employees in an organisation not expect any less in their own performance of their own work.
- iv. Measurement of Quality is the Cost of Quality. The costs of imperfection if corrected, have an immediate beneficial effect on bottom-line performance, as well as on customer relations. In that regard, investment should be made in training and other supportive activities to eliminate errors and recover the costs of waste. Crosby and others state that the cost of quality is equal to approximately 20 - 40% of a firm's revenue."[32]

In summary, Crosby's major contributions to quality are in the area of zero defects and the costs of quality in terms of the re-work needed to correct quality problems.

FEIGENBAUM (1920 -)

Dr. E. V. Feigenbaum has worked as the Manufacturing Operations and Quality Control Manager for General Electric and more recently as a management consultant. He has been a major contributor to the worldwide quality movement. Feigenbaum is noted for developing the concept that quality, particularly in manufacturing, could not be achieved if the products were poorly designed, inefficiently distributed, incorrectly marketed, and improperly supported in the customer's site. As a result, Feigenbaum advocates that every function within the organisation is responsible for quality and this concept has been developed into a philosophy known as Total Quality Control (TQC).

In addition, he was instrumental in attempting to provide measurements of quality efforts to ensure that the costs of quality are accurately assessed and enhanced the overall production capability of an organisation. As part of this methodology, he worked with a number of organisations to document and track the costs of failure and re-work necessary to correct defects. "The sum of these costs (lack of quality control) represents 10 - 40% of companies annual sales" [33] states Feigenbaum (1991).

3.5 Quality: The Common Elements

Obviously, each of the major quality contributors has different specific concepts of quality and continuous improvement. In many respects, the approaches noted differ only in emphasis and application. The objectives, however, are the same and each is an advocate of continuous improvement of outputs, whether it be a product or service, by removing unwanted variation; improving the underlying work process; and, ultimately building a product or providing a service that more closely meets the needs of the end user (customer) in a systematic manner. The preceding sections have outlined the evolutionary nature of

the quality movement and the role of key contributors to the theories of quality. The subsequent section will attempt to outline and describe those common elements of importance in successfully implementing quality at the organisational levels.

As noted, quality advocates may differ in approach to the application of the principles of quality management; however, those principles are consistent. Weintraub states “...the key to a successful total quality management program (TQM) is not in understanding it - TQM is, after all, largely common sense - but in actually doing it.”[34]

The common elements [35] in a successful quality initiative are: customer sensitivity; organisational involvement; measurement; systematic support; and continuous improvement/vision.

i. Customer Sensitivity

The most common element that is critical to the application of quality is the issue of customer sensitivity. This includes both internal and external customers and requires a solid knowledge of who these customers are; what they want; and how they are going to determine (measure) the product or service that they receive. It is important to have information and plan for the future needs of the customer and provide a consistent product or service that meets their evolving needs.[36]

ii. Organisational Involvement

The efforts with respect to organisational quality can no longer be delegated to a quality control department or quality inspectors. The role of quality should permeate all levels of the organisation and be seen as a core value of the operation on a day-to-day basis.

As an example, North American automobile production has used a production line based on the theories of Taylor including work specialisation at each point on the line. Defective workmanship was passed down the line to be either “caught” at the end of the line or later (by complaint from the customer). Newer methods of applied quality empower employees to stop the production line to ensure that deficiencies are corrected at the point of detection. More importantly, the reasons for the deficiencies can be identified by the production team and rectified.

As part of the concept of organisational involvement, Juran, Deming and others [37] identify the critical need for senior management commitment and support. The leadership at this level is crucial to the successful implementation of quality.

iii. Measurement

One of the more consistent elements of quality initiatives involves the use of data and statistical measurement. As noted, statistical quality control was one of the first methods of providing measurement or performance data on the level of quality within an organisation.

The key component in a measurement system on a general level is to ensure that the proper measurements are undertaken in areas where improvements using those data can be initiated. Although most organisations recognise that “you cannot control what you do not measure” many organisations have difficulty in the identification of what needs to be measured.

iv. Systematic Support

One of the elements required to ensure a successful quality initiative is the integration of quality into the workings of the organisation - it cannot be treated as simply another training or management program.

For example, there needs to be a transparent linkage between the quality and corporate functions such as strategic, financial and human resource systems. Further, there needs to be linkages between quality and the reward and recognition system; and, finally, quality and the performance appraisal systems. The quality initiative must be aligned with other corporate initiatives and incorporated into those initiatives to the extent that stakeholders (internal and external) are fully cognisant and supportive of the quality program.

As noted, TQM is a broad-based organisational effort that requires employee involvement. One key mechanism to ensure commitment from employees is a proper education and training system that is inclusive and broadly based within an organisation.

In that regard, Figure 3.9 illustrates a range of education and training needs that change to reflect the specific phase of TQM implementation within an organisation. In particular, organisations should initially understand the concept of TQM and quality techniques. Training can provide an important rationale to highlight the purpose for considering implementation of TQM. Subsequently, more directed training is useful in starting a quality initiative; and, more specific training on tools and techniques can assist in implementation. Finally, training to sustain a quality initiative is important within organisations that have more mature TQM programs.

Figure 3.9
TQM Education and Training Needs in Relation to Phases of TQM Implementation

PHASES OF TQM IMPLEMENTATION	TYPICAL EDUCATION AND TRAINING NEEDS
<p>Phase 1 – <i>Deciding Whether to Implement TQM.</i> Top Executives are actively considering whether to embark on TQM effort.</p>	<p>Awareness training for top management team. Reading and video viewing by top management team. Attendance at conferences and external training seminars.</p>
<p>Phase 2 – <i>Getting Started.</i> Top leadership has made a formal decision to embark upon a TQM effort. This phase usually lasts about a year, and frequently consists of: establishing a quality council, developing a vision, assessing the organisation’s readiness and culture, reviewing the TQM training needs, developing an initial TQM implementation plan, and beginning some initial TQM education and training.</p>	<p>Quality leadership training for top managers. Orientation or awareness for mid-level managers, supervisors and non-management employees. Site visits to exemplary TQM organisations. In-depth training for the quality co-ordinator. Begin training of managers and supervisors to conduct orientation and awareness training for work force. Begin training internal trainers, facilitators and team leaders.</p>
<p>Phase 3 – <i>Implementation.</i> Some specific results are being realised by the adoption of TQM-related processes, such as formal establishment of quality teams, identification of internal and external customers, analysis of systems and processes in order to streamline operations, and adoption of significant new policies designed to further quality management policies.</p>	<p>Complete orientation of workforce. Leadership training for managers, supervisors, and union leaders. Training of team leaders and team members as they are assigned to quality teams. Continue training of internal trainers and facilitators. Limited training in more advanced TQM subjects such as Hoshin Planning, benchmarking, Quality Function Deployment, and statistical process control.</p>
<p>Phase 4 – <i>Achieving Widespread Results.</i> The organisation is beginning to realise systemic, cross-functional and/or organisation-wide achievements resulting from the TQM effort.</p>	<p>Advanced statistical analysis of complex processes. Training in advanced TQM techniques such as Hoshin planning, benchmarking, and Quality Function Deployment. Integration of TQM concepts in all supervisor and leadership training.</p>

Source: Federal Quality Institute, Education and Training for Total Quality Management in the Federal Government, US Government Printing Office, Washington, DC May 1993 p. 8.

v. Continuous Improvement/Vision

In the application of quality it is important to identify specific processes and functions that can be improved and implement those improvements to establish a clear case that can be

applied throughout the organisation. It is necessary to reinforce that quality is a means to an end and remains a continuous process of improvement.

On a more detailed level, Deming has developed a series of fourteen points (see Figure 3.8) that provide a framework for quality implementation. These points are aimed at ensuring quality is applied in a systematic manner based on the leadership of senior management including the elimination of intra-organisational barriers erected by departments.

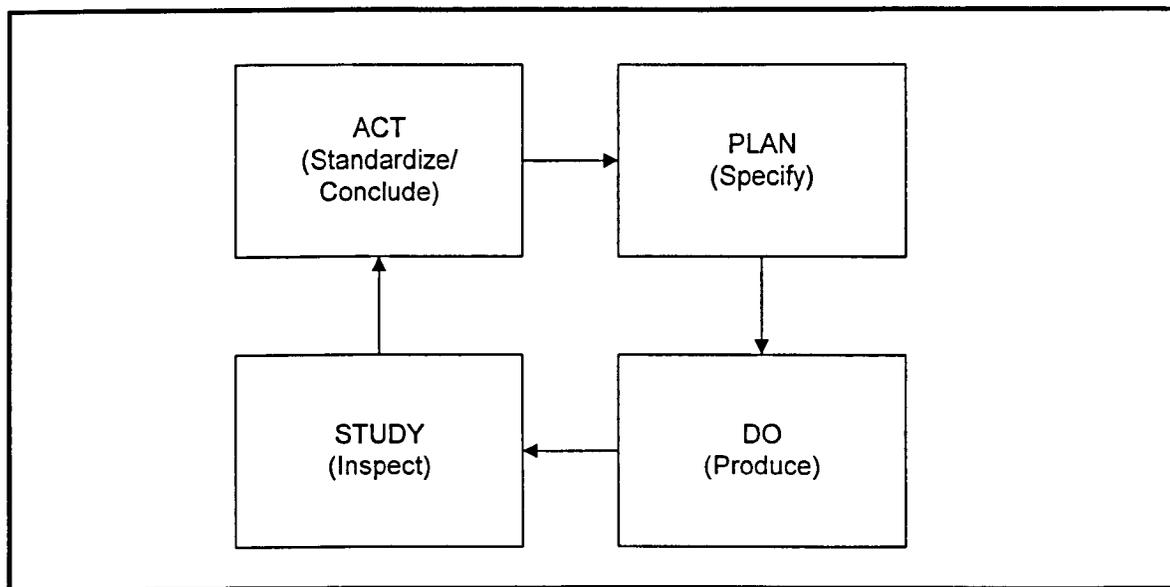
This direction yields a more process-driven strategic assessment of the functions undertaken by an organisation and is a marked shift from the type of “vertical silo” organisations of the industrial era. The systematic, rational process of fact-based decision making is a critical component of quality.

In addition, quality advocates note the importance of the development and institution of specified training programs aimed at process identification and improvement (see Figure 3.9).

Finally, Deming, in particular, supports the formulation of a consistent organisational vision with a sense of improvement in a continuous manner built in to the mission statement including a recognition of the importance of the customer to that organisation. The components of the Deming philosophy are illustrated by the Plan/Do/Study/Act model (see Figure 3.10).

This PDSA Model (originally developed by Shewhart) identifies the importance of planning as an integral component of improvement.

Figure 3.10
PDSA Cycle



Source: K. Delavigne and J. Robertson, Deming's Profound Changes: When Will the Sleeping Giant Awaken? Prentice Hall, Englewood Cliffs, CA 1994 p. 54.

In an effort to remain competitive in an increasingly changing environment, many organisations have adopted and adapted quality management principles. These principles can be traced to a number of key commentators or “quality gurus” and their work has been very important to the ongoing expansion of the quality movement particularly in an era of increasing change and uncertainty.

3.6 Quality: The State of the Art

Clearly, the factors driving organisational change appear to be increasing. As a management philosophy, quality has become an important component of the organisational response to change. This section will present information on the current state of quality as a specific tool to address those issues facing organisations in the 1990's.

Many organisations [38] view quality as a means to enhance their competitiveness in a global environment. Survey results [39] indicate that quality is viewed as a very important issue facing companies in the United States, Canada and Europe.

Indeed, in the United States, the use of quality appears to be on the increase across a range of sectors. In a recent survey [40] conducted by The Gallup Organisation for the American Society for Quality [41] quality as a management tool was used by many organisations (see Figure 3.11). In this study, a formal quality program was defined as one that was "...documented and adopted by the organisation." [42] As this is a cross-sectional (public/private) assessment of some key aspects of quality, it is important to provide additional information about this research.

Figure 3.11
Formal Quality Program in Place

Hospitals	94%
Schools	66%
Motor Vehicle (Licencing) Departments	28%
General Business	58%

Source: "Alternate Routes in the Quality Journey," *On Q, ASQ, Milwaukee, WI November 1993 p. 3.*

The survey interviewed approximately 1000 managers in a cross section of large and small businesses both manufacturing and service sectors. The survey illustrates a wide range in the percentage of organisations using quality (see Figure 3.11) but it is clear most organisations do use this technique and have used it for some time (see Figure 3.12).

Figure 3.12
Age of Quality Programs (Mean Number of Months Program has Been in Place)

Motor Vehicle (Licencing) Departments	90
Schools	70
Hospitals	48
General Business Sector	67

Source: "Alternate Routes on the Quality Journey," *On Q, ASQ, Milwaukee WI November 1993 p.3.*

Also, the survey (Figure 3.13) illustrates the importance of employee involvement in the implementation of quality programs with all sectors reporting at least one-half of all employees involved in their quality efforts.

Figure 3.13
Employee Involvement In Quality Efforts
(Average Percentage of Employees Actively Involved)

Schools	71%
Motor Vehicle (Licencing) Departments	66%
Hospitals	50%
General Business	50%

Source: "Alternate Routes on the Quality Journey," *On Q, ASQ, Milwaukee WI November 1993 p. 3.*

The data on employee involvement are co-related to the availability of employee training and the amount of training that is dedicated to quality efforts (see Figure 3.14).

These data about employee involvement and training are important observations as both involvement and training are important components of a successful quality program and it is useful to develop empirical data on these topics for comparative purposes.

Figure 3.14
Training

	Av. Hrs/Yr Total	Av. Hrs/Yr Quality	Quality Training % of Total
Motor Vehicle (Licencing) Departments	70	59	84%
Hospitals	50	31	62%
Schools	47	26	56%
General Business Sector	58	42	72%

Source: "Alternate Routes on the Quality Journey," *On Q, ASQ, Milwaukee WI Nov 1993 p. 3.*

In addition, survey respondents were questioned about the factors that were deemed to be important to a quality initiative in any type of organisation. The respondents were asked to rank each factor as currently emphasized in their organisation and to rank the emphasis that they anticipate will be placed on each factor in three years. Although, there are minor differences between sectors, all respondents state "...there will be no letup in attention to quality in the near future; and, foremost among the anticipated changes is that customer focus (see Figure 3.15) is gaining emphasis in each type of organisation." [43]

In terms of the perceived value of quality initiatives, all respondents indicate that there are recognisable impacts. As illustrated in Figure 3.16 there is a strong perception that customers are aware of the quality efforts and this is an important index of competitiveness.

Figure 3.15
Where The Quality Emphasis Lies - Present And Future
General Business Sector

CURRENT RATING		FUTURE EXPECTATION	
1.	Management commitment	1.	Customer focus
2.	Customer focus	2.	Management commitment
3.	Teamwork	3.	Measurement
4.	Measurement	4.	Teamwork
5.	Employee involvement	5.	Quality training
6.	Quality training	6.	Employee involvement

Source: "Alternate Routes on the Quality Journey," *On Q, ASQ, Milwaukee WI Nov 1993 p. 3.*

Figure 3.16
Gauging the Effects of Quality Improvement
(Percentage of respondents who say their customers or the people they serve recognise the effects of quality improvements)

Motor Vehicle (Licencing) Departments	87%
Schools	86%
Hospitals	81%
General Business Sector	89%

Source: "Alternate Routes on the Quality Journey," *On Q, ASQ, Milwaukee WI Nov 1993 p. 3.*

Finally, many organisations have attempted to "explicitly link their quality strategies with overall organisational goals and business results." [44] One method to ensure that this linkage is established is to incorporate quality objectives into the specific performance appraisal process used for individual employees. Figure 3.17 provides information illustrating that this method is used by many organisations as a means to promote quality at the individual level.

Figure 3.17
Linking Individual Performances and Quality Strategy
(Percentage of organisations in which quality goals are part of manager's performance appraisals)

Motor Vehicle (Licencing) Departments	61%
Schools	77%
Hospitals	80%
General Business Sector	65%

Source: "Alternate Routes on the Quality Journey," *On Q, ASQ, Milwaukee, WI Nov 1993 p. 3.*

As a further broad measure of the use of quality and the relationship of quality to customer satisfaction and the bottom line (competitiveness) the American Society for Quality has initiated The American Customer Satisfaction Index. This index is based on a similar survey (Swedish Customer Satisfaction Barometer) established in Sweden in 1989. These broad-based national surveys in both the US and Sweden are illustrative of the types of measures being undertaken to promote quality and continuous improvement in goods and services.

The survey "includes consumer perceptions of the quality of goods and services from companies and government agencies that produce about 50% of the gross domestic product plus foreign companies that have substantial US market shares." [45]

"The American Customer Satisfaction Index gives a completely independent assessment of performance and quality from those who really count: the customers. Those companies whose customer satisfaction ratings are above their industry averages will see financial gains similar to those of Baldrige Award Winners." [46]

The index is a multi-equation, econometric model used to produce a national customer satisfaction index based on a scale of 0 (lowest) to 100 (highest). The survey measures seven sectors (manufacturing - non-durable; manufacturing - durable; retail; transportation-utility; finance-insurance; services; and public administration) and provides benchmarks for comparisons both internally (within a company over time) and externally (between companies).

The index is seen as a broad level method of assessing the financial viability of a company. “The results of the Swedish survey are predictive of the general economy. For the typical Swedish firm with an asset base of \$600 million, the total value of an annual one-point increase in customer satisfaction over a five year span equates to a cumulative incremental return of 16.6%.” [47]

In addition to the foregoing empirical efforts to document quality efforts, there have been other visible initiatives, including recognition and award programs that have served to promote quality. In the US, the Malcolm Baldrige Award was developed to recognise private sector quality; and, the President’s Award for Quality and Productivity Improvement for the public sector.

In Europe, the European Foundation for Quality Management in conjunction with the European Commission has recently launched the European Quality Award. The Canada Awards for Excellence developed by the National Quality Institute provide similar recognition in Canada. These award programs will be discussed in more detail in subsequent sections; however, it is useful to note their importance in improving the profile of quality.

Although “it might be too early to ascertain the full influence of these quality awards on the TQM movement that is sweeping industry world-wide. The trend to grant awards for quality has brought tremendous attention to quality issues and has helped to better understand the meaningful dimensions and requirements of quality.”[48]

3.7 Quality: The Role of Registration

One of the methods of assessing the ongoing corporate commitment to quality is to consider the role of registration. As noted, quality as a management philosophy is increasing [49] in use on a worldwide scale. In part, this expansion is based on the “common-sense” nature of quality as previously discussed and more recently by a move to develop a more formal system of registration or means to document and recognise quality.

This element of quality registration is receiving more widespread attention, particularly from business and it is a phenomenon that requires further elaboration. Technical Committee No. 176 of the International Organisation for Standardisation (ISO) produces international quality management and quality assurance standards. These standards are commonly referred to as the “ISO 9000 series of standards.”

The Technical Committee (ISO/TC 176) held its inaugural meeting in 1980 in Ottawa, Canada with twenty-one participating member countries. By the end of 1992, membership had grown to forty-seven participating countries and a further seventeen countries with “observer” status.

The Technical Committee is responsible for overall management of the standardisation program in the fields of quality management and quality assurance assigned to it by ISO.

The Technical Committee maintains close liaisons with other international organisations that have a direct interest in quality matters.

The ISO 9000 series of standards have two primary roles:

- i. “Quality Management Standards (ISO 9004) intended to provide guidance for suppliers to implement effective quality systems or improve existing quality systems.
- ii. “Quality Assurance Standards (ISO 9001, 9002, 9003) developed primarily for two-party contractual situations to define customer’s quality assurance requirements.”[50]

The actual use of these quality assurance standards has expanded beyond the originally intended two-party situation to the assessment and registration of supplier’s quality systems by a third party (quality system registrar). In this instance, if the suppliers quality system conforms to the registrar’s interpretation of the quality assurance standard in question the supplier is listed (registered) as having attained this status. The maintenance of the registration status is then dependent upon periodic audits (usually on an annual basis).

There are a number of reasons for the increased awareness and use of registration systems.

The reasons include:

- i. “Contractual Requirements – In many instances, suppliers are now required by purchasers to attain registration. For example, in Canada the federal department of Supply and Services requires registration as part of the federal government purchasing policy.

- ii. Legal Requirements – Many regulated products (i.e., health, safety or environmental) are required to attain quality registration as part of their conformance assessment.
- iii. Subcontract Requirements – Prime contractors who are registered frequently require that subcontractors be registered to maintain consistency.
- iv. Liability Concerns – A formal quality system registration process may prove useful as a component of a defense in the event of a product litigation action.
- v. Multi-Client Registration – A third party registration process enables a level of impartial assessment and consistency that can eliminate multiple assessments by individual clients.
- vi. Market Pressure – There is a perception among many organisations that registration is a means to differentiate themselves from non-registered competitors.
- vii. Change Management – Many organisations use quality and quality registration providing a formal method of addressing a myriad of change factors to ensure the success of that firm.”[51]

To date, many countries have implemented national quality system registration programs. Essentially, these programs involve the preparation of a list of companies or organisations whose quality systems have been reviewed by an accredited registrar and certified as being in conformance with a national and international quality system standard.

The role of the national accreditation bodies in these programs is to:

- “establish criteria for registration;
- accredit registrar(s);
- establish qualifications for auditors;

- publish lists of registrars;
- arrange for bilateral/international arrangements for mutual recognition.”[52]

In Canada, the quality systems registration program is administered by the Standards Council of Canada (SCC). Currently, more than 600 organisations have been registered in Canada.[53]

In the United States, the quality system registration program is administered jointly by the American National Standards Institute (ANSI) and the Registration Accreditation Board (RAB) established by the American Society for Quality (ASQ). Currently, there are more than 3,000 firms registered worldwide.[54]

The increasing use of “quality” and “quality ISO 9000 registration” has led to some confusion as to the differences between the two terms. Clearly, there are differences and similarities which are very important to the use of these terms and it is useful to be aware of these issues.

First, “ISO 9000 registration” essentially means conformance to a prescribed quality assurance standard or model as articulated in the ISO series (ISO 9001, 9002 and 9003). On the other hand, “quality” or “total quality” is a broader set of philosophical principles or policies that are designed to enhance the overall performance of an organisation. For example, “total quality initiatives include the broader issues of customer needs and satisfaction, operational results, continuous improvement, competitive comparisons (benchmarking), linkage or integration of quality and business plans, cycle time and

responsiveness, societal responsibilities, human resource development, and information sharing.”[55]

The ISO 9000 registration system is a more detailed specific level of the overall quality initiative of an organisation. It is primarily intended to assess conformity to company documented practices. This assessment does not necessarily mean that these documented practices will:

- “Provide products exhibiting superior features or performance over competing products or services (including non-registered suppliers).
- Ensure that customer needs, beyond product conformance to technical specification such as on-time delivery, price, responsiveness and others will be satisfied.”[56]

Unfortunately, there continues to be a perception that ISO registration is synonymous with quality. In that regard, later ISO standards such as the ISO 9004 series do provide guidance for managing and improving quality; however, the 9004 series does not currently lead to registration.

In summary, organisations may choose to pursue ISO 9000 registration or quality initiatives either individually or in combination with one another. Either approach is not a prerequisite for the other; however, some commentators suggest that ISO 9000 registration is a useful method to initiate the broader implications of quality management. This sequence would enable the use of a limited but manageable set of requirements prior to progressing to a more holistic total quality approach to improve operations and competitiveness.

3.8 TQM: A Critical Perspective

It is important to recognize that TQM, as a management philosophy, has been the subject of considerable criticism. For the most part, criticism of TQM is directed both at the broad theoretical perspective; and, at a more applied, practical level. At the theoretical level, a number of issues have been identified including the following:

- i. There remains “a lack of precision as to what TQM constitutes though certain core ideas seem to prevail. These principles can be put into practice in varying ways, and particularly since so many organisations now claim to follow them it would be inappropriate to lay down what constitutes a true TQM organisation.”[57] Unfortunately, the lack of a precise accepted definition does lead to some confusion as to what does constitute a TQM initiative.
- ii. As Wilkinson et al (1992) point out, the movement of quality from a predominantly manufacturing to a service industry environment has led to questioning of the value of the specific label “TQM.” Indeed, “the wide variety of activities, practices and techniques that are carried out under the fabric of TQM makes it difficult to maintain a clear conception of what the term means.”[58]
- iii. There is “an assumed causal chain from quality programmes through changed employee response to outcomes but the employee response aspect has not been seriously addressed.”[59] Indeed, Garvin (1988) suggests that “...TQM does not fit conveniently into existing research domains, the results being most of the evidence of TQM effectiveness is anecdotal.”[60] This type of concern, in part, drives the fear amongst many [61] that the use of TQM is more a function of fad and fashion as opposed to a bona fide method of organisational improvement.
- iv. Proponents of TQM suggest that it enables empowerment, enhanced responsibility and commitment. Critics [62] of this view argue that the reality is somewhat

different. For example, Wilkinson and Wilmott (1994) state that from some perspectives TQM may be seen as “imposed upon an unprepared and hesitant, if not hostile, management by the intensity of global competitive pressures.”[63] Similarly, “the very promotion of ‘participation,’ ‘teamworking,’ and ‘empowerment’ by quality management may prompt questions about the extent to which employees are treated and rewarded as full members of the organisational ‘team,’ the extent to which they actually participate in key decision-making and the degree to which they are able to exercise control over their work.”[64]

On a broader level, “...unions representing employees have frequently taken the view that the introduction of TQM is simply a management issue;”[65] or, alternatively, unions may resist the introduction of TQM on the basis that it might marginalise their role in an organisation by “...emphasising more individual or small group (team) over collective issues.”[66]

In addition to the foregoing primarily conceptual concerns about the use of TQM, there are a number of issues related to the implementation of TQM that require further discussion. Indeed, although there are numerous reports that promote quality as an all encompassing recipe for organisational success, the pitfalls and failures of implementation are well documented.[67] An analysis by Ernst and Young and the American Quality Foundation concludes that total quality is only a partial success and may often hamper performance and waste money.[68] The survey based on 584 companies in the US, Canada, Germany, and Japan is important as it clearly illustrates that quality efforts are not universally successful and organisations must be cautious about implementing quality (or other management) paradigms.

Unfortunately, many organisations seem intent on applying a specific model for organisational change or quality improvements rather than creating a program best suited to their own requirements. The survey notes "...it is clear that organisations are attempting to follow the prevailing wisdom: they are planning to adopt or to increase the frequency of use for the management practices generally viewed as beneficial. It is equally clear that the practices do not lead to the same results in all organisations...organisations must understand their own starting position and use the practices that offer them the potential for greatest improvement." [69]

In the UK, quality has experienced some problems because many companies have been sold packages or programs by consultants. [70] Similarly, in the US commentators [71] argue that organisations are not fully aware of the difficulties inherent in achieving the type of organisational change and commitment required to implement quality.

Indeed, although some reports [72] indicate failure rates for implementing quality can run as high as two out of three companies, the main concerns appear to remain in the actual process of implementation. A range of implementation problems are illustrated in Figure 3.18 and these issues are primarily related to the role(s) that upper management must assume to make the process work properly; the actual process and methodology of implementation including the need to customise TQM to the context of the individual organisation; and, the means to sustain the initiative (i.e., rewards). Harari (1997) suggests that "managers are beginning to realise that TQM is not synonymous with quality. Quality is essential for organisational success and competitive advantage and TQM is only one of many possible means to attain quality." [73] In essence, "it's not that quality shouldn't be a

focus of business operations; it's just that quality operations often become so cumbersome that they overshadow the real reason a company is in business.”[74]

Figure 3.18
Reasons for Total Quality Management Implementation Failures

Organisational Culture	Task of changing organisational culture is underestimated.
Technique Emphasis	Stress is placed upon statistical techniques rather than management and leadership issues. Also, measurement is overemphasised and produces useless data.
Cost Control	Efforts are concentrated on saving money rather than quality improvement and customer satisfaction.
Lack of Top Mgt. Support	Little commitment to quality from top; quality responsibility is delegated to others.
Too much change	Flurry of activity in which everything in the organisation is subject to be changed. Also, unrealistic time frame.
Slow start	Some companies wait too long and commit few resources.
Integration	Quality is not integrated into the organisation but becomes a dual structure of steering committees, teams, meetings, and paperwork.. There is activity but few results.
Initial phase	Company becomes stuck in first phase of training and creating teams and never evolves to later phases of changing organisational systems and integration.
Rewards	Organisations fail to recognise and adequately reward employees' efforts.
Boredom	American organisations tend to follow management fads and become disenchanted quickly when sustained effort is required to achieve results rather than a quick fix.

Source: M.G. Brown, "Why Does Quality Fail in Two out of Three Tries?" Journal for Quality and Participation, Association for Quality and Participation, Cincinnati, OH 16(2) p. 84.

Knight and McCabe (1997) suggest that “on the surface, at least, the TQM doctrine of changing organisational culture in the direction of empowering and trusting employees would appear to offer the alternative to coercive, hierarchical control. But not only is this often a rhetoric that is contradicted by other features of TQM...and by how it is implemented in practice, promoters of TQM often seem oblivious of the highly charged political and career-based hierarchical character of the organisations in which it is to be introduced.”[75]

Clearly, there remains some controversy with the use of quality and quality management techniques. These concerns can be categorised as a broad philosophically based questioning of the premise(s) on which TQM is based; and, more narrowly at the various problems that are associated with the actual implementation of TQM. Many supporters [76] continue to point to lack of commitment or other implementation faults as the reasons for failure. Other commentators (Wilkinson et al 1992) suggest that the effects (and success) of TQM depend largely on the context of individual organisations.

The foregoing literature review of the history and evolution of TQM illustrates that there are both strong supporters and more cautious critics of the use of this technique within organisations.

These different or contrasting perspectives are illustrated in Figure 3.19. Advocates of TQM praise the inclusive, team-based, empowerment that pushes an organisation beyond the rigid, top-down model traditionally associated with Taylor or the assembly lines of the industrial era. Critics of TQM suggest that the identification of errors; added responsibility and peer pressure of teams provides simply a neo-Fordism approach rather than a different, better model for organisations. It is important to be aware of the characteristics associated with the perspectives of both supporters and critics.

Figure 3.19
Contrasting Perspectives of TQM

<u>Bouquets</u>	<u>Brickbats</u>
Education	Indoctrination
Empowerment	Emasculation
Liberating	Controlling
Delayering	Intensification
Teamwork	Peer group pressure
Responsibility	Surveillance
Post-Fordism	Neo-Fordism
Blame-free culture	Identification of errors
Commitment	Compliance

Source: A. Wilkinson, G. Godfrey, and M. Marchington, "Bouquets, Brickbats and Blinkers: Total Quality Management and Employee Involvement in Practice," Organisation Studies, Sage Publishing, London, UK Volume 18 No. 5 1997 p. 800.

Notwithstanding the important philosophical and applied concerns related to TQM, the use of TQM remains an important and topical management philosophy that continues to attract organisations in the private and public sector (see Figure 3.20 for an assessment of the continued importance of quality as seen by companies worldwide). The role of quality in managing organisational change in turbulent times is the subject of the next section.

3.9 Change, Challenge and Uncertainty: The Role of Quality

Currently, change, challenge and uncertainty remain high on the agenda of the executives and organisations throughout the world. A recent survey [77] of the chief executives from seven hundred and seventy-eight of the biggest companies in eleven countries in North America and Europe noted that "on both sides of the Atlantic, top executives have a common message about change: plenty more is coming." [78]

The survey commissioned by A.T. Kearney Inc. and carried out by US Pollster Louis Harris and Associates states that "... companies may have been slow to respond to more

intense competition in the 1970's and early 1980's but today there is no doubt that complacency has been replaced by a fierce commitment to remake the corporation and its environment. The findings of this research indicates colossal change in North America and Europe amounting almost to turmoil.”[79] Figure 3.20 provides more detailed information on the results of this important survey on the status and scope of organisational change from the perspective of international managers.

Figure 3.20
Where Change is Coming

Percentage of Executives saying their companies will - in the next three to five years - make changes to...	CANADA	US	EUROPE
...their marketing strategy	80	65	59
...their strategic planning process	65	50	43
...the diversity of their workforce	59	49	51
...their organisational structure	51	58	61
...their marketing compensation	47	45	45
...their international scope	41	46	53
...the composition of their board	37	28	27

Source: Louis Harris and Associates for A.T. Kearney Inc., Globe and Mail, Toronto, ON December 17, 1994 p. B-1.

There are interesting national differences in the survey; however, the results are remarkably consistent. Most senior executives see significant changes impacting their work environment. On a more detailed level, executives were requested to rate twenty-two issues as critical, important or minor. In this portion of the survey (see Figure 3.21) Canadian executives were most likely to choose the word critical to describe the terms total customer satisfaction (81%), product quality (74%), service quality (68%), cost competitiveness (62%), and work force skills and training (56%). The survey suggests that the primary factors driving these issues include: globalisation of business; technological

change; and, demands from customers for better products and services on a more timely basis at lower costs.

Again, similar results in terms of the rank order of importance of issues are evident in the responses from the United States and Europe. Specifically, the issues of quality and customer satisfaction remain particularly important amongst all respondents. As organisations strive to adapt to changing circumstances on a local and world-scale, there is an increasing awareness of external variables such as the customer. The entire question of quality either in terms of product or service is seen to be of “critical” importance to organisations in their quest to adapt and survive.

Figure 3.21
Top Issues for Big Companies

Percentage of Executives saying the issues will be critical (as opposed to important or minor) to their companies in the next three to five years	CANADA	US	EUROPE
Total Customer Satisfaction	81	76	74
Product Quality	74	70	67
Service Quality	68	71	66
Cost Competitiveness	62	78	69
Work Force Skills/Training	56	45	50
Return on Capital	43	53	38
Ability to Innovate	45	58	50
Shareholder Value	43	69	25
Changing Customer Demands	39	53	38
Globalisation	34	15	22
Industry Restructuring	31	34	29
Regulation/Deregulation	30	45	27
Emerging Competitors	29	34	20
Geopolitical Issues	25	11	14
Role of the Board	24	25	26
Re-engineering	22	24	25
Management Succession	20	31	34
Product Rationalisation	16	17	22
Short Term Earnings	16	14	9
Environment	15	18	21
Restructuring Your Company	12	22	23
Executive Compensation	2	8	5

Source: Louis Harris and Assoc. for A.T. Kearney Inc., Globe and Mail, Toronto, ON December 17, 1994 p. B-1.

Clearly, change, challenge and uncertainty are key issues facing corporations and this trend will likely continue at least for the foreseeable future. In response to these factors, organisations have sought to adapt and create a new model or paradigm substantially different from the organisation of the industrial era. This new organisational model is more pragmatic than its predecessor; and, therefore more difficult to describe in detail. However, there are a number of elements [80] that are common to these new organisations of the twenty-first century.

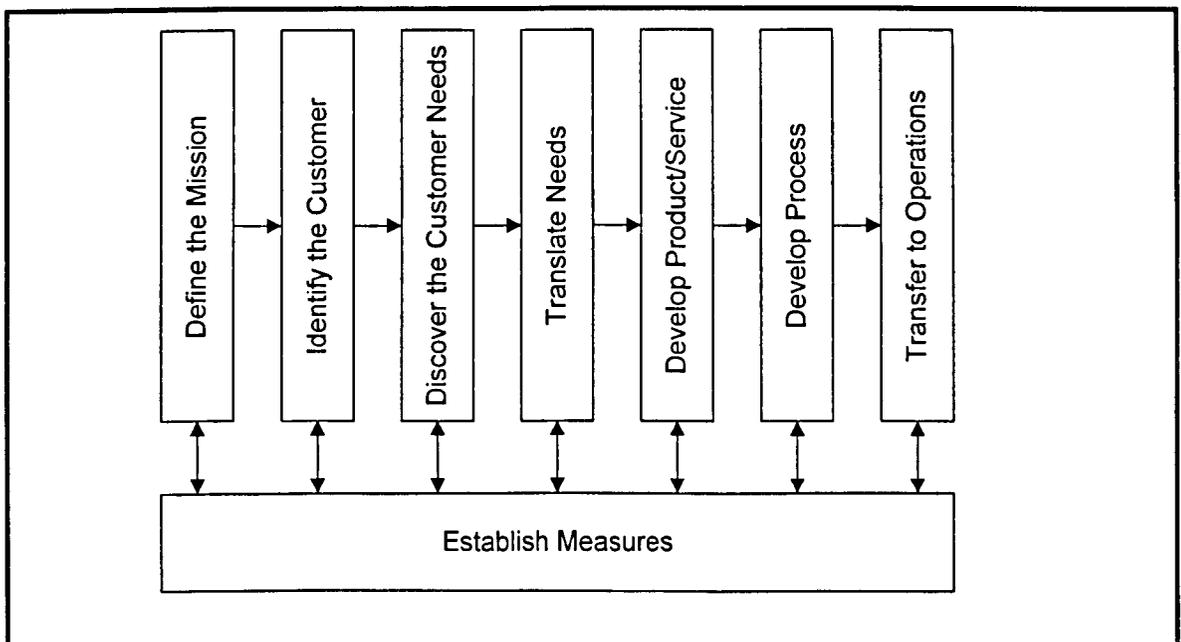
Generally, these components include:

- i. **Vision:** Some sense of corporate direction needs to be identified and clearly communicated to all members of the organisation.
- ii. **Information:** There needs to be adequate information available to clearly define the issues from an internal perspective and external information of comparable companies or organisations is useful as a benchmark with respect to performance.
- iii. **Communication:** It is important to properly communicate information about the issues/responses facing an organisation to stakeholders.
- iv. **Corporate Strategy:** A clear, concise, identifiable corporate strategy should be available to establish the direction of the corporation and methodology to achieve that direction.
- v. **Implementation:** Decisions on an on-going basis should implement the organisational strategy and be seen to advance the organisation towards those articulated goals contained in that document.
- vi. **Evaluation:** It is important to measure and document the extent of achievement of the organisation in reaching stated goals and ensuring that changes are made to

enhance continuous improvement in achieving those strategies and plans adopted by the organisation.

Further, as organisations continue to struggle in an era of change, challenge, and uncertainty, there is an increasing awareness of the role and importance of quality.[81] The elements of quality, in many respects, are based on a clearer recognition of the importance of “customers” and added emphasis on the planning process of organisations (see Figure 3.20 and 3.21). These components are seen as particularly important for successful organisations of the future (see Figure 3.21). Indeed, Juran (1992) states that “strategic quality management is the process of establishing long-range quality goals and defining the process to meet those goals.”[82] A quality planning road map developed by Juran (1995) is illustrated in Figure 3.22.

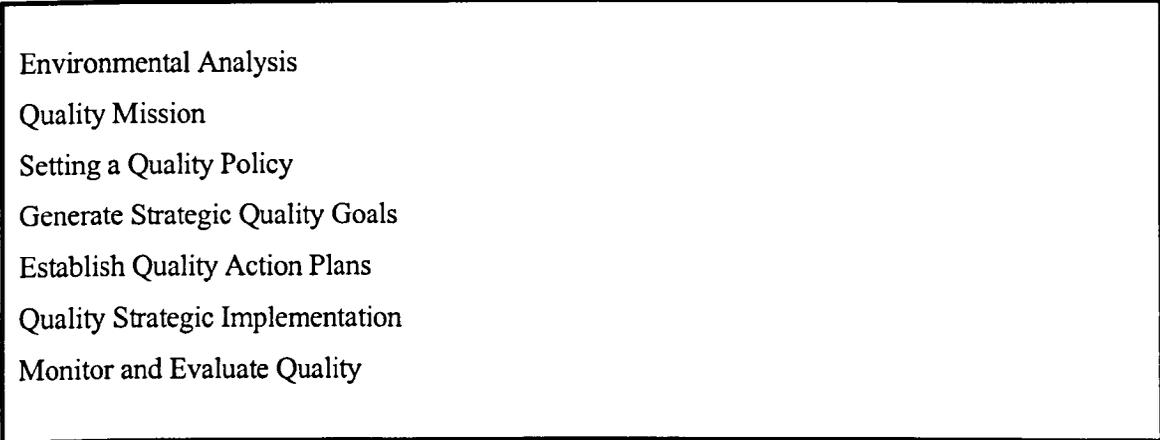
Figure 3.22
Quality Planning Road Map



Source: J.M. Juran, *The Last Word: Lessons of a Lifetime in Managing for Quality*, Juran Institute, Wilton, CT 1995 p. 3.

In large measure, Juran (1995) is supportive of the concept of planning and strategic management as key components of quality initiatives. In addition other commentators support Juran's view. For example, James (1996) notes that "the systematic use of quality planning is vital to an organisation's success; and, virtually all Deming prize winners can point to clear, detailed, well communicated plans." [83] James (1996) goes on to illustrate the importance of strategic management and quality planning through the development of a "Quality Planning Process Model" (see Figure 3.23). Simply, James (1996) states that "planning for quality is the first function of quality management;" [84] and, the importance of planning to respond to a changing environment is illustrated in Figure 3.21.

Figure 3.23
The Quality Planning Process



- Environmental Analysis
- Quality Mission
- Setting a Quality Policy
- Generate Strategic Quality Goals
- Establish Quality Action Plans
- Quality Strategic Implementation
- Monitor and Evaluate Quality

Source: P. James, Total Quality Management: An Introductory Text, Prentice Hall, Hemel Hempstead, UK 1996 p. 97

Quality is clearly an important part of the equation in addressing change, challenge and uncertainty from an organisational perspective. One of the key aspects of quality is the recognition of the need for an organisation in which all components have a solid knowledge and understanding of the objectives of the organisation and the importance of the customer within the framework of a quality plan. [85]

In summary, change, challenge and uncertainty are constant factors affecting organisations on a worldwide basis. The response to this changing environment and the imperative for change previously discussed has included a variety of specific management techniques or solutions aimed at creating a more stable, rational, and coherent environment. New theories, methods, and models to respond to change [86] are advanced on a regular basis and a cursory review of the professional and management literature reflects the range and number of these models available for consideration. Some of the key elements of current management models include:

- “A belief in people - letting all employees know that management values their contributions by recognising individual differences and efforts;
- Becoming partners - supporting the achievements of employees by providing positive feedback to them on their accomplishments;
- Linking rewards to performance - reinforcing excellent efforts through tangible (although not necessarily financial) recognition;
- Creating a positive environment - setting a tone of positive achievement to encourage natural talents to bloom; and
- Celebrating success - with your employees, customers and others who have all helped to make the organisation a success.” [87]

In particular, TQM is frequently cited [88] as a mechanism to respond to organisational change that has withstood the test of time. Wilkinson *et al* (1998) suggest that “...quality management has a strong association with transformational change and quality programmes are often introduced as part of a wider change initiative.”[89] The questions of the case of TQM as a response to organisational change at the local government level in Canada will be explored in more detail in a subsequent Chapter.

3.10 Summary

In summary, the era from the period of the World War II has seen considerable change in respect to the international economy. In particular, there is significant new awareness of the consumer and the fact that the consumer has a broader array of goods and services from which to select. In part, the increased openness of international markets has led to more intense competition as emerging economies with lower wage-rates, economies that enjoy a lower cost of capital, and economies in which employees have a different work ethic are now more directly involved in international production in all levels.

The events and issues facing companies worldwide are not random and without explanation. The level of change that is being recognised increasingly by organisations throughout the world is important and must be recognised as systemic.

A brief review of the history of quality indicates that in many respects the development and evolution of quality improvement initiatives occurred in the United States in the early part of the twentieth century with contributions by men like Shewhart, Deming, Juran, Feigenbaum, Crosby, and others. Their approach was to move from the inspection of manufacturing products to uncover defects, to the prevention of defects and ensure quality at all levels of the organisation. This approach recognises the expense and waste associated with re-working defective products and emphasises the need to improve the fundamental processes employed by an organisation.

Although perfected by the Japanese in the 1960's, 1970's and 1980's, quality management has returned to North American and indeed, to the entire world in the latter part of the 1980's and 1990's. One of the current methods used to document quality efforts and

provide for a common level of definition and consistency of quality applications is the use of registration particularly ISO 9000 and its equivalents. This system continues to expand in scope and the challenge is to extend the successful quality improvement concepts to the service and government sectors. The application of process improvement and quality management techniques to the creation and delivery of services (i.e., Health Services, Transportation Services, Information Services, Research & Development Services, Engineering Services, Market Services, Government Services) is clearly an increasingly important component of the methodology for addressing change in the latter part of this century.

In particular, the American Society for Quality survey of approximately one thousand managers (see Figures 3.11 to 3.17) provides a useful perspective on the application of TQM within a range of organisations. The American Society for Quality survey suggests that many organisations of different types in the US use quality. Generally, the quality programs surveyed are relatively recent; and, survey respondents identify that fifty to seventy-one percent of their employees are involved in quality efforts. Training is seen as an important element of increased attention in most organisations and many link quality goals to individual employee appraisals. For the most part, survey respondents identify their efforts as “successful” and note that the issue of increased “customer focus” is important for the future.

Further, an international survey of organisations in eleven countries (see Figure 3.20 and 3.21) suggests that organisational change is a continuing reality. This survey confirms that organisations worldwide increasingly recognise the crucial role of customers; and, they

consider “quality” as an important element in response to the types of “change” that is prevalent and expected to continue.

Finally, it is important to recognize that there remains a healthy scepticism about the effectiveness and value of TQM. Many of the key elements of TQM (such as leadership and commitment of senior managers; employee involvement; and, measuring results) are promoted with more anecdotal than actual evidence. These are important questions that will be explored in the context of local government in Canada in more detail in subsequent Chapters.

As discussed in this Chapter, many organisations continue to advocate the use of TQM to manage in a changing environment. In a survey of firms worldwide, Ernst and Young (1993) concludes that “those organisations that succeed in adapting and adopting quality management and recognising the level of change occurring on a worldwide basis will succeed, whereas those who do not, will fail.”[90] Subsequent sections will explore the public sector application of quality management in more detail.

3.11 Endnotes

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4.0 Total Quality Management and the Public Sector: An Overview

4.1 Introduction

As discussed, change is a constant factor affecting organisations in the private and public sector worldwide. Clearly, the private sector has increasingly used total quality management techniques to address the imperative of change in a competitive environment. More recently, the public sector has adopted and adapted quality for its own use.

This chapter will briefly outline the requirements for change from a public sector perspective and provide an overview of the use of total quality management and quality techniques in the public sector from a broad geographic and sectoral perspective. The intent is to establish the range and degree of the use of total quality management in the public sector. This analysis will identify the unique challenges and opportunities associated with the use of “quality” in the public sector. This assessment will address the distinction between “customer” as a key concept in the quality movement and “citizen” as a public administration and government concept.

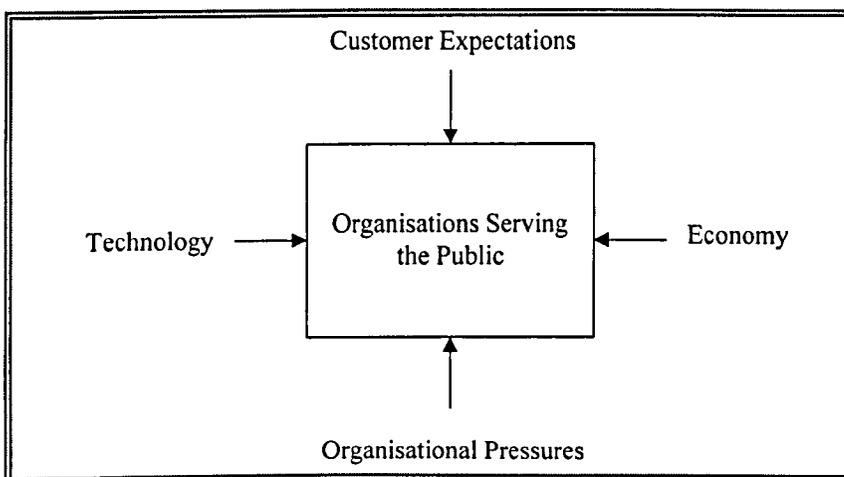
In addition, the chapter will identify specific quality initiatives at the federal level in the United States, Canada and the United Kingdom. Further analysis in both the United States and Canada will identify some of the applications of quality management techniques at the state and provincial government levels. These discussions will serve as a context to subsequent sections that will deal with total quality management applications at the local government level; and more particularly, set the framework for the empirical assessment of total quality management within local government in Canada that is the primary topic of this research.

4.2 Change and the Public Sector: The New Public Management

The public sector is clearly not immune from the climate of change that has affected organisations in the private sector. The specific factors driving change may differ from jurisdiction to jurisdiction but there is no mistaking the commonality of many elements. In response to the imperative for change, the public sector frequently looks to private sector management models. In this instance, Total Quality Management (TQM) is no exception to the pattern. As international competition, financial pressures and technology innovations are forcing private sector organisations to pursue TQM the public sector also must deal with multiple pressures to improve.

In a recent report, KPMG (1997) identifies four key factors (see Figure 4.1) driving change in public sector organisations. These factors (technology, customer expectations, economy and organisational pressures) are similar to those facing private sector organisations. A more detailed discussion of change, challenge and uncertainty currently facing organisations was presented in Chapter Three.

Figure 4.1
Driving Forces for Change in the Public Sector



Source: KPMG, Organisations Serving the Public: Transformation to the 21st Century, KPMG Peat Marwick, New York, NY 1997 p. 57.

In particular, “the 1980’s witnessed a renewed emphasis on reforming the public sector in most developed countries. Reform of the public sector means changes to tasks, structure, and objectives of political institutions and administrative agencies, thus reflecting the changing values of their respective societies.”[1]

The key elements that are causing the current climate of public sector change include:

- i) “The significant growth of public bureaucracies, a product of the post-Keynesian welfare state, which have become increasingly complex and have failed to deliver the goods leading to public disenchantment;
- ii) Funding expenditures on public services is seen as diverting resources to lesser productive purposes and as crowding out the private sector; and,
- iii) The emergence of conservative regimes in Britain and the United States with the election of Margaret Thatcher (1979) and Ronald Reagan (1980) led to what is now regarded as the neoliberalism or conservatism of the 1980’s bringing on pressure for reform of the public sector.”[2]

A number of commentators including Hoggett (1996) and Hood (1991) suggest that the response to demands for change within the public sector has generated a new “...administrative philosophy...presented as a framework of general applicability, a public management for all seasons.”[3]

As noted, the movement to change in the latter part of the 20th century has coincided with the political ascendancy of the right in most liberal democracies starting with Margaret Thatcher (United Kingdom 1979); Ronald Reagan (United States 1980); and, Brian Mulroney (Canada 1984). Although initiated by the right, “...the gospel of smaller

government, balanced budgets and new (private sector) management practices seems to have gained converts from the left and right.”[4] These practices “...or this new paradigm has been variously called ‘post-Fordism,’ ‘flexible specialisation’s,’ or more commonly, the New Public Management (NPM).”[5]

The NPM has been adapted and adopted by “...many OECD countries...”[6] and Hood (1991) attributes the rise of the NPM to two key elements:

- i. The fact that it has been used as a means to restructure decision-making in a range of organisations, levels of government and countries; and,
- ii. The NPM is claimed to be “apolitical” - advocating principles of “better government.”

Essentially, “the new public management, or managerialism, marks a shift from other public administration reforms. It is clearer in theory and in program details than the earlier reforms aimed at tinkering to cut costs. Instead of reforms to the public sector, new public management represents a transformation of the public sector and its relationship with government and society.”[7] There are a number of identifiable elements related to the NPM. A comparison of the elements of the new public management and those of traditional public administration is provided in Figure 4.2.

Figure 4.2
Comparison of New Public Management and Traditional Public Administration

Components	New Public Management	Traditional Public Administration
Focus	Clients	Citizens & communities
Principal Means	Management	Policy-making
Characteristic of public servants	Entrepreneur (acting)	Analyst (thinking)
Values	Entrepreneurship, freedom for managers, flexibility, creativity, enthusiasm, risk taking	Ministerial responsibility, prudence, stability, ethics, probity, fairness, transparency
Vocabulary	Service to clients, quality, skills, managerialism, empowerment, privatisation	Public interest, democracy, social equity, due process
Culture	Private sector, innovation, business management, accountability by results, politics-administration dichotomy	Bureaucratic (hierarchical), functionalism, stability, process accountability, politics-administration continuum
Structures	Civil service as organisational units, simple and frugal government, introduction to quasi-market mechanism, decentralisation	Civil service as an institution, large departments, government-wide system, central authority, resource allocation

Source: M. Charih and L. Rouillard, "The New Public Management," in M. Charih and A. Daniels, *New Public Management and Public Administration in Canada*, IPAC, Toronto, ON 1997 p. 31.

Briefly, the elements of the new public management include:

- i. Hands-on professional management – Accountability in the public sector should include "letting the managers manage."
- ii. Explicit standards and measures of performance – Goals are required to be defined and performance targets set.
- iii. Output controls – Results are more important than procedures.
- iv. Disaggregation of units – Large entities should be broken up into smaller units based upon products/services.
- v. Competition should be encouraged.

- vi. Private sector management styles should be used – this includes more performance oriented compensation schemes.
- vii. More emphasis on discipline in resource use to eliminate the traditional focus on funding envelopes which should be spent by the end of the fiscal year to ensure the following year's allocation.[8]

Another perspective of the NPM or managerialism is provided by Sanderson (1996) who suggests there are three key themes including:

- i. An emphasis on cutting costs and increasing labour productivity and efficiency;
- ii. The decentralisation or delegation of management responsibilities; and,
- iii. The development of neo-Taylorian practices such as setting standards and targets, performance measurement and performance related pay designed to create incentives for better performance.”[9]

To some extent the foregoing discussion of the NPM reflects “...conflicting pressures that helps explain some of the rather confusing characteristics of the new public management. On the one hand, NPM is all about reorganisation and restructuring and relies heavily on market terminology such as quality management and customer satisfaction. On the other hand, the larger debate of which NPM is a part – redesigning our governance systems to incorporate more participation, citizen control, democracy and responsiveness – is considerably broader than the narrow maxims of NPM would imply.”[10] Indeed, Sanderson (1996) suggests that “...these (shifts in management style) changes amount to an attempt to restructure the state and, as the New Right project has proceeded, the concept of quality has increasingly become the banner for reform in the public services.”[11]

Some commentators [12] are critical of the philosophical basis of the new public management. Pollitt (1993) argues that an inherent tension exists in the new model as “...the value structure of the New Public Management is indeterminate: ‘quality’ and ‘consumer responsiveness’ sit alongside a fierce and continuing concern with economy and efficiency.”[13]

Further, Tuckman (1995) argues that “...commentators have tended to underestimate the significance of TQM and the quality debate in the context of current social, political and industrial changes.”[14] In particular, Tuckman (1995) suggests that TQM involves an organisational culture change from a command and control hierarchical model to a flatter organisational model which “empowers” workers to provide “quality” products and services to customers. However, Tuckman (1995) argues that the application of TQM “...through its potential for direct surveillance...may achieve the opposite results. It is integral to the construction of consent to a broadly ‘New Right’ agenda within both politics and management.”[15] Fundamentally, Tuckman (1995) sees “...the emergence of TQM as a central component within a broader attempt to create new forms of managerial and political control – not principally through coercion but by consent; what can be seen as part of a broader hegemonic project.”[16]

The tension inherent in these views of the NPM will be discussed in subsequent sections. In particular, additional discussion of the “customer” and “citizen” balance, which is an important consideration within the NPM framework, will be presented in a subsequent section.

Although more recent than total quality management, the NPM is an important, topical concept that is aligned to many of the principles of TQM. “Grounded in rational choice and public choice and containing elements of total quality management (TQM) the New Public Management (NPM) seeks to offer more efficient mechanisms for delivering goals and services and for raising governmental performance levels. Such goals would appear to be highly commendable and desired by all citizens.”[17]

In some respects, public sector change is not an entirely new phenomenon.[18] In the 1980’s and 1990’s change in the public sector has been variously called re-organisation, reform, re-engineering, or more recently, “re-inventing government.” The latter term was popularised by Gaebler and Osborne (1993) in a book entitled, Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector.[19] In this book, Gaebler and Osborne (1993) argue that there are a number of alternatives to the standard service delivery by public employees (see Figure 4.3). These service delivery options are available only if governments adopt a more risk-oriented, business type approach to their operations. Many of the principles advocated by Gaebler and Osborne are philosophically linked to the elements of the NPM. The primary objective that Gaebler and Osborne (1993) raise is to have governments become more “customer sensitive” in their approach to service delivery.

Figure 4.3
Public Service Delivery Options

Traditional	
1. Creating Legal Rules and Sanctions	6. Grants
2. Regulation or Deregulation	7. Subsidies
3. Monitoring and Investigation	8. Loans
4. Licensing	9. Loan Guarantees
5. Tax Policy	10. Contracting
Innovative	
11. Franchising	20. Technical Assistance
12. Public-Private Partnerships	21. Information
13. Public-Public Partnerships	22. Referral
14. Quasi-Public Corporations	23. Volunteers
15. Public Enterprise	24. Vouchers
16. Procurement	25. Impact Fees
17. Insurance	26. Catalysing Non-governmental Efforts
18. Rewards	27. Convening Non-governmental Leaders
19. Changing Public Investment Policy	28. Jawboning
Avant-Garde	
29. Seed Money	33. Quid Pro Quos
30. Equity Investments	34. Demand Management
31. Voluntary Associations	35. Sale, Exchange, or Use of Property
32. Co-production or self-help	36. Restructuring the Market

Source: D. Osborne and T. Gaebler, *Reinventing Government*, Penguin Books, New York, NY 1993 p.31.

The authors note that the word “government” is from a Greek word which means “to steer.” The job of government is to steer; not row the boat. Delivering services is rowing and Gaebler and Osborne (1993) argue that governments are not very good at rowing. The concept of steering suggests that people see the “big picture” and all of the challenges and opportunities that flow from that perspective. Steering also requires an ability to balance competing demands for resources. On the other hand, rowing needs people who are able to remain focused on a task and perform that task well.

The distinction between “steering” and “rowing” is a particularly difficult one in the public sector, in part, as a result of the rate and range of change; and, it is important to note that these issues affect public sector organisations globally.

As an example of public sector change, New Zealand is frequently cited as a country that has undertaken dramatic reforms. In part, these reforms were driven since the mid-1980’s by:

- “A deteriorating financial balance which resulted in growing public debt and increased debt service costs. This was accentuated by government taking over major project debt (‘think big’ projects);
- The economy’s poor performance caused higher numbers of beneficiaries (unemployment and other social benefits);
- Wage increases in the public sector above the rate of inflation and increased spending on health, education, and other government services;
- Political decisions increased the real cost of programmes (e.g. national superannuation etc.); and,
- A change in demography pushed up spending on superannuation and tertiary education while a decline in the number of school-aged children did not bring a proportional reduction in the cost of education programs.”[20]

In a more direct analysis of the problems evident in New Zealand the OECD Economic Surveys noted that “throughout 1950 - 1985 the New Zealand economy was one of the most highly protected in the OECD. It lacked labour force training, suffered from rigid factor and product markets and supported high effective tax rates. In addition, the Government’s persistent tendency to accommodate external shocks resulted in high and

variable rates of inflation.”[21] As a result of these challenges, the New Zealand (Labour) government elected in 1984 immediately undertook to “deregulate the economy almost completely; strictly control the money supply; and, eliminate the budget deficit by reducing public spending and public debt. Government led by example with rapid and fundamental restructuring of all of its own elements. The management of government departments, universities, and the schools were amongst the first to be remodelled from the roots up in a manner imitating the best private sector practice.”[22] The commitment to government change was based on an “imperative to ensure high levels of effectiveness in all public sector activities and so underlined the need for a performance driven approach to management...”[23] The key elements in evaluating any of these management processes were “identified as clarity of objectives, freedom to manage, accountability, assessment of performance (quality) and information flows.”[24]

In addition to the changes undertaken at the central government level, there were considerable reforms at the local government level that included a substantial reduction in the number of local governments; and, generally a more entrepreneurial approach to how local government functions.[25]

As a result of the changes identified, New Zealand has seen a significant financial turnaround. The country is “no longer on the verge of bankruptcy and it has one of the lowest inflation rates in the world. Employment growth is continuing and the government announced a \$422 million dollar surplus in the 1994 fiscal year.”[26] Further, “the 1993 World Competitiveness Report [27] placed New Zealand seventh in economic health among 53 industrialised nations and first for the quality of its government.”[28] Although not a model for every jurisdiction to emulate, New Zealand has seen considerable interest

from other countries including a number of Canadian provinces in its efforts to manage change.

Finally, it is important to note that there has been some criticism of the government reform efforts in New Zealand. To some extent, these concerns are related to the balance between “customer” and “citizen.” The importance of this balance will be discussed in more detail in subsequent sections.

4.3 Total Quality Management and the Public Sector: A Systematic Response to Change

On a broad level, the imperative for change that New Zealand has been facing is one that continues to affect public sector organisations. This section will address the use of total quality management as a method being used to address change in the public sector using recent examples at the national level in the United States; United Kingdom; and, particularly, in Canada.

At the outset, it is important to provide an overview of quality efforts and challenges related to quality within the public sector. Peter Drucker [29] identified a number of barriers to productivity improvements and quality in the public sector. These barriers are:

- “lack of clear performance targets;
- trying to do too many things at once;
- solving problems by throwing people at them;
- lack of an experimental attitude;
- lack of evaluation so nothing is learned from experience; and,
- reluctance to abandon programs.”[30]

In a more recent book, W.E. Deming, a quality pioneer, confirmed many of the concerns raised by Drucker. Deming (1986) identified six fundamental management problems in the private and public sector. These fundamental problems include:

- i) **Lack of Constancy of Purpose (vision).** This is a result of a lack of planning for the delivery of services, provision of leadership for change, and ensuring rewards and job opportunities for career public managers.
- ii) **Emphasis on Short-Term Thinking and Annual Budget Cycles.** This type of thinking is fundamentally one of cost cutting in frequently an abstract fashion without being tied to any type of long-range plan. Also, the short-term focus is counter to the thrust of quality exercises that are normally seen as requiring commitment over time.
- iii) **Negative Effects of Performance Evaluations.** The current systems of annual performance evaluations in many organisations are seen to be punishment/reward oriented. These systems are not conducive to motivating quality and teamwork.
- iv) **Senior Management Mobility.** In the US and many western organisations senior managers turn over frequently which has negative connotations for long-term organisational success.
- v) **Management by Numbers.** Most organisations, particularly governments, manage by numbers and frequently neglect the underlying processes and quality improvements that should be reviewed.
- vi) **Increase of Non-Value Added Costs.** Deming is particularly critical of the increases associated with health care insurance, health care costs, worker benefits and legal costs, many of which can be improved through the application of TQM. In his view, many of these non-value added costs have risen faster than the increase in costs associated with the delivery of the core service.[31]

Clearly, there are differences in the points made by both Drucker and Deming. However, both point to the need for an integrated, systematic, consistent approach within organisations that recognises the customer as an integral component for successfully addressing the “deadly sins” identified. In the case of Deming, a series of fourteen points were advocated to address the types of problems facing organisations (see Figure 3.8). These key fourteen points have been adapted to reflect the unique characteristics of the public sector by M.E. Milakovich (1991). A brief summary [32] of Milakovich’s adaptation includes:

- Point 1: Vision/Commitment** - Everyone in an organisation must have an understanding of the direction of that organisation. “Although governments are not businesses in the profit-making sense, they are responsible for providing quality service to taxpayers and productive career opportunities for nearly eighteen percent of the total work force.”[33]
- Point 2: Corporate Learning of New Philosophy Including Top Management** - There is a perception that governments and government bureaucracy is increasingly inefficient in a world which is increasingly competitive. To respond to these concerns governments must be more adaptable, sensitive to customer needs and prepared to evaluate and improve internal processes.
- Point 3: Understand Process Improvement** - Ensure a systematic approach to build quality into product and service delivery by continually monitoring and improving processes.
- Point 4: Competitive Tendering Should Include An Assessment Beyond Simply Price** -Although price is a key competitive indicator in assessing tenders in the public sector, Deming and Milakovich advocate a single-supplier relationship philosophy which is long-term and built on loyalty and trust.

- Point 5: Improvement Must Be Continuous** - “In the public sector, a good rule is that any process or procedure in place five or more years is definitely in need of review, probably revision and perhaps replacement.”[34]
- Point 6: Training** - Employee training should be corporate-wide including all levels of the organisation. The training should include sessions that focus on customers (internal and external).
- Point 7: Leadership** - A commitment by leadership to improve quality and productivity by “coaching” as a supervisor as opposed to “controlling.”
- Point 8: Create Trust/Drive Our Fear** - Many previous management styles in the public sector have been based on the “command/control” model and quality management is a completely different more inclusive style.
- Point 9: Break Down Inter-Departmental Barriers** - The emphasis on process includes the continued review of inter-departmental or cross-functional tasks. “The cross-functional internal communication is essential to reduce the “absorbent” layers of mid-management and provide all customers with timely and efficient service.”[35]
- Point 10: Eliminate Slogans** - Organisations frequently use slogans to enhance productivity. In many cases these slogans create fear through artificial goals.
- Point 11: Eliminate Quotas** - Quality of service rather than numeric objectives must be seen as the primary objectives.
- Point 12: Pride of Workmanship** - Employees have, over time, been allocated small component tasks of the manufacturing of products or delivery of services. This type of employee specialisation frequently reduces the “ownership” an employee has with respect to the overall product.

Point 13: Education/Self-Improvement - Individuals should constantly be encouraged to maintain a “learning environment.”

Point 14: Specific Actions/Recognition - It is important to create some specific examples of quality applications and to recognise those “success stories” on a corporate wide basis.

Milakovich suggests that these points need to be linked internally within an organisation and supported by day-to-day decision-making. Although, Milakovich and other commentators [36] strongly support the use and application of total quality management principles within the public sector environment there remains some scepticism. “In spite of its demonstrated successes, few public agencies have responded to the quality movement that profoundly influenced the manufacturing sector in the 1980’s. Attitudinal barriers, suspicion, uneven knowledge, concerns about status, employment security, and similar obstacles continue to limit public sector quality improvement.”[37] There are a variety of reasons that have been identified which have slowed the adoption and spread of total quality management in the public sector and it is important to explore some of these reasons in more detail.

On a broad level, the concerns raised relating to adapting quality to the public service reflect, in part, a sense that TQM was initiated for manufacturing or industrial applications and cannot easily be applied to the public sector. Figure 4.4 provides some of the contrasts that apply to TQM applications between the manufacturing sector and the service sector. A more detailed discussion of these important distinctions is contained in Chapter 3 (see, for example Figures 3.2, 3.3, and 3.4, which detail some important elements of service quality).

Figure 4.4
Contrasts Between the Manufacturing and Service in the Private Sector

SECTOR	PRIME OUTPUT	TQM FOCUS	MEASURES OF ACHIEVEMENT
Manufacturing	Physical product	Fitness of purpose; customer delight with product.	Zero defects; benchmarked standards; market leader; least cost among comparable quality product providers.
Services	The service encounter and transaction	Meeting and exceeding customer expectations	Market leader; customer rating, least cost among comparable quality service providers.

Source: C. Morgan and S. Murgatroyd, *Total Quality Management in the Public Sector*, Open University Press, Buckingham, UK 1994 p. 56.

Further concerns also exist in the application of TQM between the private (commercial) service sector and the provision of public sector services (see Figure 4.5).

Figure 4.5
The Service Sector: Commercial (Private) and Public Service Contrasts

SECTOR	PRIME OUTPUT	TQM FOCUS	MEASURES OF ACHIEVEMENT
Commercial (private service) provider	Purchaser driven service encounters	Customer acclaim; differentiation of quality service among multiple providers	Market leader open market
Public sector service provider	Citizen user service encounters	Professional service standard and client acclaim	Problematic, to be developed – “internal market” or “modified monopoly

Source: C. Morgan and S. Murgatroyd, *Total Quality Management in the Public Sector*, Open University Press, Buckingham, UK 1994 p. 57.

These concerns about the adaptation of TQM to the public sector are important in establishing the key interests of this research; therefore, further analysis is required. The principal concerns associated with the application of TQM to the public sector include:

- “the nature of TQM itself inhibits public sector applications;
- the nature of the public sector is inimical to the reception of TQM applications;
- the work cultures of professional groups which characterise the public sector are inimical to TQM;
- in the public sector the customer is a more problematic concern; and
- public sector provisions are much more complicated than manufacturing.”[38]

4.4 The Nature of TQM and The Public Sector

The primary impetus behind TQM has come directly from manufacturing and the industrial sector. As a result, concerns are raised about applying TQM concepts to the delivery of services, which is fundamentally the “product” of government.

Most commentators [39] argue that this distinction is overstated and that TQM can apply to services and service delivery. In particular, they argue that TQM is fundamentally about the processes used to “make” a product or service.

On a parallel level, questions have been raised about the applicability of TQM, which originated in a market-driven competitive environment, to the monopoly of the public sector. In the event that a “consumer” has no choice of supplier (as is the case in the public sector provision of many services) does TQM remain relevant?

Although there is some merit in this argument, the public sector has generally moved towards a more competitive environment including, for example, the use of compulsory,

competitive tendering in the United Kingdom. Further, one of the primary roles of the market is to enhance the commitment of organisations to improve quality. In some respects these types of pressures can be accommodated by benchmarking and other comparative measures. Morgan and Murgatroyd (1994) state that "...the absence of a market does not of itself stop either a product or service provider from enhancing all processes involved in the manufacture of the product or the production of the service, so that waste is eliminated, measured efficiency is enhanced, and costs are reduced." [40]

Finally, it should be noted that there have been some recent criticisms raised about the adoption of some elements of quality in the public sector. Specifically, Mintzberg (1996) argues that the relationship of government to citizen must not be displaced by the government to customer paradigm as "most of the services provided by government ... involve complex trade-offs between competing interests." [41] The thrust of Mintzberg's (1996) article is to retain a balance between the "citizen" and the "customer" in respect to public sector reform.

In the United Kingdom, Prior, Stewart and Walsh (1995) offer similar concerns and suggest care in the adaptation of customer oriented reforms. "The ideological values driving the Citizen's Charter initiative risk sacrificing the ends of socially cohesive active citizenship for the sake of a limited, and frequently ineffective, range of market place means." [42]

Notwithstanding these concerns, there remains considerable interest in the use of TQM and other customer-oriented management programs within the public sector.

4.4.1 The Nature of the Public Sector

Indeed, the public sector itself has been identified as reluctant to embrace TQM. By its nature, the public sector is perceived as “...more resistant to change; the resourcing of public sector provisions are disconnected from performance; managers in the public sector are not rewarded for performance or the attainment of certain quality measures; improving service quality without increasing costs is intrinsically more difficult; and, public sector managers are not free to enact management in the way that manufacturing or commercial service provisions are.”[43]

The reluctance to change in the public sector is explored in more detail in subsequent sections particularly relating to the implementation of the National Performance Review in the United States. On a broader scale “...case studies in both the public and private sector in organisations as part of a six country European Community study found more resistance amongst the middle managers interviewed in the public sector (to change) than amongst those in industry.”[44] Notwithstanding these data, and as previously noted, the worldwide imperative for change continues to press all organisations including the public sector - to recognise and manage change.

In terms of performance, Drucker argues that “...public service institutions are typically paid out of a budget allocation. This means they are not paid by what the taxpayer and customer means by results and performance. Their revenue flow is from a general revenue stream that depends, not on what they are doing, but on some sort of tax.”[45]

TQM, argues Drucker (1988), positively requires a change in this type of thinking from budget resourcing to performance resourcing. As a supplementary issue, it is important to

ensure that budgetary savings are not drained off to other parts of the agency or organisation and that quality improvements do not pose a threat to staff levels. The same type of analysis applies to managers and compensation. For the most part, public sector managers do not see the types of merit or bonus payments available in the private sector.

Finally, there are political issues or concerns raised in respect to the application of TQM in the public sector. There are two distinct concerns in this area: first, there are times that politicians go beyond policy-making and it would appear that "...the adoption of TQM would seem to assume a clear distinction between making and implementing policy." [46] Also, politicians do not have the luxury of dealing only with their target customers or shareholders. In the public sector, there must be a clear recognition of "the community" and all of its components as important. This argument of the importance of community [47] is a key component of the recent work by Prior, Stewart and Walsh (1995).

Walsh (1991) argues that the debate over the use of quality within public services includes both normative and positive questions. In that regard, the definition of public service quality is politically contestable. It is possible for the same service to be seen as being of high quality from one political perspective and low quality from another.

4.4.2 The Public Sector and Professional Managers

The TQM movement has its roots in the industrial and manufacturing sectors. For the most part, this has included manual labour and production of a product.

Service industries, notably in the public sector, are clearly different; and, as a result, there are questions about the application of the principles of TQM to a primarily professional, public service. These concerns are particularly important for a number of reasons

including: "...multiple professions in the public sector; the primacy accorded professional transactions; and the authority of seniority and status hierarchies." [48] The lack of a corporate ladder by using teams as advocated by TQM purists can be threatening to professionals more used to a hierarchical organisation with numerous advancement opportunities.

In response to these concerns, TQM advocates note the inclusive, rational basis of quality is a system that, in fact, enhances professionalism and learning as an organisational imperative.

4.4.3 The "Citizen" As "Customer"

Critics of TQM state it is difficult to define accurately and adequately the important concept of "customer" in the public sector. Swiss (1992) states: "government agencies must serve a wide variety of customers who have widely divergent and even contradictory demands, and because the general public remains a "hidden" customer with yet additional, often incompatible demands, government agencies often have to deliver a service or product that reflects an uneasy compromise. In such cases, the (TQM) principle of delighting or even satisfying customers begs too many questions to be a clear or useful goal." [49]

Morgan (1994) agrees in principle with the questions raised by Swiss but states that although "...government may not be able to satisfy the demands of all external customer groups, the principle of identifying customer needs and explicitly meeting some cannot be contested." [50] This principle is clearly evident in the United States with the

establishment of the National Performance Review and in Canada with the Public Service 2000 exercise, both of which will be discussed in greater detail in subsequent sections.

4.4.4 Decision-Making and the Public Sector

As discussed previously, there are some that argue that the public sector is more complex than the private sector primarily due to the political nature of public sector decision-making. “Elected officials under political influences must attempt to balance multiple, vague and conflicting goals of diverse interest groups; annual budget battles stress short-term rewards rather than long-term professional values; managers operate in a non-competitive environment with far less control than their private sector counter-parts.”[51] Indeed, as Mintzberg (1996) notes “... the belief that politics and administration in government can be separated is a myth that should die a quiet death.”[52] In terms of the adoption of TQM the “question is if the engagement of one top-level official or politician with a high turn-over rate may create enough pressure to go the painful way of implementing total quality in the public sector.”[53]

These pressures, clearly evident in the public sector, are increasing the requirement to change as previously discussed. These changes have required “...political controllers to promote real costing, measures of costs, a modification of monopoly by the development of quasi-market elements and most radically, the complete privatisation of what had been entirely public provisions.”[54]

Increasingly, the movement towards the development of quasi-market elements has included the concept of a more performance-driven public sector. The development and use of performance indicators is in some respects, an adjunct to the evolution of TQM in

the public sector. Simply, performance indicators are “statistics and other types of information which help you to judge how well a service is being delivered, how successfully it is meeting the needs it is supposed to meet and what it costs.”[55] In terms of TQM, “the systematic measurement of the results of your program establishes clear accountability and assists organisations to do more with less. And by evaluating practices and processes, you provide an essential basis for comparison and continuous improvement.”[56] A recent survey [57] of service quality measurement in German, British and American public organisations confirms the expanded use of TQM in the public sector including the importance of performance measurement. This survey notes that “...performance measurement plays a relatively greater role in the British public sector as the percentage of modernising British public organisations using various performance indicators is higher for all kinds of indicators compared to the percentage of modernising German and American public organisations.”[58]

In summary, there are clearly differences between the private sector and the public sector. In part, these differences have contributed to a somewhat more reluctant level of acceptance of TQM in the public sector. However, there are increasing examples of interesting and useful applications of TQM within the public sector and subsequent sections will address those specific applications in more detail.

4.5 “Reinventing” Government: An Overview of Federal, State/Provincial Initiatives

Efforts to “reinvent government” have been initiated in a number of countries as previously discussed. In many instances these reinvention initiatives employ the principle tenets of total quality management. This section will address these types of initiatives

from an international perspective using examples from the United States, Canada and the United Kingdom.

4.5.1 United States

In the United States, extensive efforts to reinvent government at the federal level have been undertaken during the past ten years. It should be noted that this type of change has been the subject of considerable interest and action for many years [59]; however, recent initiatives only will be explored in this Chapter.

The most visible, recent, exercise to initiate change at the federal government level in the United States is the National Performance Review (NPR) that began on March 3, 1993. On that date, President Clinton established a team of experienced federal employees to assess ways to “make government work better and cost less, and, close the trust deficit by proving to Americans that their tax dollars will be treated with respect for the hard work that earned them.”[60] Clearly, the issue of public respect or confidence in the quality of federal government services was a major component of the project. The report states “public confidence in the federal government has never been lower. The average American believes we waste 48 cents of every tax dollar. Five of six want “fundamental change” in Washington. Only 20 percent of Americans trust the federal government to do the right thing most of the time - down from 76 percent thirty years ago.” [61] These data on the low level of public confidence associated with federal public service(s) in the United States are confirmed in other surveys such as the American Consumer Satisfaction Index (ACSI).[62] The ACSI survey [63] of business and government illustrates that customer satisfaction with the quality of goods and services available in the United States has declined and public administration/government trails business by more than 20 points.

In part, as a response to these types of data, and as a result of their mandate, the National Performance Review has recommended six broad courses of action as follows:

- i) “Streamline the budget process, to remove the manifold restrictions that consume manager’s time and literally force them to waste money;
- ii) Decentralise personnel policy to give managers the tools they need to manage effectively -the authority to hire, promote, reward, and fire;
- iii) Streamline procurement to reduce the enormous waste built into the process we use to buy \$200 billion a year in goods and services;
- iv) Re-orient the inspectors general to shift their focus from punishing those who violate rules and regulations to helping agencies learn to perform better;
- v) Eliminate thousands of other regulations that hamstring federal employees to cut the Lilliputian ropes on the federal giant; and,
- vi) Deregulate state and local governments to empower them to spend more time meeting customer needs - particularly with their 600 federal grant programs - and less time jumping through bureaucratic hoops.”[64]

The results of implementing these recommendations include total savings in excess of 1 billion dollars; phased reductions of the civil service by approximately 12% (252,000 positions); and, a renewed commitment to customer service.[65]

The concept of customer service is a recurring theme in the National Performance Review report. The report states that “effective entrepreneurial governments insist on customer satisfaction. They listen carefully to their customers - using surveys, focus groups and the like. They restructure their basic operations to meet customer needs. And they use market

dynamics, such as competition and customer choice to create incentives that drive their employees to put the customer first.”[66]

The report goes on to distinguish “customer” from “citizen.” “A citizen can participate in democratic decision-making; a customer receives benefits from a specific service. All Americans are citizens - most are also customers.”[67]

The National Performance Review readily acknowledges that “...it has much in common with other management (including total quality management) and business process re-engineering efforts in the private sector” [68]; however, the report states that these are primarily business oriented approaches and the public sector must be cognisant of differences in applying those philosophies.

In particular, the differences inherent in applying these management philosophies in the public sector from the perspective of the NPR are similar to those previously discussed, including the lack of market incentives as a driving force in the private sector. “Indeed, businesses that fail to increase productivity - or tie themselves up in red tape - shrink or die. Hence, private sector management doctrines tend to overlook some central problems of government: its monopolies; its lack of a bottom line; and, its obsession with process rather than results.”[69]

The National Performance Review was released in September 1993. The President issued an executive order (12862) providing the authority and details of steps required by agencies to implement the NPR. The executive order (see Figure 4.6) recognises the critical element of quality as the primary component of these efforts. The report itself

contained in excess of 384 specific recommendations for change in the federal public service.

On the 1st anniversary of the release of the NPR a one-year status report was released which states:

- i) “Only 11 of the 384 recommendations have been “fully implemented”;
- ii) Nine agencies have started major streamlining initiatives; and,
- iii) 71,000 full-time positions in the federal work force have been reduced; approximately \$47 billion of NPR’s \$108 billion in proposed savings have been enacted; and more than 100 agencies have published customer service standards.”[70]

Figure 4.6
President Clinton’s Executive Order – 12862

“Setting Customer Service Standards”

Embark upon a Revolution within the Federal Government:

- identify customers who are, or should be, served by the agency
- survey customers to determine the kind and quality of services they want and their level of satisfaction with existing services
 - post-service standards and measure results against them
 - benchmark customer service standards against the best in business
- survey front-line employees on barriers to, and ideas for, matching the best in business
- provide customers with choices in both the sources of service and the means of delivery
- make information, services, and complaint systems easily accessible
 - provide means to address customer complaints.

The standard of quality shall be equal to the best in business.

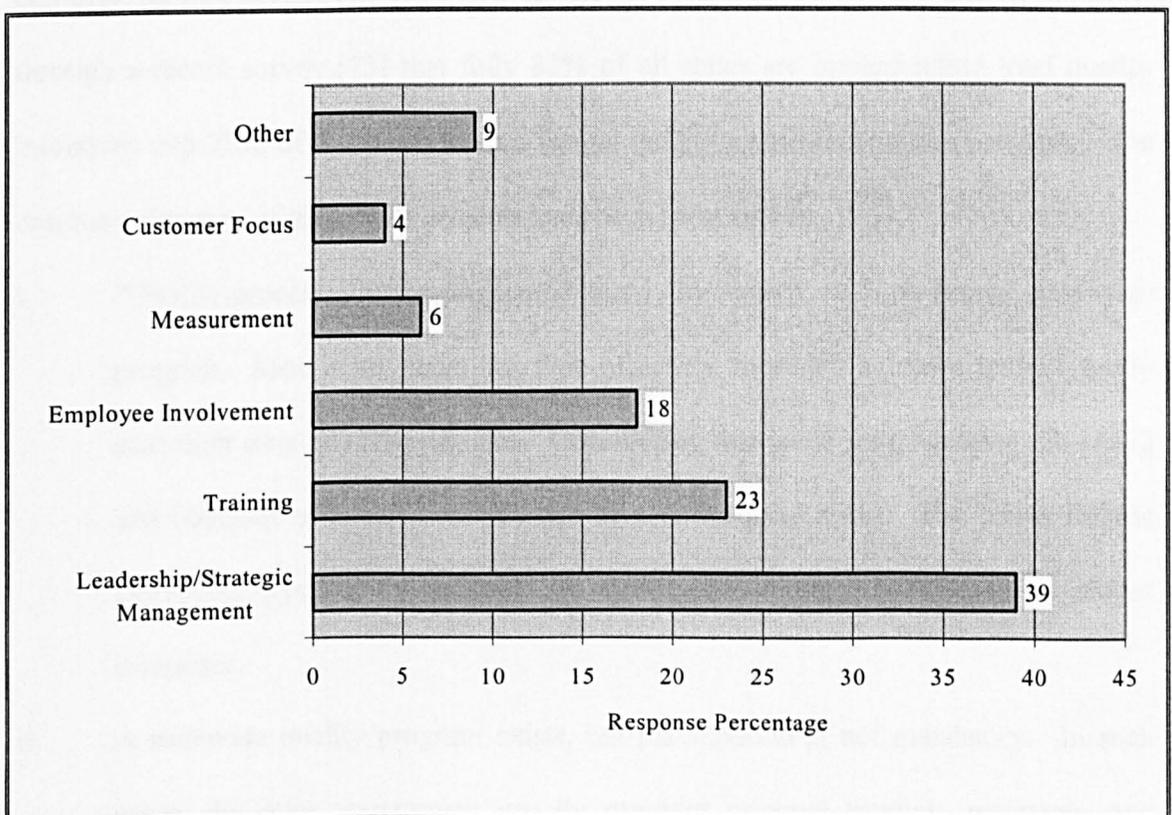
Source: President B. Clinton and Vice-President A. Gore, “Putting Customers First ‘95: Standards for Serving The American People,” National Performance Review, US Government Print Office, Washington, DC 1995 p. 5.

On balance, the year end report and progress made by the NPR in its first year was positively received [71] although, considerable work remains to be completed. For

example, the General Accounting Office in a recent survey (see Figure 4.7) aimed at the identification of barriers to implementing TQM in federal government departments found leadership and strategic management as the two primary areas of concern.

As previously discussed, the NPR represents only one, albeit the most recent, attempt to reinvent government at the federal level in the United States. The NPR uses a number of quality concepts to initiate change and builds on a previous federal program entitled “The President’s Council on Management Improvement.” This earlier program initiated under President G. Bush produced a series of documents aimed at “improving quality in all aspects of work products and processes.”[72] The other major output of this program was the establishment of the Federal Quality Institute (FQI) which is a cross departmental agency aimed at promoting and implementing quality in the federal government.

Figure 4.7
Barriers to Initiating Total Quality Management



Source: General Accounting Office Report, GAO/CGD – 93-9 BR, Washington, DC October 1993 p. 14.

These initial steps at introducing total quality management were recognised in the subsequent and current efforts of the National Performance Review as important. Clearly, quality has been at the federal level an important initiative of the US government through two (a Republican and a Democratic) different administrations.

These federal government efforts have parallels at other levels of government including the state level and it is useful to provide an overview of the quality work being undertaken at a sub-national scale.

On a countrywide scale, a recent survey [73] of the National Governor's Association reported that "...with increasing pressure on state government, particularly on management and service functions, governors have looked for ways to re-energise and refocus government. TQM has been viewed as one of the tools to reinvent government and to stimulate service excellence." [74] In practice, the American Society for Quality confirms through a recent survey [75] that fully 82% of all states are implementing total quality initiatives and 70% of the states have a formal quality award recognition program. The common elements of these state projects have been identified as:

- i. "Quality processes are implemented agency by agency, with no formal state-wide program. Most states have this type of set-up, in which agencies independently start their own quality programs. Considering that some state agencies are as big and complex as businesses, this can be a noteworthy effort. The North Dakota University System, for example, is working to implement TQM in its eleven campuses.
- ii. A statewide quality program exists, but participation is not mandatory. In such cases, the state government usually provides optional training, resources, and

assistance to those agencies that want to begin a quality improvement program. In South Carolina, for example, an organisation called the South Carolina Quality Network provides assistance and training to agencies interested in TQM.

- iii. The Governor passes legislation or gives a directive mandating that state agencies implement quality processes. A few states, such as Maine, New York, Ohio, and Tennessee have taken this approach. For example, New York Governor Mario Cuomo issued an executive order on December 31, 1992. The executive order formally directed the establishment of a Steering Committee and six agencies were selected to serve as prototypes with the Governor's co-ordination and support.”[76]

One final element of commonality is the extent to which state governments have “... encouraged the development of public-private partnerships in states' quality improvement strategies.”[77] These types of partnerships are particularly evident in the quality award programs.[78]

One well-documented example of the use of total quality management at the state level is evident in Connecticut where TQM has been implemented quietly since 1996. “The approach in Connecticut has been to strike a low profile to ensure that state employees might be convinced that the governor is serious about quality improvement. Public fanfare and political posturing have been minimised.”[79] In introducing the TQM program Connecticut has chosen to work with private sector Fortune 500 firms. In some instances these partnerships have included an “adopt-an-agency” approach in which the private sector provides coaching, training and other resources to their “adopted” agency. “Although these (TQM) projects in Connecticut are barely two years old, the results appear

to be promising. Time will be required for TQM to fully permeate their operations. Like all fundamental change involving a culture shift, TQM will set in only gradually.”[80]

In summary, there is a clear commitment to quality efforts at the state level and there are many parallels between state and federal programs. In many respects, the United States has embraced quality at the federal and state levels of the public sector. A subsequent section will detail quality initiatives at the local government level in the United States.

4.5.2 *Canada*

As noted, other countries have also looked to quality as a tool to reinvent government. This section will address the development of quality programs in Canada again from a federal government and a provincial government perspective. Local government applications in Canada will be addressed in subsequent sections.

The initiative for change within the public sector in Canada is driven by similar questions and concerns as evidenced worldwide including New Zealand, the United Kingdom, and the United States.

In the Canadian context of reinventing government, financial pressures, global competition, and an increased awareness of quality have all been important themes in Canadian public affairs during the late 1980's and early 1990's. To address these concerns, the Prime Minister announced the creation of a process to develop a white paper entitled Public Service 2000: The Renewal of the Public Service of Canada (PS 2000). The report, released on December 12, 1990, stated that the mission of the public service is to “serve Canadians by delivering to them the programs of the Government of Canada...efficiently and with due regard to the quality of services provided to

Canadians.”[81] Essentially, the thrust of the PS2000 report has been described as an effort to “...put people first.”[82]

As noted, this move to a more customer-oriented approach to government is based on many factors. In particular, empirical evidence in Canada illustrates that there are many “customers” that are not satisfied with the performance of the federal government. Indeed, in a Decema Poll [83] conducted in 1989 fully 23% of respondents expressed the view that they were “very dissatisfied” with the performance of the government and 37% were “somewhat dissatisfied.” Only 2% stated they were very satisfied and 35% were “somewhat satisfied.” Clearly, a less than glowing report card.

Other data (See Figure 4.8) illustrate similar results and highlight interesting distinctions drawn by the public in relation to the three different levels of government.

Figure 4.8
Evaluation of the Services Received from Each Level of Government
(Measured in terms of value of taxes paid*)

	Worth %	Not Worth %	DK/NA %
Federal Government	33	57	10
Provincial Government	46	45	9
Local Government	56	35	10

Wording: In your opinion, are the services you receive from each of the following levels of government worth the taxes you pay for them or not worth the taxes you pay?

Source: D. Zussman, “Government Service to the Public: Public Perceptions,” Optimum: The Journal of Public Sector Management, Supply and Services, Ottawa, ON Volume 22 No. 4 1991 p. 2.

Similarly, when asked about their perceived level of trust in government many Canadians expressed frustrations (see Figure 4.9). Again, interesting distinctions between levels of government are evident in these data.

Figure 4.9
Degree of Integrity and Honesty In Government

	LEVELS OF GOVERNMENT		
	Federal %	Provincial %	Municipal %
A Great Deal	5	10	20
Some	43	52	54
Not Much	36	24	16
None	12	10	7
TOTAL	100	100	100

Source: D. Zussman, "Government Service to the Public: Public Perceptions," Optimum: The Journal of Public Sector Management, Supply and Services, Ottawa, ON Volume 22 No. 4 1991 p. 2.

Further, the same survey reported that 86% of respondents agreed that a total quality approach improves employee and customer satisfaction; and 81% agreed that a focus on quality improves efficiency. Finally, the survey reported that fully 97% of respondents believe that a focus on quality in the public sector was either very important (78%) or somewhat important (19%). Clearly, these data illustrate strong public support of quality concepts; particularly, in the public sector.

Unfortunately, there have been some concerns raised about the success of the PS2000 initiative. Specifically, there has not been an annual report on the progress of implementation of PS2000 as there has been in the US with the National Performance Review. Indeed, "some observers attribute the inability of the PS2000 initiative to overcome the doubts of critics to the top-down nature of the process." [84] Further, there is a sense that government has, in many instances, effected arbitrary budget reductions without a solid understanding of the impacts on programs. [85]

To assist in more broadly encouraging the use of quality within Canada, the federal government participated in the formulation of the National Quality Institute (NQI). The NQI is a public/private sector not-for-profit organisation with a mission “to stimulate and support quality driven innovation within all Canadian enterprises and institutions; including business, government, education and health care. Its vision is to create a new future for Canada employing the full potential for every Canadian.”[86] A detailed list of the efforts being undertaken by the NQI is attached as Appendix G.

In attempting to raise public awareness of the importance of quality, the NQI undertook a survey which clearly indicates strong support for improvements in the delivery of services and goods (see Figure 4.10) particularly in the area of government services.

Figure 4.10
Possibility of Improving Quality While Lowering Costs by Sector

	Definitely	Probably	Probably Not	Definitely Not
Business Products/Services	34	51	10	5
Government Service	48	37	10	5
Education	42	37	13	8
Health Care	40	35	17	8

Source: National Quality Institute, The Total Quality Future: The Canada Campaign For Excellence, NQI, Ottawa, ON 1995 p. 3.

The National Quality Institute is also responsible for a national awards program titled the Canadian Awards for Excellence (CAE). These annual awards recognise excellence in business, government, health care, and education and the intent is to promote quality initiatives. One important element of these awards is the establishment of comprehensive

guidelines called Quality Principles (see Appendix H); and detailed criteria related to the national CAE program (see Appendix I). Both of these documents provide a framework or road map for those organisations interested in pursuing quality and, as a result, are important to the ongoing dissemination and advancement of quality principles in Canada.

Subsequent sections of this paper will deal more directly with the perception of quality service at the local government level; however, the foregoing discussion provides an insight into the degree of public concern regarding service delivery in the public sector in Canada. At the federal level, PS2000 represented a systematic process to attempt to address those issues and establish parameters to introduce a more customer-oriented approach to service delivery.

At the provincial level, many provinces have taken steps to promote quality through public/private partnerships; and many provinces have initiated quality initiatives within their own operations. As an example of this type of co-operative effort, leaders from business, government, and education formed the Quality Council of British Columbia in 1990. The mission of this Quality Council is to “advocate, promote and facilitate the adoption of quality management practices by all organisations in British Columbia to improve their competitiveness.”[87] In practice, the council offers a variety of programs, provides research assistance, and operates the BC Quality Awards Program. Similar models have been established in all ten Canadian provinces.

In addition, many provinces have implemented quality initiatives within their own operations. For example, Newfoundland has produced an economic plan that describes a mandate for the public service including “...a service quality oriented initiative to support a

client-focused, results-oriented system.”[88] The Province of New Brunswick has appointed a Minister of State for Quality and developed a “Service New Brunswick”[89] project with a mandate to review all “... programs, infrastructure, work processes, and organisational structures within the public service and ensure that a more customer-oriented, quality management approach is adopted.”[90] The Province of British Columbia has undertaken an extensive inquiry into all aspects of the public sector and public service. The Report of the Commission of Inquiry into the Public Service and the Public Sector [91] acknowledges the importance of service quality and recommends the introduction of quality concepts including recognition of “customer” into all provincial operations.

In summary, there are numerous documented total quality management efforts at the provincial level in Canada. Unfortunately, there is little in the way of documentation available to critically assess the success of these programs; however, the level of use of TQM does appear to be quite extensive.

4.5.3 United Kingdom

“The desire to get “more for less” has emerged as a persistent theme within public management in the UK and elsewhere.”[92] Broadly, Hoggett (1996) suggests that there are three strategies evident in the restructuring of the public sector in the UK. These strategies are: “the introduction of competition (market and non-market based) as a means of co-ordinating activities of decentralised units; attempt to decentralise operations whilst centralising strategic command; and, the extended development of performance management techniques.”[93]

One of the key initiatives in the United Kingdom to improve the delivery of public services is the Citizen's Charter introduced in 1991. The Charter program was originally envisaged as a ten year program that advocated six principles as illustrated in Figure 4.11 to improve services through a customer oriented approach.

Former Prime Minister John Major stated that "... (the Charter) sees public services through the eyes of those who use them. For too long the provider has dominated: now it is the turn of the user ... The principles of the Charter, simple but tough, are increasingly accepted." [94]

Figure 4.11
Principles of Citizen's Charter

Standards

Setting, monitoring and publication of explicit standards for services that individual users can reasonably expect. Publications of actual performance against these standards.

Information and Openness

Full accurate information readily available in plain language about how public services are run, what they cost, how well they perform and who is in charge.

Choice and Consultation

The public sector should provide choice wherever practicable. There should be regular and systematic consultation with those who use services. User's views about services, and their priorities for improving them, to be taken into account in final decisions on standards.

Courtesy and Helpfulness

Courtesy and helpful service from public servants who normally wear badges. Services available to all who are entitled to them and run to suit their convenience.

Putting Things Right

If things do go wrong, an apology, full explanation and a swift and effective remedy. Well published and easy to use complaint procedures with independent review wherever possible.

Value For Money

Efficient and economical delivery of public services within the resources the nation can afford. And independent validation of performance against standards.

Source: I. Morrison, "Citizen's Charter," 1996 Annual Conference Papers, Policy and Performance Review Network, Clackmannanshire, UK 1996 p. 15.

The Charter focuses mainly on methods to improve public services in specific service areas. For example, the National Health Service has developed a detailed “Patients Charter” outlining patient’s rights.[95]

Walsh (1995) suggests that “...The Citizen’s Charter, as an element in the New Public Management, has similarities with the sort of TQM approaches that have been adopted in the private sector using the language of “standards, quality, empowerment, and customers in contrast to the traditional language of professional bureaucracy that had developed in the post-war years.”[96]

Another mechanism developed to assist in the implementation of the Citizen’s Charter is the introduction of Quality Networks throughout the United Kingdom. These Networks aim to: “share information on development in best practices; compare progress in areas of common interest; help erode boundaries between public sector organisations; and, encourage problem sharing and solving.”[97] There are currently more than 1,000 people participating in twenty-four Quality Networks.

Further, to foster the principles of the Citizen’s Charter a recognition and awards program entitled Charter Mark was initiated.

In 1997, a record 25,231 nominations were submitted for the Charter Mark Award which reflects a twenty-eight percent (28%) increase from the 1996 submissions.[98] The Minister responsible for the Charter Mark program, Peter Kilfoyle stated that: “Charter Mark means excellent service. I want people to get the best so I am very pleased that there has been a substantial rise in the number of applications.”[99]

By its nature, "... the setting and publishing of standards has started a dynamic process. As targets are set, and met, we aim to improve them over time ... we can and will do more." [100]

The Charter program represents the approach by the government in the United Kingdom to define citizen; and, enhance efficiency and quality of public services. "Britain has been at the forefront of the reorganisation of the public service, outdone only by New Zealand, and the Citizen's Charter is the manifest of change." [101]

Examples of quality initiatives at the local government level in the United Kingdom including the more recent "Best Value" initiative will be discussed in a subsequent section.

4.6 Summary

In summary, there is an increasing movement in the public sector towards the application of TQM or quality-based principles as a systematic method of managing in a rapidly changing environment. The types of changes affecting organisations worldwide requires a new model to adequately address the range and rate of this new reality of change.

In the public sector, many of the recent changes reflect the political agenda of the New Right. The application of the elements of this agenda has been identified as the "new managerialism" or the "new public management." This new paradigm includes, to some extent, the notion of "quality" in the delivery of public services to customers as its "banner for reform." Inherently, there is a tension in this NPM model that advocates "less government" at the same time as "better service." Further, there is increasing concern that government must not lose sight of the "citizen" in the rush to become more "customer

oriented” in service delivery. This Chapter provides only a brief introduction to these important questions.

In terms of the application of quality, a number of jurisdictions are using TQM or quality related techniques to promote better service within their respective organisations.

There are models in the public sector at the national and sub-national level in the United States, Canada and the United Kingdom that provide a framework for the application of TQM. Successful adaptation of TQM to public sector applications requires “...a vision of continuous process improvement that focuses on meeting valid internal and external customer needs. Performance must then be evaluated in terms of satisfying those needs.”[102]

For the most part, the literature reviewed for this Chapter suggests that TQM or quality initiatives within the public sector in Canada, the US and the UK are of relatively recent origin; however, most report “success” in achieving the desired objectives of improved customer service. Notably, in the case of the UK, there appears to be more formal recognition and direction with respect to the application of quality to the delivery of public services.

To some extent, the use of TQM within the public sector discussed in this Chapter has not been assessed critically and much of the reported data is more anecdotal than analytical. In particular, placing TQM within the broader, political context of the New Public Management has been subject of only cursory review within the literature. Indeed, advocates of the NPM from both the right and left of the political spectrum have found

aspects of TQM that support their particular perspective (Wilkinson et al 1998 pp. 91-94). In part, the foregoing may reflect the somewhat amorphous definition of TQM discussed in the preceding chapter.

As a result of these concerns, further empirical research would be helpful to properly document and critically assess the use of TQM within the public sector.

In addition, ongoing research including case studies to evaluate the overall success of TQM in the public sector should be undertaken to confirm the appropriateness of specific applications to specific circumstances. This type of empirical, case analysis for local government in Canada will be the subject of a detailed discussion in a subsequent chapter.

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5.0 Local Government and the Use of Total Quality Management: An International Perspective

5.1 Introduction

The purpose of this chapter is to outline the use of total quality management within local government organisations from an international perspective. In particular, this overview will include a discussion of the use of TQM in both the United States and the United Kingdom using recently completed empirical work undertaken at the local government level in both countries. The intention is to identify the level of use of TQM in local government in both the US and UK; note the factors or techniques in the application of TQM that have been used successfully; and, identify issues or concerns that have been raised with respect to the implementation of TQM in these countries.

Although there are significant differences in respect to the functions, historical evolution and statutory basis of local government from one country to another, there are many similarities. In particular the recent studies in the US and the UK are instructive and these data provide useful comparisons or benchmarks for a subsequent section that will address in detail the use of TQM in Canadian local government. A more detailed comparison of the use of TQM at the local government level in the United States, the United Kingdom and Canada will be presented in a subsequent Chapter.

5.2 Local Government and TQM: The Context

Previous sections have documented the evolution and history of the quality movement. Specifically, it is important to reiterate that TQM was designed primarily as a tool to assist the private sector; initially, in manufacturing processes. Subsequent work adapted

the concept to service industries; again, in the private sector. Only recently has TQM and the quality movement been embraced by the public sector including local government.

As a result, there has not been the same level of research and documentation undertaken in the application of TQM principles, particularly in local government. Further, the public sector including local government, as previously discussed, affords some unique challenges in respect to the application of TQM. In local government, these challenges include legal and political elements that, at times, can limit the applicability of management techniques - including TQM and others - which, for the most part were developed from the perspective of the private sector.

In addition, some commentators have noted the fundamental differences between the concept of “customer” as a private sector business concept; and, the concept of “citizen” as a public sector, government concept. The important distinctions between these concepts were more fully addressed in a previous section.

Finally, local government, like other levels of government and the private sector, has been subjected to considerable change during the past few years including considerable fiscal pressures. As a result, the environment within which local government operates is much less stable than in previous years.

On a global basis, these challenges at the local government level have resulted in a series of initiatives. For example, in May 1996, more than 400 mayors from local governments around the world convened in Istanbul, Turkey as part of the World

Assembly of Cities and Local Authorities (WACLA). The meeting was convened by the United Nations and the outcome included a “...world-wide charter of local self-government based on the premise that government decisions should be taken at the level closest to the citizens, with other orders of government undertaking those matters which local governments cannot carry out alone.”[1]

On a more detailed level, the adopted declaration stated:

- i. World changes through urbanisation require appropriate management;
- ii. Communications make the world smaller and interdependent;
- iii. Fast change and growing complexity of government challenge institutions and governors;
- iv. Local authorities need both adequate powers and adequate resources;
- v. Local authorities must commit to appropriate management, planning and financing of individual internal operations and services to meet needs and civic engagement; and,
- vi. Continued commitment to co-operation among local authorities with support of national, regional and international associations.”[2]

The declaration from the WACLA congress in Istanbul is of note in the context of this research as it illustrates the level of international concern particularly in respect to change and the consistency of principles developed to address those issues.

On an applied level, there is increased awareness of the benefits of international collaboration at the local government level. The International City Management Association (ICMA) based in Washington, DC has advocated the “...development and

implementation of an international perspective in managing communities.”[3] Indeed, “the most vexing public policy issues facing communities often demand a paradigm shift in formulating appropriate solutions; and, local government managers must be prepared to examine best practices no matter where they exist.”[4]

There are a number of constraints impacting local government as identified by WACLA. In addition, other commentators (Tindal 1991; Stewart and Stoker 1995) suggest there are other major issues (for example issues of involvement and participation in local government activities; using technology to more effectively and efficiently deliver services; and, a recognition of the concept of “customer” in the context of local governments) facing local governments. In response to these factors, there is an increasing trend towards adopting TQM principles at the local level in many parts of the world.

One documented case study of TQM applied at the local government level relates to the experience of the City of Saarbrücken, Germany. The City of Saarbrücken initiated a TQM program in 1993 in response to “...a number of things. The City must deal with cross-border competition in the region between France and Luxembourg. At the same time, at the beginning of the early 1990’s our financial situation worsened.”[5] In 1997, the Speyer German Quality Award was presented to Saarbrücken as “...the first city that succeeded in installing a total quality management system in a unique manner. Setting up municipal works of private character, reorganising the department’s structures and modernising services (based on customers) are further pillars of the reform.”[6]

On a broader scale, in both the US and the UK recent empirical surveys have provided a baseline of data about the use of TQM in local government. It is instructive to discuss these survey data in further detail.

5.3 Total Quality Management and Local Government in the United States

In the United States there are “an increasing number of local governments adopting Total Quality Management.”[7] In part, the movement towards adopting TQM principles at the local government level in the US can be traced to an initiative of the International City/ County Management Association.[8]

In 1983, the ICMA established a Centre for Excellence in Local Government. The role of the Centre was to undertake “...research... to determine why some public organisations including local governments successfully meet citizen needs for service and deal positively with environmental turbulence better than others. What makes them more successful? Are there characteristics that form a pattern?”[9] This initiative was based in large measure on the principles and themes for private sector organisational improvement articulated by Peters and Waterman (1982) in the popular book In Search of Excellence.

The ICMA, in conjunction with the Centre for Excellence in Local Government held a series of workshops and training exercises to provide information about TQM and the concept of customer service. These initiatives led to the development of a detailed training package entitled Excellence in Local Government Management [10] to assist internal efforts in the encouragement of excellence.

The principles and themes of these initiatives included a recognition that the environment associated with local government was subject to rapid change and practitioners must be prepared to recognise the needs of customers/citizens as part of that process of change. These themes are readily apparent in subsequent efforts to introduce and use total quality management within local government. Indeed, the linkages between the work of Peters and Waterman (1982) and TQM are seen as clear and important by other commentators [11] in the US.

One of the "...better known and early documented [12] TQM experiments in local government took place in Madison, Wisconsin." [13] The efforts to implement TQM in Madison began in 1983 and were championed by then Mayor J. Sensenbrenner. The TQM program in Madison was aimed at "improving the quality and efficiency of government" [14] at a time of falling revenues. The use of TQM continues in Madison [15] and the following results have been attributed to the initiatives:

- i. "Savings in excess of one million dollars from fifty-six improvement projects;
- ii. Decrease in union grievances;
- iii. Improved morale, attitude, co-operation and interpersonal relations;
- iv. Better planning and more sensitivity to customer needs;
- v. Improved intra-agency co-operation and teamwork; and,
- vi. Faster turnaround time and improved customer service." [16]

Other documented cases include Phoenix, Arizona, which initiated a TQM program in 1989. The main elements of the Phoenix program included "customer satisfaction, continuous improvement, quality results, employee empowerment, leadership, reduced cycle time, information management and quality planning." [17]

The City Manager in Phoenix identified a number of key issues that required specific recognition in the implementation of the TQM project. First, it was difficult to focus on TQM at a time when budgets were tight and day-to-day financial issues appeared more pressing. Second, it was difficult to convince the organisation that TQM was not simply another program. Many organisations are cynical of the “flavour of the month management” syndrome. Third, and a related issue, was convincing the organisation that the TQM exercise was aimed at “how” things were done (a process orientation) with a commitment to address improvement suggestions.[18]

Indeed, one of the significant impediments to the introduction of a TQM program in Phoenix was the “...observed employee scepticism due to the failure to follow through consistently with prior management change programs. In our case, (Phoenix) this scepticism at an individual employee level was the reason we moved forward slowly utilising many volunteer pilot departments and allowing individual departments to select quality training applicable to them as opposed to centralised, required training.”[19]

On balance, Phoenix reports that their TQM program has been “...successful in reducing costs and achieving a more customer-oriented organisation.”[20] Indeed, in 1993, Phoenix was awarded the Carl Bertelsmann Prize [21] for “being the best run city government in the world after a months-long search for models of modern, efficient municipal government.”[22]

On a nation-wide level, the International City/County Management Association conducted an extensive survey of city managers/city administrators in local government

organisations (cities) with populations in excess of 25,000 during the summer of 1993. The purpose of the survey was to "... document the strategies local governments use in implementing TQM." [23] These data were seen as providing "important lessons for administrators, as well as for academics who are interested in testing theories about change in organisations." [24] This survey represents the first systematic [25] assessment of the use of TQM at the local government level in the United States.

The survey itself included a pilot or pre-test using fifty city managers; and, on completion of modifications the full survey was circulated by mail to city managers in 1,211 jurisdictions. The survey methodology included follow-up letters and telephone calls and resulted in a response rate of 38% or 433 jurisdictions.

The survey covered three key issues: "... quality improvement; employee empowerment; and customer orientation/service." [26] The term "Quality Initiative" was used in the survey to describe a "...comprehensive management approach to quality and productivity improvement, such as Total Quality Management and other strategies including all of the following:

- i. Commitment to customer driven quality;
- ii. Employee participation in quality improvement;
- iii. Actions based on facts, data and analysis;
- iv. Commitment to continuous improvement; and
- v. Systematic perspective as a starting point." [27]

On a broad level, the survey identified that larger cities were more likely to be engaged in quality efforts; approximately one quarter of all respondents had a central co-

ordinating staff to direct quality projects; and, most likely, this unit was located in the personnel department; and, for the most part, respondents identify their quality efforts as “successful.”

Figure 5.1
Quality Management Activities in Municipal Government Service Areas

Government services	Quality improvement (%reporting)	Customer service (% reporting)	Employee empowerment (% reporting)
Most frequent use			
Police	35	59	41
Recreation	30	56	36
Parks	29	52	35
Personnel services	30	44	35
Financial/budgetary reporting	29	39	31
Water/sewer	28	47	28
Streets	28	50	33
Solid/hazardous waste	27	44	26
Fire	27	45	29
Fleet/vehicles	25	36	27
Data processing	25	37	28
Moderate use			
Traffic	23	43	27
Buildings	19	30	22
Emergency services	19	33	21
Libraries	16	32	19
Animal control	13	32	18
Taxes	13	29	16
Transit	13	24	14
Least frequent use			
Convention centres	9	16	10
Public health	9	15	10
Social welfare	7	14	9
Electricity	7	12	7
Prison/jails	6	9	7
Museums	6	12	8
Gas	4	8	4

Source: J.P. West, E.M. Berman, and M.E. Milakovich, "Total Quality Management in Local Government," *The Municipal Year Book 1994*, ICMA Pub., Washington, DC 1994 p. 16.

On a more detailed level, the survey requested respondents identify the local government services or functional areas (departments) that are implementing quality improvement projects. Also, respondents were requested to identify service areas undertaking a systematic method of identifying and addressing customer satisfaction; and finally, to identify those service areas that include “employee empowerment” which was defined as “a formal or structured approach to enable individuals and teams to make important decisions about their work and work environment.”[28] The responses to these questions are noteworthy as they provide a sense of which service areas are more likely to adopt TQM or specific quality techniques. These survey results are illustrated in Figure 5.1.

Quality improvement exercises, customer service orientation and employee empowerment are most frequently reported in police, recreation/parks and personnel. In many respects, these services can be considered as those that have a more readily identifiable “customer” base or regular contact with the public. On the other hand, TQM was least frequently reported in some organisations with municipal utilities such as electricity and gas or monopoly services with few identified external “customers.”

The respondents identified a combination of both external and internal pressures that contributed to the establishment of a focus on quality improvements. These factors are illustrated in Figure 5.2. The key external factors cited are citizen complaints; and, voter demands primarily in the context of improvement to service delivery. Internally the interest of the City Manager is cited most frequently; and, the requirements to increase employee productivity/budget pressures are also identified as significant internal factors. Other internal factors of importance cited included increasing

employee productivity and increasing budget pressures. Of note, is the relatively low ranking of the importance of elected officials (Mayor's interest 32%; Council interest 25%) as internal factors. To some extent the relatively low level of Council interest may reflect the distinction in North America at the local government level between the policy function of Council and the administrative function of staff. This distinction and its impact on TQM implementation in the Canadian local government context will be the subject of further discussion in a subsequent Chapter.

Figure 5.2
Importance of Reasons for Concern About Quality and Productivity Improvement in Your Organisation

Reasons	No. reporting (A)	<u>Importance</u>			
		0 Not Imp. (% of A)	1 (% of A)	2 (% of A)	3 Very imp. (% of A)
External					
Citizen complaints	231	9	18	24	50
Community planning activities	221	11	19	43	27
Voter demands	224	22	20	28	30
Success stories in business	216	21	42	25	12
Local capabilities (e.g. colleges)	208	42	31	20	7
Media discussion	218	41	32	20	7
Professional associations	216	38	37	23	2
Used by other nearby govts	201	43	33	22	2
Demands from other govts	211	52	30	14	4
Internal					
City manager's interest	212	5	7	30	59
Increasing employee Productivity	233	3	10	40	47
Budget pressures	29	5	16	34	45
City strategic planning	226	11	17	32	40
Public relations	220	13	24	36	28
Initiatives from senior managers	223	16	22	44	18
Employee interest	228	8	33	35	24
Mayor's interest	219	22	19	27	32
Council's interest	223	17	24	34	25
Initiatives from agency directors	220	19	23	38	20
Pilot program success	196	26	32	32	10

Source: J.P. West, E.M. Brennan, and M.E. Milakovich, "Total Quality Management in Local Government," *The Municipal Year Book 1994*, ICMA Pub., Washington, DC 1994 pp. 18-19.

The survey identified a number of methods or strategies used in implementing quality improvement initiatives (see Figure 5.3). These strategies included customer surveys to identify the needs of respondents, which was a method used by 85% of those surveyed. In addition, other techniques cited included increased co-ordination which was aimed primarily at enhancing the level of inter-departmental co-operation on issues; and, programs or projects to monitor, on an on-going basis, both internal performance and customer requirements.

Figure 5.3
Strategies Used to Implement Quality Improvement

Strategy	% of Use
Identify customer needs (survey)	85
Increase co-ordination	79
Monitor internal performance	75
Monitor customer satisfaction	74
Reformulating mission	71
Training (employees/managers)	66
Implement new performance measures	65
Budgets for quality improvements	62
Use of consultants	59
Forming quality council	45
Benchmarking	40

Source: J.P. West, E. Brennan, and M. Milakovich, "Total Quality Management in Local Government," The Municipal Yearbook 1994, ICMA Pub., Washington, DC 1994 p. 20.

Clearly, these data in Figure 5.3 illustrate a strong awareness of the importance of customer sensitivity; and, the need to monitor performance in the equation of quality improvement. One area of significant weakness is the use of benchmarking and the importance of benchmarking will be discussed in more detail in a subsequent section.

Further, Figure 5.4 provides data on the strategies used in ensuring employee involvement in the quality initiatives. As previously noted, it is important to include employee involvement in quality initiatives; and, Figure 5.4 indicates that 81% of city

managers in the US agree with this assessment. These data also note that it is important to base decisions on objective data and recognise the achievements of employees (see Figure 5.4) through specific “celebrate success” or recognition strategies.

Figure 5.4
Strategies for Ensuring Employee Involvement in Quality Improvement

Strategy	% Reporting
Employee involvement	81
Objective decision making	78
Recognition of achievement	75
Monitoring employee satisfaction	47
Quality circles	33
Planning for cultural change	32

Source: J.P. West, E. Brennan, and M. Milakovich, “Total Quality Management in Local Government,” the Municipal Yearbook 1994, ICMA Pub., Washington, DC 1994 p. 21.

The survey questioned the support required from key local government and community stakeholders. For the most part, support of the City Manager/CAO (86%) and senior staff (85%) was seen to be the most important. The Mayor (76%) and Council (75%) were also seen as important to a lesser degree; whereas the general public (44%) was seen as providing little direct support for the quality initiative.[29]

In terms of barriers to the implementation of quality at the local government level the survey identified the existing demands on employee time as the most important concern. Many organisations (86%) reported that quality was seen as an “add-on” to existing work at a time when work pressures and work loads were already high. In a similar pattern, employee resistance to change (83%); inadequate regards for employees (81%); and, demands on the leaders time (81%) are all cited as important barriers. On the other hand, union resistance (50%); the level of statistical expertise on understanding

quantitative elements internally (56%); the lack of positive models or examples (56%); and, the inability to document savings (63%) were all seen as barriers of relatively less importance.[30]

Although there are barriers to the introduction of quality initiatives, many communities (see Figure 5.5) report success in a number of areas. These data are particularly interesting, as many quality exercises were quite recent at the time of the survey. Indeed, sixty-five percent [31] had adopted quality initiatives since 1991. However, "...large majorities report positive results in both organisational processes and performance objectives."[32]

Table 5.5
Results of Quality Improvement Efforts on Municipal
Performance Indicators and Processes

RESULT	% OF RESPONDENTS REPORTING POSITIVE AND VERY POSITIVE*
Quality of Service	89%
Productivity	85%
Increased Communication	84%
Customer Satisfaction	83%
Amount of Service to Customer/Timeliness	79%
Improved Group Decision-making	78%
New Performance Measures	72%
Commitment to Stakeholders	72%
Ability to Improve in Spite of Resource Constraints	70%

*NOTE: Percentage of respondents who ranked the results as +1 or +2 on a five-point scale that ranged from -2 (very negative) to +2 (very positive).

Source: J.P. West, E. Brennan, and M. Milakovich, "Total Quality Management in Local Government," *The Municipal Yearbook 1994*, ICMA Pub., Washington, DC 1994 p. 24.

In summary, the ICMA survey indicates that eleven percent of municipalities with populations in excess of 25,000 have a considerable formal (adopted by resolution of

Council) TQM effort underway and a further twenty-two percent have a less formal TQM program. The majority of these initiatives were found to be relatively recent in origin (less than four years). The success of the TQM programs was somewhat difficult to ascertain as a result of the fact that many programs were so recently adopted; however, most jurisdictions did report improvements in a number of areas (see Figure 5.5).

The survey results also provide a series of lessons or “best practices” that include the following:

- i. It is important to start the quality program “... by emphasising customer or citizen service or employee empowerment in those government service areas deemed ready and appropriate for cultural change.”[33]

This selective approach of identification and use of specific, positive cases within a local government can then be used as examples or models for other service areas or the entire organisation.

- ii. There are some specific service areas, which due to their functions and responsibilities are more appropriate as “starting places” for quality initiatives. These service areas include those with readily identifiable external customers such as police, recreation and parks. The survey also identifies two services, personnel and budgeting with internal customers suitable for quality initiatives.

- iii. The organisation (managers) must identify those “... forces that help push and sustain the quality initiative and those forces that must be overcome...”[34] In many respects these forces are unique to the particular organisation; however, as indicated by this survey strong support from the senior management level is a prerequisite internal component.

- iv. There is a range of quality strategies (see Figure 5.3) and these can be used to address the specific issues or concerns that face particular jurisdictions. The most important strategies are "... obtaining and maintaining managerial support, identifying customer needs, and involving employees with implementation." [35]
- v. The final lesson is one that deals with performance. Although many quality programs are relatively recent, many report that "...gains in service quality customer satisfaction, employee productivity, increased communication and improved decision-making in spite of resource constraints." [36]

Finally, the survey authors acknowledge that it is too early to assess the long term impacts of TQM at the local government level. Indeed, some "... critics of TQM point to a myriad of challenges that this encompassing strategy poses, and they recall previous productivity improvement efforts which floundered after initial widespread enthusiasm." [37]

However, on balance, there appears to be considerable support both within local government organisations and externally on the agenda of the public. The ICMA survey suggests that there is a growing awareness and use of quality initiatives and TQM at the local government level in the US. Berman and West (1995) state "...one would expect that orientations towards de-bureaucratisation, customer focus and cost effectiveness will continue in some shape or form (because) customer focus is overdue, feasible and consistent with modern notions of public administration." [38]

5.4 Total Quality Management and Local Government in the United Kingdom

The context of local government in the United Kingdom is one of considerable change and uncertainty similar to the situation in both the United States and Canada.[39] One commentator suggests that "...the public sector of the future (including local government) will differ in structure and process from that which exists today. More services will be contracted out; greater explicit use will be made of prices; public servants will act more as regulators than as producers; the consumer of public services will again become sovereign. Rather than being a provider, the state will become a facilitator that enables individuals to satisfy their own preferences more fully."[40]

In the UK, "...the most prominent theme of 1990's local government is one of apparently perpetual change."[41] Indeed, "few of the UK's 540 principal local authorities can be certain that they will even still exist in their present form in, say, the year 2000 - let alone what powers and responsibilities they may have or how they will be managed and financed."[42]

Stewart and Stoker (1995) suggest that "...from the 1970's onwards elements of the left, right and centre at the political spectrum have increasingly challenged the belief that the established form of local government is capable of solving social and economic problems. Scepticism, doubt and a willingness to experiment with other methods have emerged as major themes."[43]

In part, as a response to these challenges local government (authorities) have had "...an increasing interest in quality and quality management."[44] Internally, this interest has been driven primarily by an interest to improve service delivery. In addition to the

reasons previously noted, the interest in quality is based, to some extent, on "...the concept of compulsive competitive tendering, the European Union's single Internal Market, and, the changes being made in health care." [45] One further external impetus for local government to pursue quality emanates from the role of the Audit Commission. The Audit Commission established by the government in 1983 has a role in "...ensuring that the local Council is securing the 3 E's - economy, efficiency, and effectiveness." [46] In part, the foregoing direction by the Audit Commission has produced interest by local government in performance measurement and performance review to meet the challenge of the 3 E's. [47] The Chair of the Audit Commission (Sir David Cooksey) has stated, "Local government has demonstrated in the last nine years that it is much more than local administration. The tradition of local innovation and development of good practice which can be applied more widely is a valuable aspect of our national life and one that helps underpin the democratic practice and emphasise the quality of service." [48]

To assist local government in the definition and application of quality and quality techniques, the Audit Commission published an occasional paper entitled Putting Quality on the Map: Measuring and Appraising Quality in the Public Service. [49] This document notes the increasing importance and use of quality at the local government level in the United Kingdom. Further, it identifies "...four key areas that (will) together contribute to a quality service:

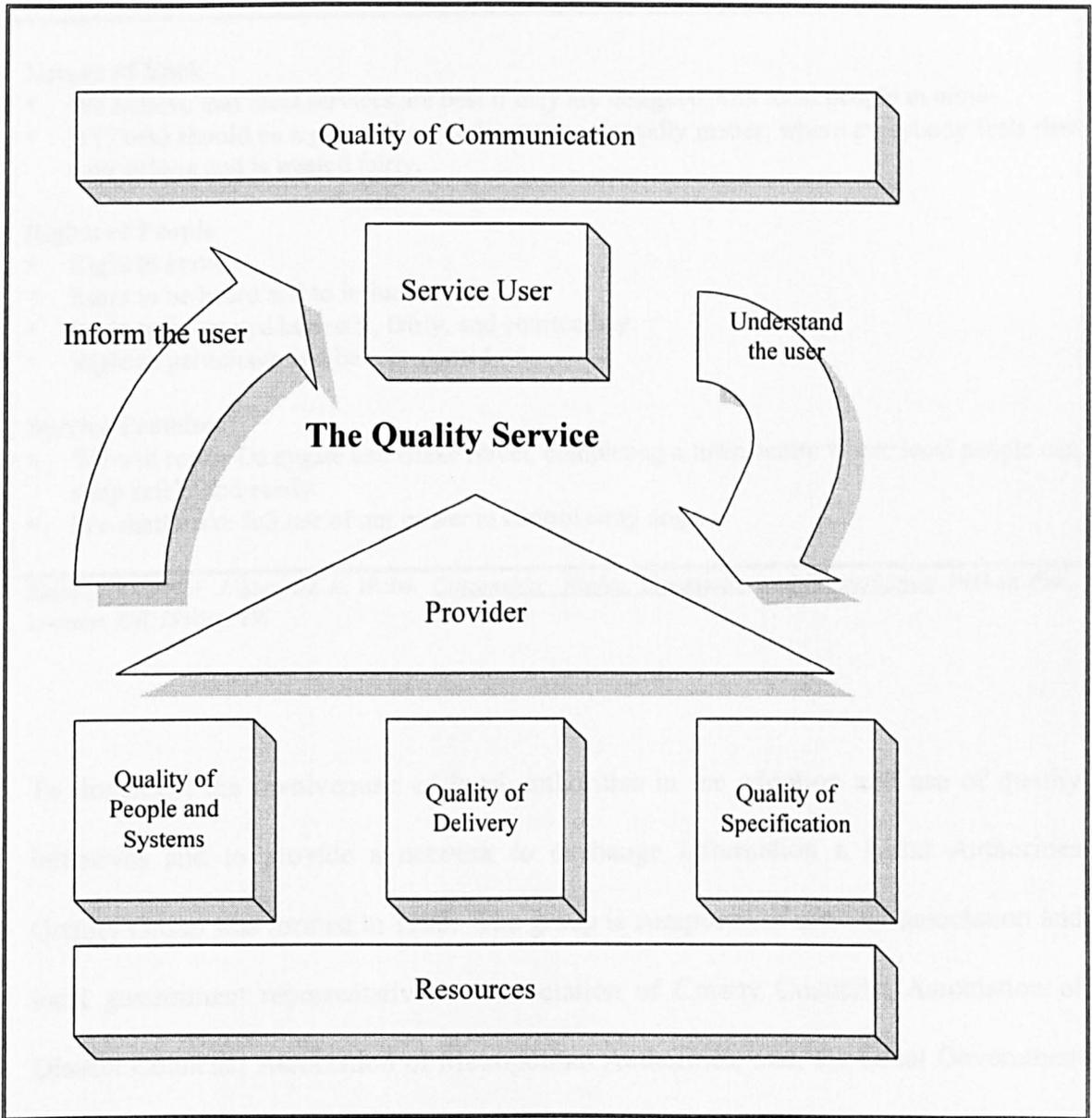
- i. Quality of Communication – does the Council communicate with, listen to and understand users?
- ii. Quality of Specification – is this understanding converted into clear standards for service delivery?

- iii. Quality of Delivery – are the standards actually delivered, and is remedial action undertaken when failure occurs?
- iv. Quality of People and Systems – are staff motivated, trained, well-managed and supported by good management processes and systems?”[50]

To implement these key elements of a quality system will require “...adequate resources, used effectively, and without waste; and, a regular re-appraisal of services against these criteria are required.”[51] These key components of a quality system as recommended by the Audit Commission are illustrated in a “quality map” (see Figure 5.6). The purpose of the quality map is to put local government “quality programmes in context and enable authorities to identify their strengths and weaknesses.”[52]

In addition to the work of the Audit Commission and as previously discussed, the Citizen’s Charter in the United Kingdom provides guidance at the national level to improve all public services, including those provided by local government. In that regard, many local governments have produced their own local charter. One of the earliest and most developed has been prepared by York City Council.[53] This Charter has three broad components including a statement about the nature of the community; the rights of people as citizens; and, specific services (promises) that individuals can expect (see Figure 5.7).

Figure 5.6
The Quality Map



Source: Audit Commission, Putting Quality on the Map: Measuring and Appraising Quality in the Public Service, Audit Commission, London, UK No. 18 March 1993 p. 3.

Again, as previously discussed, one of the components of the Citizen’s Charter has been the development of quality networks aimed at providing a mechanism to facilitate the exchange of information related to the use of quality techniques on an applied level.

Figure 5.7
York City Council Charter (Extracts)

Nature of York

- We believe that local services are best if they are designed with local people in mind.
- If (York) should be a place where ordinary people really matter, where everybody feels that they belong and is treated fairly.

Rights of People

- Right to know.
- Right to be heard and to influence.
- Right to be treated honestly, fairly, and courteously.
- Right to participate and be represented.

Service Promises

- We will repair Dairygate and Blake Street, completing a town centre where local people can shop safely and easily.
- We shall make full use of our power to control stray dogs.

Source: D. Prior, J. Stewart, K. Walsh, Citizenship: Rights, Community and Participation, Pitman Pub., London, UK 1995 p. 29.

To document the involvement of local authorities in the adoption and use of quality initiatives and to provide a network to exchange information a Local Authorities Quality Group was formed in 1993. The group is composed of national association and local government representatives – Association of County Councils; Association of District Councils; Association of Metropolitan Authorities; and, the Local Government Management Board – and it has undertaken a survey annually since 1993 to document the evolution of quality in local government. The use of a survey on an annual basis provides useful trend line data; and, to some extent, “... the fact that there have (now) been three such surveys is itself important since it demonstrates both that quality initiatives have been deepening their influence on local authority service on a year by year basisand it is significant that all local authority associations recognise that a survey of what their members are doing on quality issues is so significant that it needs annual repetition.”[54]

A recent survey (conducted in England and Wales) contained the following highlights:

- i. The survey generated an eighty- percent response rate;
- ii. 96.9% of respondents are involved in “quality initiatives” compared to 96.5% in 1994 and 95% in 1993;
- iii. Fully 86% of respondents are involved in quality initiatives involving all service departments; compared to 89% in 1994 and 35% in 1993;
- iv. A total of 53% reported that quality initiatives were effective in achieving their objectives. A further 32% stated that initiatives were partly effective; and, 1% rated these efforts as ineffective. Finally, 14% stated that it was too early to address the issue of the success of the program;
- v. More than 50% of respondents have pursued ISO 9000 registration in one service area or another. There are more than 33% that have adopted a formal TQM program and more than 66% have developed service area charters. The survey notes that “the relatively low use of TQM systems can be explained by the complexity of creating a culture which aims continually to improve performance.”[55]

The factors ranked by importance that are key to the successful implementation of quality initiatives are illustrated in Figure 5.8. Of particular importance is the leadership by the chief officers and employee involvement. The majority (51%) rates the use of consultants as unimportant.

Figure 5.8
Importance of Factors in the Successful Implementation of Quality Initiatives

Factors	Very Important (%)	Important (%)	Fairly Important (%)	Un-important (%)
Leadership by chief officers	257 (81.7)	43 (13.5)	14 (4.5)	1 (0.3)
Councillor participation	77 (24.6)	139 (44.2)	8 (25.6)	18 (5.6)
Employee involvement	257 (81.7)	51 (15.9)	6 (2.1)	1 (0.3)
User involvement	115 (36.4)	131 (41.7)	52 (16.6)	17 (5.3)
Promoting quality	105 (33.4)	152 (48.2)	51 (16.3)	7 (2.1)
Sustaining quality	138 (43.8)	142 (44.8)	33 (10.7)	2 (0.7)
Use of Consultants	9 (2.9)	26 (8.1)	118 (37.5)	162 (51.5)
Staff Training	220 (70)	79 (24.8)	14 (4.5)	2 (0.7)
Other	78 (25)			

Source: The Local Authority Associations Quality Group, Quality Initiatives: Directory of Local Government Activity (1994), ACC Pub., London, UK 1994 p. 4.

“Other factors listed by respondents as very important for the successful implementation of quality initiatives included: empowerment and ownership by employees; quality audits and performance measurement; action planning; regular and consistent communication; customer research; feedback mechanisms, and reward and recognition; trade union involvement; need to develop a change in culture; systems monitoring and reporting; monitoring and review; monitoring of outcomes, integrating quality into all key strategies and policies; performance targets; total quality accounting; financial provision.”[56]

In terms of the actual implementation of quality initiatives Figure 5.9 provides information on internal tools and techniques. It is interesting to note the increasing emphasis and importance in the area of employee involvement through staff training; and the increased use of performance indicators or performance targets.

Figure 5.9
Internal Tools For Quality Initiatives

Tools/Techniques	1994 (%)	1995 (%)
Staff Training	84	87
Member Committees	77	80
Designated lead officer	65	64
Quality Audits	55	58
Quality Teams	47	52
Performance Targets	42	48
Used Consultants	48	44

Source: Local Authority Association Quality Group, *Quality Initiatives Report (1995)*, ACC Pub., London, UK 1995 p. 6.

External tools and techniques are illustrated in Table 5.10. The use of complaint procedures is a particularly widespread technique with 85% of authorities using this method. Also, there is an increasing emphasis on the use of surveys as a measure to monitor customer issues.

Figure 5.10
External Tools for Quality Initiatives

Tools/Techniques	1994 (%)	1995 (%)
Complaint Procedures	83	85
Customer Survey	69	74
Service Standards	59	64
Listing Services	58	63
Neighbourhood Forum	34	35
Member User Groups	27	32

Source: Local Authority Association Quality Group, *Quality Initiatives Report (1995)*, ACC Pub., London, UK 1995 p. 7.

Individual departments that are most likely to use quality initiatives are illustrated in Figure 5.11. One particular “quality” component that has been identified by respondents is the use of service charters or guarantees. These service charters provide public standards of service for customers.

Figure 5.11
Service Charter (Guarantee)

Service	Entire Department	Section of Department	Total
Library	82	-	82
Social Services	38	17	55
Trading Standards	54	-	54
Housing	28	22	50
Environmental Health	23	22	45
Planning	28	16	44
Leisure/Recreation	17	25	42
Education	33	8	41
Refuse collection	41	-	41
Building control	37	-	37

Source: Local Authority Association Quality Group, Quality Initiatives Report 1995, ACC Pub., London, UK 1995 p. 30.

Further, in respect to Charter related initiatives, the participation by local government in the Charter Mark programs leads all public sectors. “Since the inception of Charter Mark, local government accounts for forty-percent of the total number of awards.”[57]

More recently, the newly elected Labour government of Tony Blair announced a program designed to encourage local governments to work towards achieving “best value” for their citizens and customers. In particular, the “best value” initiative is seen as one that would replace compulsory competitive tendering. “Local authorities would be required to publish performance plans with targets for service improvement. Authorities will be expected to meet the aspirations of local people for services that represent the highest quality and most effective delivery possible within the resources that are available.”[58] The approach to best value is outlined in more detail in a set of twelve principles published by the government on June 2, 1997. These principles (see Figure 5.12) broadly promote the quality of local government services by requiring the development of targets; measuring performance and pursuing continuous improvement.

Figure 5.12
Principles of Best Value

1. The duty of Best Value is one that local authorities will owe to local people, both as taxpayers and the customers of local authority services. Performance plans should support the process of local accountability to the electorate.
2. Achieving Best Value is not just about economy and efficiency, but also about effectiveness and the quality of local services – the setting of targets and performance against these should therefore underpin the new regime.
3. The duty should apply to a wider range of services than those now covered by CCT. Details will be worked up jointly with Departments, the Audit Commission and the LGA.
4. There is no presumption that services must be privatised, and once the regime is in place there will be no general requirements to for councils to put their services out to tender, but there is no reason why services should be delivered directly if other more efficient means are available. What matters is what works.
5. Competition will continue to be an important management tool, a test of best value and an important feature in performance plans. But it will not be the only management tool and is not in itself enough to demonstrate that Best Value is being achieved.
6. Central government will continue to set the basic framework for service provision which will in some areas as now include national standards.
7. Detailed local targets should have regard to any national targets, and to performance indicators and targets set by the Audit Commission in order to support comparative competition between authorities and groups of authorities.
8. Both national and local targets should be built on the performance information that is in any case needed by good managers.
9. Auditors should confirm the integrity and comparability of performance information.
10. Auditors will report publicly on whether Best Value has been achieved, and should contribute constructively to plans for remedial action. This will include agreeing to measurable targets for improvement and reporting on progress against an agreed plan.
11. There should be provision for intervention at the direction of the Secretary of State on the advice of the Audit Commission when an authority has failed to take agreed remedial action, or has failed to achieve realistic targets for improvement.
12. The form of intervention should be appropriate to the nature of failure. Where an authority has made limited use of competition, and as an exception to the usual rule, intervention may include a requirement that a service or services should be put to competition. Intervention might also take the form of a requirement that an authority should accept external management support, and may relate either to specific services, or to the core management of the council.

Source: M. Tichelar, Performance Indicators, Local Government Management Board, London, UK 1997 p. 34.

On a more specific and detailed level, two authorities, the Borough of Brent and the City of Dundee District, are illustrative of some of the quality measures introduced at the local level in the United Kingdom.

For example, Brent initiated a “Total Quality Programme” during the summer of 1991. At that time, Council adopted a mission statement that stated: “To be quite simply the best local authority in the country. A local authority in which the community we represent and serve, and the staff we employ, have pride. We will concentrate on achieving excellence through Total Quality.”[59]

The mission statement was supported by three core values: “quality services; an efficient organisation; and, serving our customers.”[60] A further set of nine organisational characteristics or beliefs also was articulated to support the core values and mission statement. In large measure, these elements served as the first steps in the quality exercise and they were initiated in part to respond to a series of internal and external concerns and issues.

From an internal perspective an employee survey was conducted which identified that “change was seen as ad hoc, top down, and centrally driven, and flavour of the month. It was seen as an extra and often an impediment to service delivery rather than as an important contribution to providing a quality service.”[61]

Since the adoption of the Total Quality Programme, Brent has reported the following results:

- “streamlined the centre of the organisation saving £6 million per annum;

- introduced a performance management system;
- developed an internal training program cascading throughout the organisation;
- initiated more than seventy customer surveys and developed service standards;
- a number of specific quality improvement exercises;
- SOLACE/PA Total Quality Award 1994; and,
- received two Charter Mark awards in 1993.”[62]

Additional information about the current status of quality initiatives in Brent is available on their worldwide web site (www.brent.gov.uk).

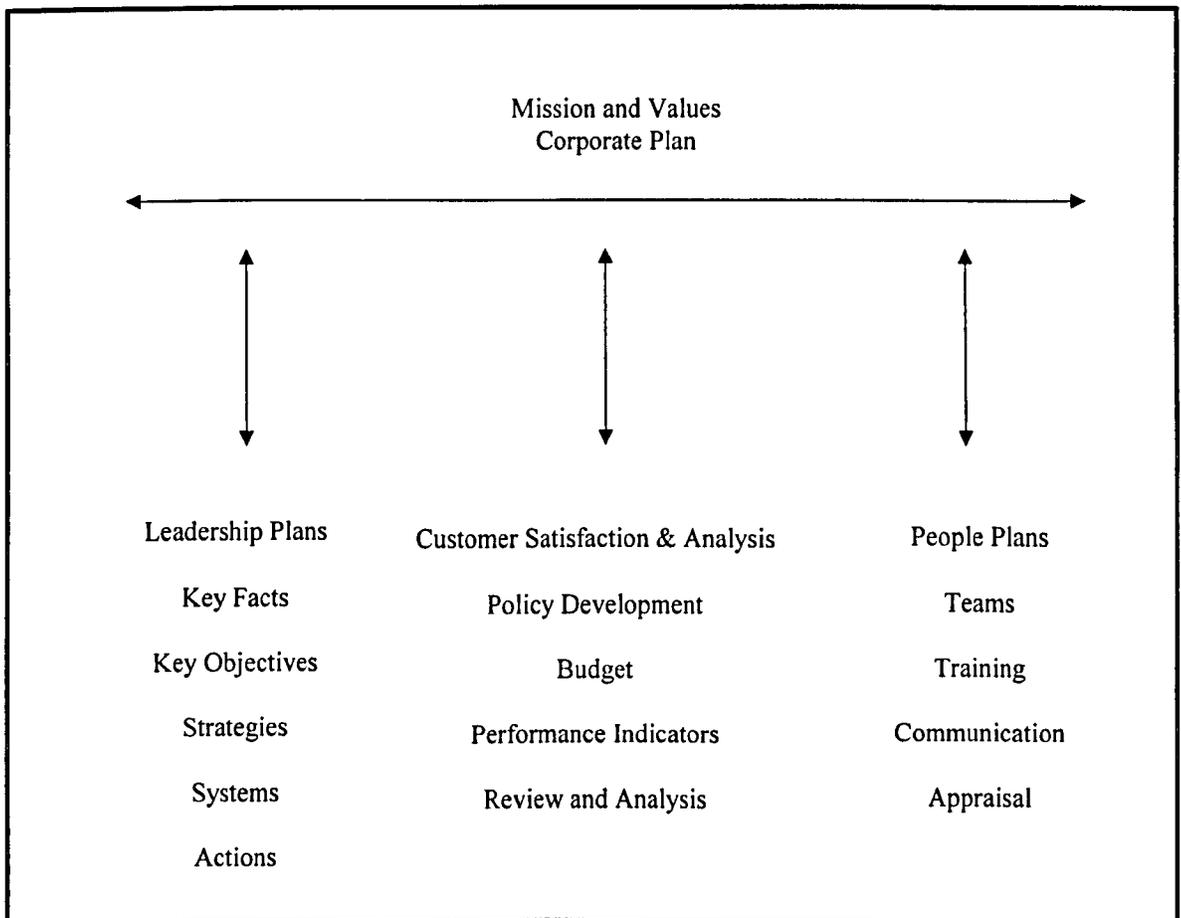
In Dundee, Scotland a somewhat different approach to the incorporation of quality was used. In this instance, the City of Dundee District Council pursued a formal business planning or leadership planning process [63] that was initiated in 1992.

The terminology and approach used are based on “... Deming, one of the Total Quality Management gurus...”[64] Overall, the exercise was based on an adopted mission which stated: “We shall lead the way to new horizons for the City of Dundee, where the Quality of Life Makes People Proud to Stay.”[65]

One of the key components of the business/leadership planning process is the recognition of the important role of both internal and external customers. The inter-relationship of customers to the overall process is illustrated in Figure 5.13. This model uses a cascading approach that is based on a systematic, documented corporate business plan including missions and values. These documents form the basis of other plans as outlined in Figure 5.13.

Currently, four service areas are pursuing ISO 9000 series accreditation (engineers, architects, parks and quantity surveyors).[66] Also, Dundee has developed a corporate complaints procedure and a customer service award program to recognise employees providing “excellent” service.[67] Both of these programs illustrate a commitment to customer involvement. Dundee’s quality efforts were recently recognised as they were winners of a “quality” award in the 1997 Scottish Local Government Quality Awards.[68] Additional information about the quality efforts in Dundee is available at their worldwide web site (www.dundee.gov.uk).

Figure 5.13
Leadership Planning Framework - City of Dundee



Source: City of Dundee District Council, *Leadership Plan 1993-1997, Dundee, UK 1993 p. 38.*

5.5 Summary

In summary, the empirical data and information from both the United States and the United Kingdom suggests that there is an increasing awareness and use of total quality management and quality management techniques in these countries at the local government level.

In particular, there is an awareness of the need to identify customers and ensure that they are recognised in the delivery of local government services. These programs also share a strong commitment to a structured, fact-based, decision-making process built around employee involvement and continuous improvement. Unfortunately, the empirical data with respect to intra-organisational issues such as employee involvement are limited. Many local governments, notably in the UK, are pursuing external quality awards as a means to recognise their efforts. Also, local governments in the UK appear to have more formal networks and institutional support for their quality efforts as compared to the US examples.

Further, it is important to note that "...quality approaches must be tailored to the specific circumstances of local government; the variety of service types; the importance of the political process; and, the need to work with other agencies. Quality cannot be achieved through "technical fixes"; it requires a process of organisational change, involving structures, systems, processes and culture which must involve the renegotiations of power relations."[69]

Finally, many of these quality efforts in the United States and the United Kingdom were initiated in response to declining financial resources and they were seen by many as

methods to ensure that the most is made out of every dollar spent providing local government services. Unfortunately, critics of TQM would suggest that TQM could be associated with budget “cuts” as opposed to service improvement. The survey data from both the UK and the US suggests that TQM is relatively recent, evolving and, at least in the US, practiced more by larger local governments. For the most part, those local governments using TQM in both the US and UK classify their programs as “successful” in respect to improving services.

In terms of areas of concern, the data from both the US and the UK suggests that quality initiatives are likely not “total” in terms of application to the whole organisation and are more likely to be at a department level. Also, many initiatives do appear to be of recent origin and require additional time to mature. The acceptance of TQM internally within local government organisations by employees has been the subject of very limited analysis or comment in the data from both the US and the UK. Further, the important role of elected officials in both initiating and sustaining a TQM program has not been well-addressed by either study. Finally, the absence of benchmarking or established mechanisms to monitor the success of TQM particularly in the US is problematic.

Although the context and to some extent function, of local government in Canada is substantially different in many areas, the survey and case work in both the United States and the United Kingdom is useful and instructive. The next chapter will provide details on TQM use at the local government level in Canada. A subsequent Chapter will provide an opportunity to present a more detailed comparison and contrast of the key relevant empirical data from the United States, United Kingdom, and Canada.

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6.0 Research Methodology

6.1 Introduction

The purpose of this chapter is to outline the research design, methods, and procedures used in collecting and analysing the data for this study of total quality management in local government in Canada. Indeed, the purpose of the study is to determine both the level of awareness related to TQM by local governments; and, more fundamentally the reasons behind decisions made by local government in Canada to use resources, time and energy in the implementation of total quality management.

Overall, this dissertation has four major research components. First, a review of the literature was conducted to provide an understanding of the historical evolution of local government in Canada including a section on problems and prospects. In addition, a review of the literature was conducted to describe the evolution of total quality management (TQM) and establish a conceptual framework for TQM. This component contains an overview of some of the more recent critical literature associated with TQM; and, the application of TQM. This component of the literature review does explore the more recent implementation of TQM including its more recent use within the public sector. In particular, this component discusses the element of change increasingly identified as important in the context of the public sector including a brief introduction to the role of the New Public Management in this debate.

Second, a more detailed review of the literature was undertaken with a view to documenting the application of TQM within local government. This section includes a

review of specific recent surveys related to the use of TQM at the local government level in both the United States and the United Kingdom.

Third, a survey was developed and circulated to local government managers in Canada. The survey was loosely based on recently completed empirical work undertaken at the local government level in the United States and the United Kingdom. It used standard terminology and concepts of total quality management as identified and promoted in Canada by the National Quality Institute. The survey was aimed at providing a broad base of information regarding the understanding, level of use, and key elements of TQM at the local government level in Canada. The actual survey instrument included questions aimed at developing an information base to specifically address key issues associated with TQM as identified in the literature review. These types of relationships will be discussed in a subsequent section. Further, the survey included a request for relevant documents and these documents were helpful in providing more details in the use of TQM within local governments.

Fourth, a set of three cases (local governments) were identified based on a number of factors including the successful use of TQM over a period of time in the case of two local governments; and, one case with a more recent but evolving TQM program. These three cases are explored in more detail through a series of semi-structured interviews with the Chief Administrative Officer; and, key stakeholders. Again, the case studies were aimed at exploring issues and concerns identified within the literature review phase. The case studies also included a review of documentation to more clearly identify and assess the key elements of TQM implementation at an applied level. The results generated by the survey and case studies are presented in detail in subsequent chapters (Chapter 7 and 8

respectively). A further Chapter (Chapter 9) provides an opportunity to discuss these results; and, to compare, contrast, and critique these data. Finally, Chapter 10 offers conclusions and recommendations.

6.2 The Research Approach

At a broad level, the research approach for this study is based on the systematic model in Figure 6.1.

Figure 6.1
A Systematic Approach to Research – A Process Model

Planning Phase:

1. Identify Broad Area for Study
2. Select the Research Topic
3. Confirm Approach (methodology)
4. Formulate A Research Project

Effectuation Phase:

5. Collect Data/Information
6. Analyse and Interpret Data
7. Present the Findings

Source: J. Sharp and K. Howard, The Management of a Student Research Project, Gower Pub., Hants, UK 1996 p. 15.

The purpose of this type of model is to identify the two major phases – planning and effectuation – which are important in a research project. In addition, the model identifies a series of steps within the two main phases that are useful in structuring the work required to complete this type of project. In the case of this research, the model was used in providing a generalised framework for the various tasks required to complete a rather lengthy and complex undertaking. However, although the model was useful, some commentators note that, “there is never a single, standard, correct method of carrying out a piece of research. Do not wait to start your research until you find the proper approach,

because there are many ways to tackle a problem – some good, some bad, but probably several good ways. There is no single perfect design.”[1]

In addition, the systematic approach identifies the need to identify the research methodology that is best suited to provide the data required to properly address the research questions.

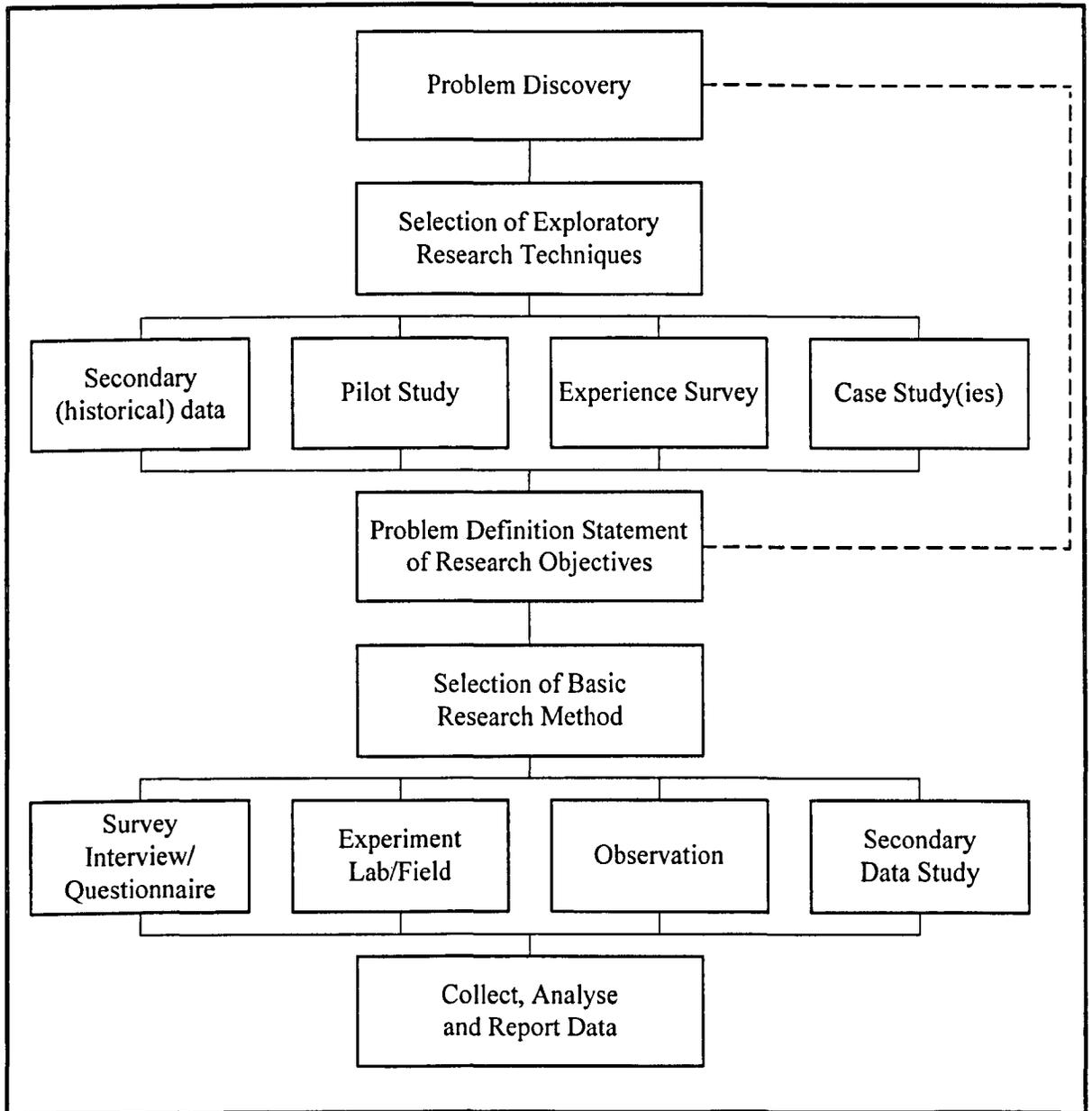
A flowchart of the research process including possible specific research techniques that can be used in a study of this nature is outlined in Figure 6.2. The research strategies (survey, experiment and case study) viewed by Robson (1993) as the most widely used are defined in Figure 6.3. Zigmund (1997) suggests that some of the early stages of the research process – such as problem definition and the selection of an appropriate research design – are, in most studies, the most important stages and frequently these stages get the least attention.

One of the preliminary decisions that must be addressed by a researcher is the choice between a quantitative approach or a qualitative approach. A quantitative approach is generally seen as “...objective in nature and concentrates on collecting and analysing numerical data and applying statistical tests.”[2] A qualitative approach is “...more subjective in nature and involves examining and reflecting on perceptions in order to gain an understanding of social and human activities.”[3]

Robson (1993) suggests that the differences between quantitative and qualitative research are “more apparent than real and that in practice, there is a considerable underlying unity of purpose.”[4] This research employs both a quantitative and a qualitative approach and

the rationale for this multi-method approach will be discussed in more detail in subsequent sections.

Figure 6.2
Flowchart of Research Process



Source: W.G. Zigmund, *Business Research Methods*, Harcourt Brace Pub., New York, NY 1997 p. 44.

6.2.1 Problem Definition/Research Questions

In terms of this research, the problem definition stage evolved in part from personal and professional experience of the researcher as a municipal manager. In that capacity it was evident that many local government organisations in Canada were struggling to address change and customer service issues using quality techniques and total quality management. However, it was also apparent that these challenges were not well documented.

In addition, the problem definition's stage included assistance and input from both the Federation of Canadian Municipalities (FCM); and, the Canadian Association of Municipal Administrators (CAMA). As the research proposal and problem definition phase were being developed they were reviewed with the Executive Director (Jim McKnight) and President (Mayor John Les) of the Federation of Canadian Municipalities. They indicated that a research proposal of this nature would be particularly valuable and instructive provided it included a "best practice" model that could be used by other municipalities. Although both Mr. Knight and Mayor Les supported the research proposal they suggested that a more appropriate professional sponsor would be the association of administrators (CAMA).

The Canadian Association of Municipal Administrators was founded in 1972 and it grew out of participation by senior local government administrators in activities and programs of the Federation of Canadian Municipalities. The mandate of CAMA is "...the preservation and advancement of local government through enhancing the quality of municipal management and administration." [5] CAMA is a not-for-profit, professional organisation including local government managers representing approximately fifteen million people in communities across the country.

The CAMA President (Mr. D. Lychak) indicated that they would support the research by allowing use of their mail lists and mailing system; providing comments on the research questions and the research proposal; and, providing a letter of support with the survey instrument.

On a broad level, both the FCM and CAMA were supportive of a research study of this nature as TQM was seen as a topical and important issue facing local governments in Canada. In addition, there was nothing similar that had been undertaken to document and analyse the use of TQM in Canada.

In addition to the foregoing, the literature review phase provided specific direction with respect to the development of the research questions and the selection of appropriate research methods.

As a result, the questions to be addressed by this research inquiry included:

- i. To what extent are the principles of TQM understood and employed by local governments in Canada?
- ii. What are the factors that drive local governments to adopt TQM?
- iii. How does TQM operate in and disseminate through a local government organisation?
- iv. What are the main issues of concern in adopting TQM?
- v. What are the main components or best practices of a successful local government TQM program?

A series of hypotheses were developed based on the literature review conducted as part of this study. The hypotheses were tested using quantitative techniques and the results of this analysis are presented in subsequent sections. In addition to these quantitative elements, the research methodology for this study included the use of qualitative techniques. As a result, the data collection phase was broadly designed to develop data that as Merriam (1998) suggests is concerned with process and meaning rather than outcomes or products.

A qualitative component or element to this particular research problem is relevant as "...it (qualitative research) is exploratory and researchers use it to explore a topic when the variable and theory base are unknown." [6] Further, Morse (1991) argues that "...qualitative research is important and includes the following characteristics:

- a) The concept is "immature" due to a conspicuous lack of theory and previous research;
- b) A notion that the available theory may be inaccurate, inappropriate, incorrect, or biased;
- c) A need to explore and describe the phenomena and to develop theory; or
- d) The nature of the phenomenon may not be suited to quantitative measures." [7]

As discussed in Chapter Two, local government research in Canada is limited and to date there has been no research into the use of TQM. As a result the use of qualitative research techniques are appropriate. Finally, the use of this type of multiple method (qualitative and quantitative) approach is a "...technique known as triangulation which can assist in overcoming the potential bias and sterility of a single method approach." [8] Jick (1979) suggests that triangulation is a very important concept which "...encourages productive

research, enhances qualitative methods and allows the complementary use of quantitative methods.”[9]

6.2.2 *Research Strategy*

As illustrated in Figure 6.2 there are a number of choices available to the researcher in conducting a study of this nature.

In terms of research strategy, definition, and selection, Robson (1993) suggests that, there are essentially three traditional models: experiments, surveys and case studies (see Figure 6.3). Other research strategy approaches [10] such as participant observer, action research and grounded theory may also prove useful; however, Robson’s (1993) view is that there are three traditional research strategies that are the most widely used.

Figure 6.3
Three Traditional Research Strategies

1. **Experiment:** Measuring the effects of manipulating one variable on another variable.
Typical Features: Selection of samples of individuals from known populations; allocation of samples to different experimental conditions; introduction of planned change on one or more variables; measurement on small number of variables; control of other variables; usually involves hypothesis testing.
2. **Survey:** Collection of information in standardised form from groups of people.
Typical Features: Selection of samples of individuals from known populations; collections of relatively small amount of data in standardised form from each individual; usually employs questionnaire or structured interview.
3. **Case Study:** Development of detailed, intensive knowledge about a single ‘case’ or of a small number of related ‘cases.’
Typical Features: Selection of a single case (or a small number of related cases) of a situation, individual or group of interest or concern; study of the case in its context; collection of information via a range of data collection techniques including observation, interview and documentary analysis.

Source: C. Robson, Real World Research: A Resource for Social Scientists and Practitioner Researchers, Blackwell Pub., Oxford, UK 1997 p. 40.

The selection of an appropriate research strategy or strategies is based largely on the purpose of the inquiry or study being undertaken. The classifications of the purposes of inquiry are illustrated in Figure 6.4. In the case of the proposed inquiry into TQM and local government in Canada there are basically two purposes: first, to develop a profile of the current status of TQM within local government which is a descriptive form of inquiry and surveys are the appropriate methodology or strategy to use. Surveys “are the most common method of generating primary data.”[11] In particular, surveys are an inexpensive, convenient method to acquire data that will enable comparisons and contrasts between respondents. Some of the advantages and disadvantages of surveys are discussed in a subsequent part of this chapter. Second, to understand, in more detail, the use of TQM in selected jurisdictions is an exploratory inquiry; and, case studies are the appropriate methodology to use in these instances. Additional information on the use of case studies as a research tool is presented in a subsequent section.

Figure 6.4
Classification of the Purposes of Inquiry

- 1. Exploratory**
 - To find out what is happening.
 - To seek new insights.
 - To ask questions.
 - To assess phenomena in a new light.
 - Usually, but not necessarily, qualitative.
- 2. Descriptive**
 - To portray an accurate profile of persons, events or situations.
 - Requires extensive previous knowledge of the situation etc. to be researched or described, so that you know appropriate aspects on which to gather information.
 - May be qualitative and/or quantitative.
- 3. Explanatory**
 - Seeks an explanation of a situation or problem, usually in the form of causal relationships.
 - May be qualitative and/or quantitative.

Source: C. Robson, Real World Research: A Resource for Social Scientists and Practitioner Researchers, Blackwell Pub., Oxford, UK 1997 p. 42.

As noted, in terms of this research proposal the study can be classified as both descriptive (survey) and exploratory (case studies) to the extent that a pilot survey was developed which was used as a basis for developing more precise questions or hypotheses; and, individual cases were identified for more detailed study. This latter type of analysis is one in which “theories or models should be grounded in actual empirical observations rather than be governed by established traditional approaches...a single case can indicate a general conceptual category or property; a few more cases can confirm the indication.”[12]

On a broad level, one type of research approach considered to address these questions has been identified as “grounded theory” which is a concept developed by Glasser and Strauss.[13] Essentially, grounded theory is based on a number of key elements including:

- i. The need to get out into the field, if one wants to understand what is going on;
- ii. The importance of theory, grounded in reality to the development of a discipline;
- iii. The nature of experience and undergoing as continually evolving;
- iv. The active role of persons in shaping the worlds they live in;
- v. An emphasis on change and process; and,
- vi. The interrelationships among conditions, meaning and action.”[14]

For comparative purposes, the components of “grounded theory” and “content analysis,” which are two basic ways of analysing qualitative data, are illustrated in Figure 6.5. The distinction between these two types of analysis has been described as follows: in “content analysis” the researcher “goes by the numbers” and “frequency”: in the second (grounded theory), “the researcher goes by feel and intuition aiming to produce common or contradictory themes and patterns from the data which can be used as a basis for interpretation.”[15] The use of “grounded theory” has created considerable interest in the

field of management research in Europe...and (it) has become a standard of reference in case study research.[16]

Figure 6.5
Differences Between “Content Analysis” and “Grounded Theory”

Content Analysis	Grounded Theory
Bitty	Holistic
Go by Frequency	Go by Feel
Objectivity	Closer to data, open much longer
Deductive	Inductive
Test by Hypothesis	Testing themes, developing patterns

Source: M. Easterby-Smith, R. Thorpe, and A. Lowe, *Management Research: An Introduction*, Sage Pub., London, UK 1991 p. 106.

Essentially, grounded theory as developed by Glasser and Strauss, identifies a more open and pragmatic approach to data analysis which is generally seen to be useful in dealing with “...larger volumes of non-standard data produced by qualitative studies which makes data analysis problematic.” [17]

One commentator states that “...grounded theory works because rather than forcing data within logic - deductively derived assumptions and categories, research should be used to generate grounded theory, which ‘fits’ and ‘works’ because it is derived from the concepts and categories used by social actors themselves to interpret and organize their worlds.”[18] Although initially grounded theory was considered as a research strategy for this study, it does present some concerns particularly as a result of the “...considerable amount of data, which is generated through the research, and the problem of generalisability of the findings.”[19]

In part, as a result of these concerns, grounded theory was not selected as a research methodology for this study.

The research methods that were selected to conduct this study included:

- i. A survey instrument of Canadian municipalities;
- ii. Use of documents from survey respondents;
- iii. Selection of cases for more detailed analysis; and,
- iv. Interviews within the selected jurisdictions.

This multiple research method (or triangulation) approach was selected with a view to securing "...a greater validity and reliability than a single methodological approach." [20]

A detailed discussion of the selected methods is presented in subsequent sections.

6.3 Unit of Analysis

Although "the determination of the unit of analysis is relatively straight forward in most projects, it should not be overlooked during the problem definition stage of the research – it is a crucial aspect of problem definition." [21] The unit of analysis for this research study is the individual local government organisation in Canada. This approach uses the organisation (local government) as the primary unit of analysis. As a result, it is aligned with Feagin et.al. who suggest that "... human agents not only are social beings but also intersect with organisations that are relatively autonomous." [22] This approach suggests that it is impossible to sum up the attitudes and behaviours of individual human beings and thus comprehend the organisation, even though the organisation is dependent on humans for its existence. An organisation, including local government, is complex and dynamic; and, it is in many instances more than the sum of its parts. In the case of local government

in Canada the issues that are relevant to this type of study include the large geographic area included within the research; the legal nature of local government in Canada as a “creature of the province” which makes comparison more difficult; the range of functions for which local governments are responsible varies from province to province; and, the very large number (>4,000) local government units scattered across the country.[23]

6.4 Data Collection

As noted, the study used both qualitative and quantitative methods to collect data and information. These methods were designed to collect information from a literature review; develop and distribute a survey to establish the level and type of total quality management techniques within local governments in Canada; and, include more detailed interviews with selected local government organisations to inventory those methods and techniques that are most successful in the application of total quality management principles.

6.4.1 Literature Review

The first method of collecting information was designed to provide an extensive literature review to develop a conceptual framework of total quality management particularly in the public sector and at the local government level. For this review a number of information sources were consulted including assorted computer bases such as Sociofile, ABI/Inform, and Dissertation Abstracts. Other indices consulted include: Social Science Index, Public Administration International Subjects, Public Administration Review, and Globe Information Services.

Additional professional association data bases were also used including: The International City Management Association; The Canadian Association of Municipal

Administrators/Federation of Canadian Municipalities; The Inter-Governmental Committee on Urban and Regional Research; The National (Canadian) Quality Institute; The Policy and Performance Review Network (UK); The American Management Association; and, The American Society for Quality. Finally, the use of the Internet provided some particularly useful elements of this component of the research. The Internet is “a worldwide network of computers that allows an individual to access information and documents from distant sources. It has changed the way business researchers think about distributing and accessing information.”[24] A list of relevant Internet sites used as part of the research component is included in Appendix A.

6.4.2 Survey

As a primary source of information a self-administered survey or questionnaire (see Appendix B) was developed and distributed, by mail, to local government organisations in Canada. The questionnaire was seen as an inexpensive method to canvas a broad range of geographically dispersed cases. Specifically, the survey was addressed to the Chief Administrative Officer as the senior appointed official within local governments. As discussed in Chapter Two, this position is the key link between the political and administrative components of local government in Canada. The survey was loosely based on similar surveys recently used in the United States [25] and the United Kingdom.[26] Also, the survey used the specific categories outlined by the National Quality Institute (NQI) [27] for assessing public sector organisations as part of the national “quality awards” program in Canada. The survey included key definitions of quality terms and concepts from the National Quality Institute. The survey was designed to provide baseline information about the levels of awareness; the use of specific total quality management

techniques and key issues related to TQM implementation in the Canadian local government context.

Specifically, the research questionnaire included a series of thirty-three questions. These questions were designed to provide a broad base of quantitative and qualitative data aimed at securing a better understanding of the use of TQM within local government in Canada. The questionnaire was designed, in part, to allow comparison with similar empirical surveys conducted in the United States and the United Kingdom. Also, the questionnaire was designed to address a number of key issues raised through the literature research phase of this study. These issues lead to a series of research hypotheses as follows:

- H1: The size (population) of respondent municipalities is positively related to the decision to pursue a TQM initiative.
- H2: The size (population) of respondent municipalities is positively related to the length of time of TQM use.
- H3: The use of TQM in all departments is positively related to the length of time of usage.
- H4: The length of time that TQM has been used is related to the “success” of the initiative.
- H5: The size of respondent municipalities is related to employee involvement.
- H6: The length of time of use of TQM is related to reduced costs.
- H7: The use of TQM in all departments is related to the percentage of employees actively involved in the TQM program.
- H8: The use of TQM in all departments is related to the recognition and support of elected officials.

- H9: The use of TQM in all departments is related to the recognition and support of staff.
- H10: The use of TQM in all departments is related to the recognition and support of the public.
- H11: The linkage of TQM to other corporate and strategic initiatives is related to the length of time that TQM has been used.
- H12: The length of time that TQM has been used is related to the support of elected officials.
- H13: The length of time that TQM has been used is related to the support of staff.
- H14: The length of time that TQM has been used is related to the support of the public.

Again, the foregoing hypotheses were developed based on issues and concerns raised in the literature review phase.

The actual process and timing of the distribution of the survey are illustrated in Figure 6.6. As discussed previously, the specific questions in the survey were developed to test a series of hypotheses that were formulated based on issues identified in the literature review; and, to provide a base of quantitative and qualitative information.

At the outset, it is important to recognise that “all surveys involve potential errors that can introduce uncertainty or bias. For the results to be useful, error must be reduced where possible, or at the very least users should be made aware of potential impact of errors.”[28] There are basically two types of survey errors: sampling and non-sampling.

Figure 6.6
Survey Process and Timelines

Preliminary survey circulated to National Quality Institute, Quality Council of Alberta, and Quality Council of British Columbia	August 1996
Pilot survey circulated to twenty municipalities	September 7, 1996
Full survey circulated with letter of support from CAMA	October 14, 1996
Follow-up letter	October 24, 1996
Non-respondent follow-up	March 1, 1997

Sampling errors occur when only a portion of a population being studied is included in the survey. These types of errors are unavoidable but measurable. “The magnitude of sampling error decreases as sample size increases; its effects can be estimated and it is commonly known as “margin of error.”[29]

Non-sampling errors are more difficult to quantify but may also impact on the quality of data generated by surveys. “Common non-sampling errors include: non-coverage (not surveying the right respondent); non-response bias (failure by some to respond); measurement bias (misinterpretation of question); response bias (failure to answer accurately); and, technical errors in recording, coding, tabulating or analysing data.”[30]

As a result of these issues related to the integrity of survey results and the critical importance of the data generated by the survey instrument as a key component of this research, the subject of surveys must be explored in more detail.

The generation of “original” data through the use of “...questionnaires has, over the past century, become a common method of gathering information.”[31] There does remain,

however, “...considerable controversy surrounding the use of self-administered surveys in social research.”[32] The benefits of self-administered surveys include: “...relatively low cost, convenience and comparability.”[33] As a research technique, a self-administered survey does allow coverage of a wider geographic area and provides an opportunity to reach a larger sample of the population to be surveyed. In the case of this research, the survey was circulated across Canada to the entire membership of an organisation; therefore, it is called a census.

In addition, in terms of surveys, some commentators argue that “...respondents will answer a self-administered questionnaire more frankly than an interview, since anonymity is not only assured but seen to be assured.”[34] Finally, “...as questions in a self-administered survey are totally standardised responses (it is claimed) are totally comparable.”[35]

Although there are clearly advantages to the use of self-administered surveys, there are also a number of concerns and disadvantages associated with the use of these instruments that must be considered. These concerns include:

- i. “The number of questions must be small and the possible answers must be few and uncomplicated.”[36] This issue requires that the survey instrument be clear with definitions of terms as appropriate and concise so as not to take a lot of time to complete. “In a postal survey it would be considered unwise to have a questionnaire requiring more than about fifteen minutes to fill in Too long a questionnaire is likely to reduce markedly the percentage of responses and a low response rate always raises the questions of bias.”[37]

- ii. Open-ended or essay questions [38] do not work well and the use of these types of questions should be minimised;
- iii. “Response rates to self-administered surveys - and, in particular, to postal surveys – are often very low. Experience suggests that a return of between 30 and 50 percent is usual, and that a return of above 50 percent is good.”[39] In terms of relevant local government survey response rates in Canada, a recent project [40] conducted by the Local Government Institute at the University of Victoria included a nation-wide survey to document and compare residential solid waste collection services. The self-administered postal survey, used a part of this research, generated a response rate of thirty-three percent.[41]
- iv. Respondents who do complete the questionnaire “... may not be representative of those to whom the questionnaire are sent; that is the sample may be distorted significantly by the degree of non-response.”[42]

To minimise the concerns raised in respect to self-administered surveys and to ensure the reliability and validity of data generated by these techniques, there are a number of factors to be considered such as:

- i. “Characteristics of the population to whom the questionnaire is circulated.
- ii. Standing and prestige of the sponsor of the survey. Some researchers [43] suggest that sponsorship by a prestigious body such as a professional association can improve response rates considerably.
- iii. Effect of covering letter on recipients.
- iv. Length of survey and time required to respond.
- v. Postage stamps on reply envelopes.
- vi. Follow-up to initial mailing.”[44]

The types of concerns associated with self-administered surveys were considered in the development and distribution of this research questionnaire (see Figure 6.6). The key components of the survey included the following steps. First, a draft survey was developed and circulated to the National Quality Institute; Quality Council of Alberta; and, the British Columbia Quality Council for comment. Comments and suggestions from this draft survey were incorporated into a pilot survey. The pilot survey was circulated, by mail, to twenty local governments to provide some preliminary information on the survey and enable feed back on the survey questions, length of survey, time required to complete the survey, and other relevant issues. Comments on the pilot were received from all twenty local governments. The comments were minimal and only a few minor modifications were required to the survey at this stage. Many of those jurisdictions used in the pilot stage requested further information about survey responses on completion of the research.

Second, the full survey (see Appendix B) was circulated with a letter (Appendix C) of introduction; and a letter from the President of the Canadian Association of Municipal Administrators (CAMA) requesting the participation of Administrators (Appendix D). This mailing also included a pre-paid response envelope. It was circulated to all one hundred and eighty-six members of CAMA who were identified as the chief (or principal) appointed officer of their jurisdiction. The involvement and support of a professional organisation such as CAMA is seen as one means to generate a broader level of response to the survey as previously identified.

In terms of the survey instrument, a further letter (Appendix E) and telephone reminder requesting completion of the survey followed the initial mailing of the surveys (see Figure

6.6). The survey generated a response rate of 64% (119 surveys returned) and the data generated by the survey are presented in detail in Chapter 7. It should be noted that many of the respondents requested further information about total quality management including survey results. To respond to these inquiries, an information booklet was prepared for distribution including sources for further material on quality. Also, a summary of preliminary results was presented at the Canadian Association of Municipal Administrators 1997 Annual Conference.

In terms of the sixty-seven non-respondents, telephone contact was made with ten of these jurisdictions. These randomly selected jurisdictions were questioned as to their non-participation and these reasons are recorded in Chapter 7. Indeed, the issue of non-respondent error is an important one in self-administered surveys as “those who are most involved in an issue are more likely to respond to a mail survey.”[45] As a result, it is important to minimise non-response and to have a follow-up to assess the reasons why some fail to respond. The issues raised in the non-response follow-up are discussed in more detail in Chapter 7.

Further, it is important to note that the survey element of the research employs a primarily top-down orientation for carrying out the research.[46] A top-down orientation for this study stems from the perspective of those appointed officials in power and the use of official organisation documents (reports and other formal data). Understandably, the perspective of those appointed officials in power may well deviate from others at different levels in the organisation; however, notwithstanding this concern, it is important to use the sources as cited. The issue of perspective, including the use of additional interviews to achieve a triangulation of data, will be addressed in subsequent sections.

In addition to the foregoing, the case study research includes semi-structured interviews with a number of selected stakeholders within each respective case (municipality). The intent of these interviews is to provide a broader cross-section and depth of comment related to the TQM program. The use of different sources of data through these semi-structured interviews provides for a level of “data triangulation” that ensures a greater validity and reliability of results.[47] The detailed methodology related to the use of these interviews will be addressed in Chapter 8.

The survey itself was divided into six broad categories. These categories were based on the principles and model identified by the National Quality Institute [48] to assess organisational commitment to TQM and they may be summarised as follows:

- i. **Background** – Request for information about the respondent/jurisdiction.
- ii. **Leadership/Strategic Planning** – Focus on those who have primary responsibility and accountability for organisational achievement.
- iii. **Customer Focus** – Examination of focus by organisation on customer-driven innovation and achieving (external and internal) customer satisfaction.
- iv. **Planning For Improvement** – Review of the improvement planning process including linkage of improvement planning to strategic direction and measurements used to assess progress.
- v. **People Focus** – Examines the development and implementation of human resource planning and operation of a strategy for achievement of excellence through people. Also, examines efforts of organisation to foster and support an environment that encourages and enables people to reach their full potential.
- vi. **Process Optimisation** – Assessment of how work is organized to support strategic direction. Reviews processes, particularly those critical for success, to ensure they

add value to customers and to the organisation. Goals in the improvement plan should drive process improvement priorities.

In the context of the survey, these NQI categories are seen as important for a number of reasons. First, they represent a national, standardised approach to systematically define and delineate quality efforts in Canadian organisations. Second, each of the NQI categories relates to specific elements of quality (customer focus, people focus etc.). The use of the NQI categories enables the questionnaire to be structured around key thematic TQM elements. Finally, the NQI categories are directly related to the research questions of this study as previously presented to provide a nationally established framework to structure the research.

In addition, key relevant terms were defined in the survey (see Appendix B) again using standards prepared by the National Quality Institute. The survey instrument itself combined both fixed alternative (multiple choice) and some open-ended questions. The fixed alternative or multiple-choice questions included both simple dichotomy such as those requiring a respondent to choose one of two alternatives; and determinant-choice questions requiring a respondent to choose one response from several possible alternatives. Responses to these questions were aggregated and analysed without any particular problems. The open-ended questions required that a respondent answer in his or her own words. The responses to the open-ended questions were assessed using content analysis to identify common themes from the data, which are then grouped together. Initially, the actual development and refinement of the questionnaire through pre-testing took some time to ensure that it solicited the information required to address the research questions in a relevant and valid manner. Indeed, “a research survey is only as good as the questions it

asks. The importance of wording questions is easily overlooked, but questionnaire design is one of the most critical stages in the survey research process.”[49]

6.4.3 Case Studies

As noted, a significant component of this research includes the identification and development of three specific case studies or local governments for further detailed analysis. This type of case study analysis “...is becoming increasingly wide-spread in management research. In many countries, doctoral theses dealing with marketing, strategy, organisation and so forth are often based on case studies.”[50] Further, “the case study is often the basis for student projects, particularly, in the social sciences.”[51]

Indeed, in the United States more than sixty-six percent of doctoral dissertations were “...case studies, for example, about an organisational change within the author’s own agency, or about the implementation of some public policy with which the author was involved.”[52] A case study is defined as “...research conducted within a single agency or political jurisdiction or research that spanned an identifiable group of single agencies or jurisdictions for comparative purposes.”[53] A case study “...is, or should, be designed as a learning vehicle with specific educational objectives in mind.”[54]

Essentially, the three cases were selected on completion of an analysis of the results of the survey. These cases were selected on the basis of the innovative use and history of quality applications within their respective jurisdictions; and, their willingness to participate in further case analysis. Two of the cases represent more formal, documented applications of TQM; whereas a third represents a formal but more recent, evolving TQM program. To some extent, the “evidence from multiple cases is often seen as more compelling, and the

overall study is therefore regarded as more robust.”[55] Further, Yin (1984) advises researchers that “...use of multiple-case designs should follow a replication, logic...in a manner similar to multiple experiments with similar results (literal replication) or contrasting results (theoretical replication) predicted explicitly at the outset of the investigation.”[56] This research study uses both the “similar results” and “contrasting results” concepts.

In these selected cases (study jurisdictions) a follow-up series of semi-structured interviews were conducted and additional material and information related to the use of TQM in those jurisdictions was collected and assessed. In general, there are six sources of evidence (see Figure 6.7) that are complementary and useful to consider in respect to developing case study research. As noted, the first step in undertaking the case studies included the compilation of a variety of relevant documentation related to the evolution and development of the TQM efforts in each of the selected municipalities. As illustrated in Figure 6.7, documents provide a useful source of information to establish the evolution over time of the particular phenomenon being studied. In this research study, many respondents submitted documents (see Appendix K). These documents were very helpful in providing more detailed information on the evolution and status of quality applications in their respective jurisdictions. In terms of the case studies, documents included in the research are outlined in Chapter 8; and, these proved to be very important in developing the case studies.

Figure 6.7
Sources of Case Study Evidence

Source of Evidence	Strengths	Weaknesses
Documentation	<ul style="list-style-type: none"> ▪ Stable - can be reviewed repeatedly ▪ Unobtrusive - not created as a result of the case study ▪ Exact – contains exact names, references, and details of an event ▪ Broad coverage – long span of time, many events, and many settings 	<ul style="list-style-type: none"> ▪ Retrievability – can be low ▪ Biased selectivity, if collection is incomplete ▪ Reporting bias – reflects (unknown) bias of author ▪ Access – may be deliberately blocked
Archival Records	<ul style="list-style-type: none"> ▪ Same as above for documentation ▪ Precise and quantitative 	<ul style="list-style-type: none"> ▪ Same as above for documentation ▪ Accessibility due to privacy reasons
Interviews	<ul style="list-style-type: none"> ▪ Targeted – focuses directly on case study topic ▪ Insightful – provides perceived causal inferences 	<ul style="list-style-type: none"> ▪ Bias due to poorly constructed questions ▪ Response bias ▪ Inaccuracies due to poor recall ▪ Reflexivity – interviewee gives what interviewer wants to hear
Direct Observations	<ul style="list-style-type: none"> ▪ Reality – covers events in real time ▪ Contextual – covers context of event 	<ul style="list-style-type: none"> ▪ Time-consuming ▪ Selectivity – unless broad coverage ▪ Reflexivity – event may proceed differently because it is being observed ▪ Cost – hours needed by human observers
Participant Observation	<ul style="list-style-type: none"> ▪ Same as above for direct observations ▪ Insightful into interpersonal behaviour and motives 	<ul style="list-style-type: none"> ▪ Same as above for direct observations ▪ Bias due to investigator’s manipulation of events
Physical Artifacts	<ul style="list-style-type: none"> ▪ Insightful into cultural features ▪ Insightful into technical operations 	<ul style="list-style-type: none"> ▪ Selectivity ▪ Availability

Source: R.K. Yin, *Case Study Research: Design and Methods*, Sage Publications, Beverley Hills, CA 1984 p. 80.

The second step used in developing the selected cases included conducting detailed interviews with the Chief Administrative Officer and municipal staff directly involved

with the TQM efforts. The interviews were aimed at documenting total quality management initiatives in greater detail particularly identifying key constraints, opportunities and success factors related to the use of TQM in their respective organisations.

Finally, additional interviews were conducted within each of the selected cases. These interviews were conducted with key stakeholders including: the Mayor or designated elected official; a department head or mid-management (exempt) employee; an official of a union; and, a front line employee. These interviews were designed to obtain a broader cross-section of views from key internal stakeholders within each of the selected cases. Denzin (1978) suggests that this type of multiple interview design can enable a form of “convergent validation” of data that is important to secure a higher level of validity.

As a research technique, interviews provide an opportunity to secure additional relevant data beyond those data obtained through the self-administered surveys in a flexible manner. In the case of this research, the interviews are classified as semi-standardised as opposed to interviews being conducted by simply proceeding through a standardised structured set of questions; the semi-standardised interview enables questions to be formatted in a manner “...more appropriate for each respondent.”[57] The semi-standardised interview, “in its simplest form uses a schedule or questionnaire which the interviewer may present to the respondent in any sequence of questions ... to secure a list of the data that must be obtained.”[58]

The interview questions with respect to the Chief Administrative Officer (see Appendix F) were based to some extent on the survey questionnaire and they were designed to solicit

additional specific information related to key elements of the TQM program. The interview questions (see Appendix M) with respect to the key stakeholders were also designed to solicit information on the TQM initiatives from their individual perspectives. For the most part, the interviews were conducted on-site; and, additional material was added or clarification undertaken by telephone. Interviews were recorded and responses were analysed and are reported in Chapter 8.

6.5 Summary

In summary, the methodology developed and used as part of this research was designed to generate data to address the key research questions. Specifically, the research strategies selected included survey (descriptive inquiry); case studies (exploratory inquiry); and, the use of secondary data (documents). The research uses both a quantitative and a qualitative approach.

The research analysis techniques used to collect and assess the data and information (survey, interviews, and other sources such as documents and internal reports) generated as part of this dissertation included documenting, summarizing, categorizing, and evaluating. In particular, these data were used to establish the level of use and awareness related to TQM at the local government level. Also, these data were used to identify key components and critical success factors with respect to the adoption of TQM at the local government level in Canada.

A subsequent Chapter (Chapter 7) is devoted to a detailed description of the data generated through the survey; and, a separate Chapter (Chapter 8) discusses the selected cases (see Step 6 “analysis and interpretation of data” in Figure 6.1). The analysis of these data

(Chapter 9) provides an opportunity to document key components of TQM in selected jurisdictions; compare and contrast results; and, provide a critique of current applications. Finally, implications and conclusions are documented in the last chapter (Chapter 10) of this study (see Step 7 “present findings” in Figure 6.1).

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7.0 Total Quality Management and Local Government in Canada: Current Practice

7.1 Introduction

The decade of the 1990's is one of considerable uncertainty and substantial change for local government throughout Canada. The academic literature [1]; popular press [2]; and, surveys [3] of local government administrators all confirm that the status quo is under increasing pressure for a variety of reasons in each of Canada's ten provinces.

In many respects, the factors related to change, challenge and uncertainty at the local government level parallels the trends impacting the public sector worldwide as outlined in Chapter 4; and, internationally at the local government level as discussed in Chapter 5.

In the Canadian context, the factors driving change at the local government level were outlined in detail in Chapter 2. Briefly, these factors are increasing fiscal pressures as senior governments reduce transfer payments to local governments; public expectation of increased or at least the same level and quality of service in an environment of reduced resources; more competition from private and other public sector providers; and, the marked improvements in information technology which both provides opportunities for local government service delivery and increases the expectation of the customer for improved service.[4]

Many organisations, both public and private sector, have incorporated TQM as an organisational method to systematically establish and improve performance (see

Chapters 3, 4 and 5). The purpose of this component of the research is to outline in detail the use of total quality management at the local government level in Canada. The methodology used in the development, testing and distribution of the survey instrument used to collect the data used in this section is discussed in detail in Chapter 6. The purpose of the survey is to assess the level of understanding, degree of use and key elements of the use of TQM in local government in Canada. A subsequent Chapter will explore a series of selected municipalities or cases. The aim of both Chapters is to provide a critical assessment of TQM; and, develop a “best practices” inventory of TQM techniques that have proven successful.

The survey (see Appendix B) was circulated in the fall of 1996 to one hundred and eighty-six city managers or chief administrative officers of local governments in Canada. These individuals are all members of the Canadian Association of Municipal Administrators and they are the senior appointed officials within local government organisations. Again, the detailed methodology used in the development and distribution of the survey was outlined in Chapter 6. The survey was developed using the terminology, definitions and categories identified by the National Quality Institute.[5]

In addition to the survey, an important component in this phase of the research was the collection of various municipal documents made available by respondents. These documents provide important clarification and information related to the use of TQM by respondent municipalities. The analysis of the survey results and documents based upon the categories identified by the National Quality Institute as contained in the questionnaire follows.

7.2 Background

As noted, 186 surveys were circulated and 119 were returned for a response rate of 64%. By comparison similar surveys of local governments in the United States and the United Kingdom had response rates of 36% and 80% respectively. Further, a recent survey of Fortune 500 companies to assess TQM usage among the private sector had a response rate of 19%; and, a similar survey of private and public agencies in the UK by the British Institute of Management had a response rate of 22% (see Figure 9.0).

A detailed presentation of information contained in the background component of the survey undertaken in Canada is contained in Figure 7.1. The data in Figure 7.1 provides information on respondents by province; by type of jurisdiction (i.e., city, town, or village); and, by population. The full, raw, results of the survey are included in Appendix J.

In addition, it should be noted that more than twenty-five percent of all respondents submitted written materials (see Appendix K) related to their respective TQM initiatives. These documents were particularly valuable as examples of official organisational discourse and they provide for some cross-validation of the perspectives of individuals responding to the survey.

The smallest jurisdiction (Carmangay, Alberta) to respond to the survey has a population of 260; and, the largest jurisdiction (the Regional Municipality of Ottawa-Carleton) has a population of 950,000 people. The average population size of jurisdictions responding was 113,659.

Figure 7.1
TQM Survey Respondents by Province and Population

FIRST NAME	LAST NAME	POSITION	JURISDICTION	PROV	TYPE	POP'N	TQM: FORMAL /INFORMAL/NA
Audrey	Wilcox	Municipal Administrator	Carmangay	AB	V	260	formal
Scott	Barton	CAO	Raymond	AB	T	3200	informal
Sandy	Chrapko	Town Manager	Pincher Creek	AB	T	5000	formal
Dwight	Stanford	Town Manager	Strathmore	AB	T	5200	informal
Dale	Mather	CAO	Innisfall	AB	T	6000	informal
Dave	Dmytryshyn	Town Manager	Ponoka	AB	T	6000	informal
J.	Bennett	Town Manager	Banff	AB	T	8000	na
Julian	deCocq	CAO	Cochrane	AB	T	8000	informal
Glenn	Pitman	Town Manager	Canmore	AB	T	8500	na
Kevin	Bridges	Town Manager	Brooks	AB	T	9400	informal
G.	Harris	Manager, Corporate Affairs	Fort Saskatchewan	AB	C	12000	informal
Randy	Dubord	City Manager	Spruce Grove	AB	C	14000	informal
Kevin	Robins	City Manager	Leduc	AB	C	14500	informal
George	Keen	City Manager	Airdrie	AB	C	15500	formal
D.	Kloster	City Manager	Grande Prairie	AB	C	32000	formal
R.	Nicolay	Chief Commissioner	Medicine Hat	AB	C	46000	informal
Norbert	Van Wyk	City Manager	St. Albert	AB	C	46000	formal
B.	Thom	City Manager	Edmonton	AB	C	800000	formal
Paul	Dawson	Chief Commissioner	Calgary	AB	C	820000	formal
Charles	Hamilton	Clerk/Administrator	Hazleton	BC	V	350	na
Isabell	Hadford	Clerk/Treasurer	Clinton	BC	V	700	informal
Terry	Lester	Administrator	Gibsons	BC	V	4000	na
Bill	Hutchinson	Town Administrator	Creston	BC	T	4500	informal
Phyllis	Belaire	Administrator	Port Hardy	BC	T	5400	na

FIRST NAME	LAST NAME	POSITION	JURISDICTION	PROV	TYPE	POP'N	TQM: FORMAL /INFORMAL/NA
Joseph	Calenda	Administrator	Sechelt	BC	MD	7500	formal
Rick	Butler	City Administrator	Revelstoke	BC	C	8500	informal
Doug	Ruttan	Administrator/Clerk	Quesnel	BC	C	8588	informal
Ken	Wiesner	Administrator	Pitt Meadows	BC	MD	15000	informal
John	Wilson	Administrator	Courtenay	BC	C	17700	informal
D.	Walker	City Manager	Port Alberni	BC	C	20000	informal
Robert	Wilson	City Administrator	Langley	BC	C	23000	na
Tim	Wood	Administrator	Penticton	BC	C	31000	na
Glen	Robertson	Administrator	Mission	BC	MD	32000	formal
Douglas	Allan	Municipal Manager	West Vancouver	BC	MD	39000	informal
Richard	Wells	GM - Corporate Services	Maple Ridge	BC	MD	58000	formal
Ted	Tisdale	Municipal Administrator	Chilliwack	BC	MD	64000	informal
Gerald	Berry	City Administrator	Nanaimo	BC	C	75000	informal
G.	Paul	City Manager	Prince George	BC	C	75000	informal
Donald	Roughley	City Manager	Victoria	BC	C	78000	informal
J.	Martignago	City Administrator	Kamloops	BC	C	80000	informal
Jim	Godfrey	Administrator	Langley	BC	T	83000	formal
Gord	Howie	Municipal Manager	N. Vancouver	BC	MD	83300	informal
Norman	Cook	City Manager	Coquitlam	BC	C	100000	informal
Richard	Danziger	Director, Development Services	Abbotsford	BC	C	110000	informal
Johnny	Carline	City Administrator	Richmond	BC	C	140000	informal
Robert	Moncur	City Manager	Burnaby	BC	C	160000	informal
Doug	Lychak	City Manager	Surrey	BC	C	300000	informal
Ken	Dobell	City Manager	Vancouver	BC	C	500000	formal
Ken	Jenkins	Municipal Administrator	Neepawa	MN	T	3300	informal
Dale	Lyle	City Manager	Portage La Prairie	MN	C	13200	na
E.	Backman	City Manager	Brandon	MN	C	70,000	formal

FIRST NAME	LAST NAME	POSITION	JURISDICTION	PROV	TYPE	POP'N	TQM: FORMAL /INFORMAL/NA
Richard	Frost	Chief Commissioner	Winnipeg	MN	C	620000	formal
Ron	Mahoney	City Administrator	Campbellton	NB	C	8700	informal
Edward	Childs	City Manager	Bathurst	NB	C	14500	informal
Paul	Stapleton	City Administrator	Fredericton	NB	C	46500	formal
Al	Strang	City Manager	Moncton	NB	C	57000	informal
T.	Totten	City Manager	Saint John	NB	C	125000	informal
Dennis	Kelly	Town Clerk	Marystown	NFLD	T	6700	na
Jake	Turner	Town Manager	Gander	NFLD	T	10300	informal
Ronald	Penney	Chief Commissioner/City Solicitor	St. John's	NFLD	C	105400	informal
Michael	Ireland	Clerk/Treasurer	Digby	NS	T	2300	na
J.	Brideau	CAO	Wolfville	NS	T	3500	informal
Charles	Shannon	CAO	Liverpool	NS	T	12000	informal
K.	Beaton	Acting CAO	Port Hood	NS	T	17700	informal
Keith	Robicheau	CAO	Annapolis Royal	NS	C	22000	informal
Ken	Meech	CAO	Halifax	NS	C	260000	formal
Douglas	Lagore	City Administrator	Yellowknife	NWT	C	18000	na
Gilbert	Heroux	Directeur General	Hawkesbury	ON	T	10000	na
B.	Baxter	CAO	Cobourg	ON	T	16100	na
Robert	Small	Administrator/Clerk	Huntsville	ON	C	18000	informal
Cecil	Vincent	CAO	Port Colborne	ON	C	19000	informal
Ken	Zurby	CAO	Fort Erie	ON	C	27000	informal
John	Robison	CAO	Flamborough	ON	T	37000	informal
Volker	Kerschl	CAO	Welland	ON	C	46000	na

FIRST NAME	LAST NAME	POSITION	JURISDICTION	PROV	TYPE	POP'N	TQM: FORMAL /INFORMAL/NA
Bert	Meunier	City Manager	Kanata	ON	C	50000	informal
R.	Parisotto	HR Director	Ajax	ON	T	60000	formal
Tom	Stockie	CAO	Waterloo	ON	C	80000	formal
Gary	Polano	City Manager	Sudbury	ON	C	94000	formal
Donald	Smith	CAO	Cambridge	ON	C	99000	informal
C.	Weldon	CAO	Richmond Hill	ON	C	100000	na
Jack	Jardine	Commissioner, Human Resources	Gloucester	ON	C	101700	informal
Virginia	West	CAO	East York	ON	C	102000	informal
Robert	Letourneau	CAO	Nepean	ON	C	118000	formal
B.	Puhach	CAO	St. Catherines	ON	C	130000	informal
Tim	Dobbie	City Manager	Burlington	ON	C	135000	informal
John	Brown	City Manager	Oshawa	ON	C	140000	informal
Lorne	McCool	CAO	Markham	ON	C	165000	formal
John	Fleming	City Administrator	London	ON	C	320000	formal
Gerald	Thompson	CAO	Waterloo	ON	R	420000	formal
Michael	Boggs	CAO	Niagara Region	ON	R	430000	formal
Michael	Fenn	CAO	Hamilton-Wentworth	ON	R	460000	informal
Gary	Cubitt	CAO	Durham Region	ON	R	480000	informal
David	O'Brien	City Manager	Mississauga	ON	C	560000	formal
John	Morand	Commissioner	Toronto	ON	C	635000	informal
Alan	Wells	CAO	York Region	ON	R	650000	informal
John	Burke	CAO	Ottawa	ON	C	700,000	informal
D.	Wightman	Manager, Corporate Training & Dev.	Ottawa-Carleton	ON	R	950,000	formal
Carol	Lowther	CAO	Stratford	PEI	T	6000	informal
Terry	Murphy	CAO	Summerside	PEI	C	15000	na
Donna	Waddell	Director Corporate Services	Charlottetown	PEI	C	31385	informal
Harry	Gaudet	CAO	Charlottetown	PEI	C	34000	informal

FIRST NAME	LAST NAME	POSITION	JURISDICTION	PROV	TYPE	POP'N	TQM: FORMAL /INFORMAL/NA
Richard	White	Director General	Baie d'Urfe	PQ	T	4000	na
Barry	Weldon	Assistant Director General	Hampstead	PQ	T	7800	informal
Duncan	Campbell	Director General	Mount Royal	PQ	T	18300	informal
Bruce	St. Louis	Director General	Westmount	PQ	C	20500	informal
Richard	Shuttleworth	Directeur General	Saint-Lambert	PQ	C	22200	na
Victor	Mainville	Directeur General	Outremont	PQ	C	23400	na
Denis	Hubert	Directeur General	Aylmer	PQ	C	36000	formal
Wesley	Lancaster	Directeur General	Dollard-des-Ormeaux	PQ	T	48000	informal
Paul	Presault	Directeur General	Hull	PQ	C	66000	informal
George	Krcmery	Directeur General	LaSalle	PQ	C	75000	na
C.	Asselin	Directeur-General	Laval	PQ	C	349,000	na
John	Wade	Administrator	La Ronge	SK	T	2760	na
Richard	Levesque	Administrator	Meadow Lake	SK	T	4800	informal
Fred	Martyn	City Commissioner	Weyburn	SK	C	10000	na
R.	Linner	City Manager	Regina	SK	C	185000	formal
R.	Copeland	Chief Commissioner	Saskatoon	SK	C	200000	informal
J.	Kincaid	City Manager	Dawson City	YK	C	3500	na
Bill	Newell	City Manager	Whitehorse	YK	C	25000	informal

Notes:

Total Surveys Circulated was 186; Total Surveys Returned was 119 for a percentage of 64%.

Total jurisdictions with formal TQM program was 28 (24%); with informal TQM program was 67 (56%); without TQM program was 24 (20%).

Total populations of respondent jurisdictions were 13,525,470; mean population of respondent jurisdictions was 113,659.

Type signifies: Town (T); Village (V); Municipal District (MD); City (C); Regional Municipality (R).

“Formal” is defined as a program that has been the subject of adoption by resolution of the local Council.

“Informal” is defined as a program that operates without adoption by resolution of the local Council.

7.2.1 Non-Respondent: Follow-Up

As noted, a survey of the nature undertaken for this type of study normally has a number of non-respondents. The importance of this issue was more thoroughly discussed in Chapter 6. However, to ensure the integrity of the data generated a non-respondent follow-up survey was completed. This survey, undertaken by telephone, was directed to the Chief Administrator's Office and included ten (10) cases selected at random or approximately fifteen percent of the sixty-seven (67) non-respondents.

Essentially, the follow-up survey queried why the specific jurisdiction had chosen not to respond to the original survey. A number of non-respondents cited similar reasons such as:

- i. Our organisation is too small to initiate a TQM program (3 respondents).
- ii. There are too many important day-to-day priorities; we're fighting fires and cannot find time to work on customer service or quality concerns in a systematic way. We are, however, doing some of the things listed in the survey (2 respondents).
- iii. We are doing some quality related work but it is very recent and not documented; therefore, it is too early to respond (3 respondents).
- iv. Quality is another fad (one response).
- v. Too busy doing work of priority nature and not able to respond. We are doing some quality related projects informally (one response)."

On balance, the non-respondent data does indicate some level of support for the use of TQM techniques in an informal, non-documented manner. These data do support the

general direction and findings of the survey. Further observations on this issue will be discussed in subsequent sections.

7.3 Leadership/Strategic Direction

As noted, Figure 7.2 illustrates the use of TQM by the population of respondent jurisdictions. The majority of respondents represent smaller jurisdictions with 45% from jurisdictions with populations less than 25,000; and, a further 27% from jurisdictions with populations less than 100,000. In addition, these categories of smaller jurisdictions are more likely to have responded that TQM was not applicable to their organisation. Indeed, 64 (74%) of these respondents (populations less than 100,000) indicated that they were involved in either formal or informal applications of TQM; whereas, fully 22 (26%) responded that TQM is not currently applicable to their organisations.

Figure 7.2
Survey Response Use of Total Quality Management by Population

Population	TQM Formal	TQM Informal	TQM not applicable	Total
<25,000	4 (3%)	31 (26%)	19 (16%)	54 (45%)
25,000 - 99,999	11 (9%)	18 (15%)	3 (3%)	32 (27%)
100,000–249,999	3 (3%)	12 (10%)	1 (1%)	16 (14%)
>250,000	10 (8%)	6 (5%)	1 (1%)	17 (14%)
TOTAL	28 (24%)	67 (56%)	24 (20%)	n=119 (100%)

Note: percentages are as % of n where n=119; figures are rounded

On the other hand, most (31 or 94%) larger jurisdictions (populations > 100,000) responding were involved in either formal or informal applications of TQM in their

organisation; and, only 6% of these larger jurisdictions responded that TQM was not applicable in their organisations.

In the case of those respondents (24 or 20% of the survey) that indicated TQM was not currently applicable in their jurisdictions, 50% (12) respondents indicated an interest in exploring TQM. The most commonly identified reasons for not using TQM at this time included "...too busy with day-to-day issues..." and a sense that "...more information related to TQM applications in the public sector would be useful, particularly for smaller organisations."

In total, there were ninety-five (95) respondents that reported either a defined, documented, and formal TQM or an informal TQM program. Of these respondents some indicated that their program was too informal to complete the entire survey; or, alternatively the program was too new. As a result, the effective response rate for completion of the majority of the questionnaire was 85/186 or forty-six percent.

For the most part, the use of TQM in Canadian municipalities is relatively recent. As illustrated in Figure 7.3, 37 (40%) respondents have used TQM for less than one year. Alternatively, a number (27 or 29%) of jurisdictions have been using TQM for more than three years.

Figure 7.3
Length of Use of TQM

Length of Use	Respondents
< 12 months	37 (40%)
12 - 24 months	19 (20%)
25 - 36 months	11 (11%)
>36 months	28 (29%)
Total	95 (100%)

Of those jurisdictions with a TQM program, 65% report that it is organisation-wide; whereas, 35% report that it is operating in some departments. In these latter instances, comments generally reflect the intention to go to a broader, corporate-wide system based on an initial trial in one or more service areas. Generally, the service areas most frequently cited as using TQM, in the case of those jurisdictions not operating on a corporate-wide basis, include Police, Leisure Services and Public Works. Respondents see these services as ones in which a “customer” is readily identified; therefore, TQM techniques may be easier to apply in these areas.

In addition, as a preliminary comment, a number of respondents noted that their program was called something other than TQM for a variety of reasons. In particular, the “management” in TQM appears to generate some concern to respondents.

For example, the City of Ottawa has initiated a “Corporate Renewal Process” designed to “...achieve enhanced customer service; significantly reduce operating costs; and to identify internal efficiencies by systematically reviewing all programs, systems support services and business practices throughout the organisation. In the past, when there had been discussions about implementing a formal TQM program there had been negative

reaction from the unions and staff associations. However, our “Corporate Renewal Process” contains many TQM elements.”[6]

Another example of a formal, documented TQM program using different terminology to identify their efforts is the City of Vancouver. In this case, Council adopted a series of reports from the City Manager in December 1994. These reports were titled “A First Step to Better City Government” and outlined a “...process of review and redesign of our work methods to unleash the potential of the workforce and put in place an employee-driven, customer focused reassessment and restructuring of what we do, followed by a continuous improvement strategy across our organisation.”[7]

Most jurisdictions report that the TQM project is linked to both the strategic planning efforts (75%) and to the budget system (72%) of the organisation (see Figure 7.4). Some respondents noted that these linkages “...are very important to ensure that all of the corporate efforts are seen to be aligned ...otherwise a quality exercise may be just something extra to do.”

Figure 7.4
Link of TQM to Strategic Planning and Budget Systems

TQM Link to ...	Yes	No	Total
Strategic Planning	66 (75%)	21 (25%)	87 (100%)
Budget System	64 (72%)	25 (28%)	89 (100%)

Generally, the respondents identify corporate documentation as the primary method by which these links are identified and maintained. For example, some cite a corporate plan that includes specific reference to the quality goals of the organisation. One

respondent that uses this approach of linking or aligning the quality efforts to other corporate plans and priorities is the case of Grande Prairie, Alberta. In this instance, a business plan has been developed including a corporate strategic plan; budget plans; and, quality-related objectives.

Another example of this type of linkage is evident in the City of Waterloo. In Waterloo the organisation has developed a corporate vision which is part of an overall corporate strategy and a business planning system. The purpose of this approach is “to identify and deliver municipal services based on customer input.” These linkages are illustrated in Figure 7.5.

Figure 7.5
City of Waterloo: Corporate Alignment

Corporate Vision:

A progressive organisation built on principles, which anticipate and satisfy the requirement of our customers achieved through a team of committed and highly skilled and valued people.

Strategic Elements:

- Vision
- Organisational and employee effectiveness
- Technology Systems
- Financial Planning
- Asset Management
- Service Delivery
- Economic Viability
- Environment

Business Plan Principles:

- Team-based approach to creating a focused customer-oriented future for the business unit
- A method to identify problems and establishing action plans to solve them
- A method to apply good business principles to municipal government
- Tied to Corporate Strategic Plan and Annual Budgets
- Much more than financial analysis
- Not vague and fuzzy thinking

Source: R. Deyman, Using Strategic Alignment, Compensation and Bonuses to Enhance Performance in the Public Sector, City of Waterloo, Waterloo, ON January 20, 1997.

Some respondents cited other examples including the reference to quality initiatives, primarily, as part of the budget planning guidelines or other written documentation. In the case of those respondents that report that links to the strategic planning and budget systems do not exist there are a number (ten) that noted these links to other key corporate initiatives were "...important and in development."

Most respondents (84%) indicate that there is a mechanism (s) for communicating knowledge of the total quality management program to municipal staff at all levels. Of those respondents (16%) which do not have a mechanism, some noted that they were in the process of developing appropriate methods to communicate on a regular basis to their municipal staff. Figure 7.6 provides information on the types of mechanisms being used and the frequency of usage as reported in the survey. The most important technique is presentation to employee groups cited by 88% of respondents as "very important" or "important."

Figure 7.6
Mechanisms to Communicate Knowledge of TQM Program to Municipal Employees

Technique	Not Important	Fairly Important	Important	Very Important	Total
Presentation to Employee Groups		9 (13%)	19 (26%)	44 (61%)	72 (100%)
Special Award Celebrations	17 (24%)	13 (19%)	26 (37%)	14 (20%)	70 (100%)
Reports to Council	5 (7%)	8 (11%)	29 (40%)	30 (42%)	72 (100%)
Annual Report	18 (25%)	14 (19%)	25 (35%)	15 (21%)	72 (100%)
Other	2 (8%)	1 (3%)	7 (27%)	16 (62%)	26 (100%)

In terms of “other” techniques, fourteen respondents identified an internal employee newsletter as “very important.” Additionally, information in the budget documentation, annual work plans, e-mail and reports regularly to a joint quality team were cited by a number of respondents (12) as either “important” or “very important.” Three respondents specifically noted the increasing use of an Intranet system as an important and timely means to communicate electronically within the organisation about a variety of issues including quality. One respondent noted that “...employees are overwhelmed by information and many would like to simply focus on getting their work completed...TQM and other similar programs must recognize this concern.”

Most respondents, sixty-nine of eighty-five or 81% noted that there were formal methods (notably staff reports to committees of Council) used to communicate information about the TQM program to Council on a regular basis. Some respondents noted this communication to Council as very important to ensure appropriate levels of support on an on-going basis from elected officials.

In terms of the public, forty-six or 53% of respondents identified a mechanism(s) for communicating knowledge of the TQM program (see Figure 7.7). The most frequently identified method was the use of staff reports to Council (which are publicly available) and presentations to community groups. Additional techniques identified as “other” include: media/press releases, community newsletters, and working on community quality initiatives with specific community groups such as the Chamber of Commerce. Some local governments have established a “speakers bureau” of local government employees who are prepared to share their “quality experiences” with community groups or others interested in exploring quality initiatives. In some cases, these types of

activities have evolved to either informal or more formal local quality networks that are based on information sharing about quality issues and practices.

Figure 7.7
Mechanisms to Communicate Knowledge of TQM to Public

Technique	Not Important	Fairly Important	Important	Very Important	Total
Presentation to Community Groups	6 (13%)	8 (18%)	19 (42%)	12 (27%)	45 (100%)
Special Award Celebrations	12 (27%)	9 (21%)	18 (41%)	5 (11%)	44 (100%)
Reports to Council/Public on Specific Projects	0	0	30 (65%)	16 (35%)	46 (100%)
Annual Report	5 (11%)	17 (37%)	14 (30%)	10 (22%)	46 (100%)
Other	0	0	5 (24%)	16 (76%)	21 (100%)

7.4 Customer Focus

Fully eighty-five (92%) of ninety-two respondents reported that customer satisfaction was a part of their total quality management system.

A number of mechanisms were identified as being used to define or measure “customer satisfaction” (see Figure 7.8). The most common technique is clearly the use of customer surveys cited as “very important” by fifty-seven (67%) and “important” by 22 (26%) of respondents. In the case of citizen surveys, some respondents noted the importance of using an instrument that would allow comparisons over time in respect to citizen satisfaction. One community (Fredericton, NB) has used this type of technique every second year for ten years. In St. Albert, Alberta a community survey was initiated

to serve as "...the latest tool the City has developed to gather information from residents...about the needs and opinions of the community as a whole." [8]

Burlington, Ontario also uses a survey called Making Burlington Better: A Quality Survey of Services to gauge citizen satisfaction. This survey, conducted annually starting in 1994 polls the public, Council, senior management and city staff on their views related to seventy-five city services. This range of respondents enables comparisons between the four survey groups. Some key results from the 1997 survey in Burlington include:

- i. "It is striking that large portions of the population feel unable to offer an opinion on so many city services - indicating a low level of familiarity.
- ii. Of some concern is the fact that respondents offer the least positive assessment of services, roads, traffic control, winter control - which they identified as very important in the previous section. In other words (using a gap analysis) where performance is most critical the City may not be performing to the satisfaction of city residents.
- iii. The majority of respondents offer glowing assessments of most city services." [9]

These survey data are published annually which permits year-to-year comparisons. Also, the data are used by staff and Council during budget preparation and decision-making; however, it is noted that "...a clearer link between the survey results and actions by the city would assist in making the survey more valuable to our customers and citizens." [10]

In addition to customer surveys, a formal complaint management system was identified by 69 (81%) of respondents as “important” or “very important.” Focus groups were cited by 22% of respondents as “very important.” In the category of “other,” ten respondents cited comment cards as “very important.” Additional techniques used to define or measure customer satisfaction included focus groups that are used by a specific service area over a period of time to generate comparative data; the use of internal customer (employee surveys); and, including customers (stakeholders) on specific project improvement teams. Some respondents noted the use of cross-functional internal teams of staff as a means of addressing the concept of internal customers. Finally, a number of respondents noted the very preliminary but evolving use of electronic means to enable citizens and customers to comment on specific issues. For the most part, this has included Internet or kiosk-based questionnaires related to particular local government issues. In particular, these methods include internet-based opportunities to comment on services.

Figure 7.8
Mechanisms Used to Define/Measure “Customer Satisfaction”。

Technique	Not Important	Fairly Important	Important	Very Important	Total
Customer Survey		6 (7%)	22 (26%)	57 (67%)	85 (100%)
Complaint Management System	5 (6%)	11 (13%)	40 (47%)	29 (34%)	85 (100%)
Focus Groups	15 (18%)	27 (32%)	24 (28%)	19 (22%)	85 (100%)
Other	8 (24%)	4 (12%)	9 (27%)	12 (37%)	33 (100%)
					n=85

7.5 Planning For Improvement

Generally, survey respondents were the Chief Administrative Officer at the time the total quality management program was introduced. Sixty-five (71%) of ninety-one respondents were in this category and fully 100% of those respondents indicated that they were supportive of the introduction of the TQM initiatives. Of the twenty-six respondents who were not the Chief Administrative Officer at the time of introduction of the TQM program, all (100%) respondents indicated that they would have been supportive of its introduction.

Organisations may choose to undertake TQM for a variety of reasons. In the case of local government, Figure 7.9 provides information on external factors that have been involved in the decision-making process used to consider TQM. The most important factors cited are citizen complaints, success stories in business and community planning activities. These factors generated “important” or “very important” responses of 55%, 53% and 52% respectively.

An example of an external factor leading to the initiation of a more formal TQM program is the District of West Vancouver. In this case, the District of West Vancouver provided an organisational review document entitled, District of West Vancouver: Corporate Review as part of their survey response. An independent consultant prepared this document with a view to “completing a detailed, in-depth assessment of the organisation and providing recommendations for improvement.”[11] The review was authorised by the municipal Council in response to citizen complaints related to the operation of the District. Although the District of West Vancouver does categorise

itself as having an informal, successful TQM program, the Corporate Review draws a somewhat different conclusion. Indeed, it states that “the public has a perception that the attitude of some members of senior management and staff does not leave the impression they would expect of public service. Specific examples are the handling of development issues through a series of multiple-layers, inadequate counter service, non responses to telephone calls and very slow responses to written inquiries.”[12] In part, as a result of this document, the District of West Vancouver is pursuing a more formal TQM program.

Additional comments from respondents to the question of external factors involved in the decision to initiate TQM included the requirement to “do more with less”; and, “to respond to significantly reduced provincial revenues.” The least important factors cited were media coverage and local capabilities. Although not ranked very high (45% as “important” or “very important”) some respondents did comment on the category “success stories in business.” For the most part, these comments reflected the fact that local business success stories were in some cases very relevant. In those instances, there were examples cited of partnerships such as joint training initiatives between a specific business and the local government that were seen as mutually beneficial. Generally, external factors reflect a desire for a more customer-oriented focus to local government.

Figure 7.9
External Factors and the Introduction of Total Quality Management

Factor	Not Important	Fairly Important	Important	Very Important	Total
Citizen Complaint	16 (19%)	22 (26%)	27 (32%)	20 (24%)	85 (100%)
Community Planning Activities	20 (23%)	21 (25%)	24 (28%)	20 (24%)	85 (100%)
Voter Demands	25 (29%)	25 (29%)	17 (20%)	18 (22%)	85 (100%)
Success Stories in Business	14 (16%)	26 (31%)	28 (33%)	17 (20%)	85 (100%)
Local Capabilities (i.e. College)	55 (65%)	23 (27%)	6 (7%)	1 (1%)	85 (100%)
Media Coverage	54 (64%)	22 (26%)	8 (9%)	1 (1%)	85 (100%)
Professional Associations	28 (33%)	32 (37%)	16 (19%)	9 (11%)	85 (100%)
Use By Nearby Local Governments	47 (55%)	20 (23%)	15 (18%)	3 (4%)	85 (100%)
Demands by Other Levels of Government	48 (56%)	19 (23%)	12 (14%)	6 (7%)	N=85 (100%)

Internal factors that were important in the introduction of the TQM program are illustrated in Figure 7.10. The most important factors cited by respondents were increasing employee productivity; and, the interest in this type of program from the chief administrative officer or city manager. In the case of the former, 93% ranked increased employee productivity as either “important” or “very important”; whereas, 91% of respondents ranked city manager interest either “important” or “very important.” A number of respondents noted that ongoing fiscal pressures exerted pressure on their organisation to constantly seek “better (less expensive) ways of doing business.” Indeed, reduced funding from senior levels of government was identified as one of the key reasons for considering TQM by a number of respondents.

Other internal factors ranked as very important by 39 (46%) of respondents included both budget pressures and the city’s strategic planning processes. The role of Mayor

and Council is perceived as one of relatively little importance. In these categories approximately 16% responded “not important” and, a further 26% classified Council interest as “fairly important” with the Mayor’s support or interest rated at 29% in this category. The least important factor was the success of pilot projects as 52% cited this factor as “not important.”

Figure 7.10
Internal Factors and the Introduction of Total Quality Management

Factors	Not Important	Fairly Important	Important	Very Important	Total
City Manager Interest	4 (5%)	4 (5%)	34 (40%)	43 (50%)	85 (100%)
Increasing Employee Productivity	0	7 (8%)	29 (34%)	49 (58%)	85 (100%)
Budget Pressures	1 (1%)	12 (14%)	33 (39%)	39 (46%)	85 (100%)
City Strategic Planning	2 (2%)	12 (14%)	32 (38%)	39 (46%)	85 (100%)
Public Relations Initiatives of Senior Managers	10 (12%)	23 (27%)	23 (27%)	29 (34%)	85 (100%)
Employee Interest	8 (10%)	19 (22%)	29 (34%)	29 (34%)	85 (100%)
Mayor’s Interest	12 (14%)	31 (36%)	33 (39%)	9 (11%)	82 (100%)
Council’s Interest	15 (18%)	24 (28%)	24 (28%)	22 (26%)	85 (100%)
Pilot Program Interest	14 (16%)	22 (26%)	28 (33%)	21 (25%)	85 (100%)
	46 (54%)	16 (19%)	12 (14%)	11 (13%)	85 (100%)
					n=85

The Regional Municipality of Hamilton-Wentworth is a respondent with an informal TQM program. It provides an example of the complexity of factors related to the introduction of a TQM system. In the case of Hamilton-Wentworth, staff responded to a direction from Council by preparing a Municipal Action Plan (MAP) in 1995-6. The MAP was designed to “...improve delivery of services to residents and businesses while controlling property taxes at a time (1996-1997) when the public sector in Ontario will face the most significant and demanding changes in a generation.”[13] The key objectives of the Hamilton-Wentworth plan are detailed in Figure 7.11.

Figure 7.11
Hamilton-Wentworth Organisational Objectives 1996-1997

Become a more customer-focused organisation.
Adopt a strategic approach to management.
Become a more politically responsive organisation.
Become an organisation that listens and communicates.
Become a productivity-based organisation.
Become a competitive organisation.
Promote “capacity building” in the region.

Source: Regional Municipality of Hamilton-Wentworth, Municipal Action Plan, Hamilton, ON February 6, 1996 p. 2.

The objectives of MAP (see Figure 7.11) are, in part, to improve service and service delivery to customers using a TQM based framework. Unfortunately, MAP was also developed to address significant financial issues facing the organisation. Thus, at the same time quality was to improve, the organisation was looking to save considerable monies. In fact, “...of a full-time staff of 2,135 MAP outlines a reduction of 350 full-time positions to achieve a productivity improvement of 15%.”[14]

The MAP notes that “...change (including staff reductions of this magnitude) will not be greeted with enthusiasm everywhere within the Regional Corporation. Municipal civil servants understandably fear the prospect of looking for a new career at a time when the rest of the public sector is also in a “lay-off mode.”[15]

As Regional CAO Michael Fenn points out in his survey response, “...the approach by our organisation to embrace a customer service orientation with a real emphasis on continuous improvement at a time when we were forced to make significant organisation changes - including lay-offs, due to financial constraints – was particularly difficult. Many of our employees were very cynical about our quality efforts; and, in

hindsight it might have been preferable to separate the two (quality initiative from restructuring and downsizing efforts) by allowing some time between them.”

Similarly, the City of Saint John, New Brunswick “...has seen a reduction in provincial grants of \$2.5 million a year for five years which has necessitated a reduction of ten percent (120 employees) of our municipal staff. At the same time as budgets are cut back, citizens are demanding higher quality of services. As a result, cities have a significant challenge to change the way they operate.”[16]

Performance goals and targets were included in the total quality management system at its introduction by 44% of respondents; and, a further 10% indicated that performance measures were in the process of being developed as an ongoing step in the quality program. In the case of those jurisdictions that have adopted performance measures, Figure 7.12 illustrates the importance of identified stakeholders in the establishment of those measures.

Figure 7.12
Stakeholders in the Development of Performance Measures

Stakeholder	Not Important	Fairly Important	Important	Very Important	Total
Elected Officials (Mayor and Council)	10 (27%)	3 (8%)	9 (24%)	15 (41%)	37 (100%)
Staff	0	4 (11%)	6 (16%)	27 (73%)	37 (100%)
Business Community	8 (21%)	14 (38%)	15 (41%)	0	37 (100%)
Public	10 (27%)	2 (5%)	15 (41%)	10 (27%)	37 (100%)
Other	6 (23%)	0	15 (58%)	5 (19%)	26 (100%)

The most important factor in the development of performance measures is staff with 86% reporting this element as “important” or “very important.” Elected officials

(Mayor and Council) are also seen as “very important” in the development of performance measures by 41% of the respondents. The most frequently cited “other” rated as “very important” by five (5) respondents was the use of external consultants.

The Canada Awards of Excellence [17] is Canada’s national program for the recognition of quality in business and government sponsored by the National Quality Institute. Approximately 70% of survey respondents are aware of the Canada Awards for Excellence program and 10% of respondents indicated that they had made application for recognition under this program. A further 77% indicated that they would consider application and some indicated that application would be made “when the TQM program matures.” A number of respondents noted that the “process of application for an award of this nature was more important in some respects than the award itself as it required the organisation to step back and take a look at the entire system.”

Approximately 7% of respondents have initiated an ISO 9000 registration process for one or more service areas as part of the quality initiative. In addition, fully 63% of respondents (50/80) indicated an interest in assessing the merits of ISO 9000 certification series as it applies to their operations and in considering registration in the future. Some, however, were concerned about the costs associated with pursuing registration and one common response was “not at this time.”

An example of a community that has pursued ISO 9001 registration on an organisation-wide basis is the Town of Ajax, Ontario. Ajax initiated the ISO process in early 1996 and received registration subsequent to a formal audit in mid-1997. The purpose of

pursuing registration was to "... establish a continuous improvement program to help keep costs and taxes down and provide customers with predictable, consistent and ultimately better service.”[18]

In the case of Ajax, the ISO process “required staff to:

- Say what you do (document it);
- Do what you say (deliver service);
- Record what you did (keep accurate accounting and information records);
- Check on the results (measure your performance in various ways);
- Act on the difference (create corrective action plans where necessary).”[19]

7.6 People Focus

One of the key elements of the TQM process as identified by the National Quality Institute is that of people focus. In many organisations, this focus requires that an evaluation be undertaken of the types of services available; at what level; and, at what cost. In terms of the survey, the process of establishing a total quality management system required that the municipalities focus on the objectives of service and service delivery in more than 90% of all respondents. In many cases (93%) this included a specific re-appraisal of a particular service. Asking the question “should we be in this business?” was cited by 93% of the respondent cases; and, similarly 91% noted that a “reappraisal of the level of service” was a component of their TQM program. Finally, 90% of respondents noted that a major part of these efforts was the recognition of the concept of “customer.” Some cited the need to ensure that the term “customer” was clearly recognised as having both external and internal dimensions. Others noted that rather than a simple recognition of the concept of “customer” a more appropriate issue

that needed resolution was the identification or definition of the concept of customer(s) as users of public services in the broader context of balancing the rights of “citizens” with the needs of “customers.”

In response to the question “how many employees are actively involved in the total quality management program?” almost 50% of respondents stated “less than 50%” (see Figure 7.13). Further, 19% of respondents cited 50-69% participation. Finally, 21% of respondent cited greater than 90% of employees were actively involved in the TQM program. It should be noted that some respondents in the less than 50% category noted that this figure reflects the use of TQM on a less than corporate-wide basis. Further, 10% of the respondents in this category noted that more involvement by employees was an important issue in their jurisdictions; and, to some extent additional involvement would occur as the initiative was “rolled-out” to other service areas and matured in the organisation.

Figure 7.13
Employee Involvement in TQM Program

Employee Involvement	Response (%)
>90%	18 (21%)
70 – 90%	11 (13%)
50 – 69%	16 (19%)
<50%	40 (47%)
Total	85 (100%)

The City of Airdrie, Alberta provides an example of employee involvement in practice. In this case, Airdrie has adopted a formal TQM program entitled the “Organisational Effectiveness and Improvement Program” with a Council adopted mandate that states:

“It is the mission of the Corporation of the City of Airdrie in the spirit of openness and integrity, to provide essential municipal services that citizens need to pursue quality of life.”[20]

Airdrie used a bottom-up approach to secure a commitment from all employees. The TQM program sees “two components as vital: the first was to open-up and improve employee communication. The second was training.”[21] These components were seen as vital as “...our employees are our most valuable resource and ... sharing the responsibility of managing the workplace will produce a better work environment ... and a more satisfied employee is a more effective and efficient employee.”[22]

As part of the initial steps to implement the “Organisational Effectiveness and Improvement Program” the City of Airdrie completed a series of regular employee surveys. “The first few survey results were very critical of the system and the sincerity of those involved.”[23] In terms of training, the organisation had traditionally seen this as simply “...an employee perk or benefit with little benefit to the entire system. Training is now seen as a key link to our continuous improvement process.”[24]

Airdrie is one of the few (21%) respondents that identified a greater than 90% of their employees are involved in the TQM initiative. Employee involvement is an important part of TQM that will be discussed in more detail in subsequent chapters.

Many respondents (88%) noted that the TQM program had identified specific corporate training requirements. These training requirements included customer service training identified by 70% of respondents; training in the development and use of teams 50%;

supervisory and management skills training (45%); business planning and continuous improvement training 40%; and, general TQM training identified by 40% of respondents. Some noted a requirement to allow input into the development of training activities by the users (customers) of this service. An example of a corporate-wide training initiative directed at 100% of employees is that of St. Albert, AB. In this community every employee was involved in a two day workshop entitled “Alberta Best.” This program identifies the concept of “customer” and develops ways to enhance quality customer service. The “Alberta Best” program was originally designed by the Province as a means to improve quality in the hospitality industry; and, it has recently been extended to other sectors. In the case of St. Albert, new employees are required to take the “Alberta Best” program as a condition of employment. Another respondent (City of Regina, SK) uses a series of internally developed training sessions including videos to graphically highlight the service-oriented nature of many of their operations.

One respondent (City of Edmonton) has a formal, documented TQM initiative called “Quality Performance.” In terms of training, a series of courses are developed annually and made available to employees throughout the organisation primarily using an internal training team. Some recent examples of training have included: introduction to quality; process mapping; use of Pareto charts and fishbone diagrams; and, the development and use of customer surveys (see Appendix K).

The City Manager in Edmonton notes that “the training is a very important part of our “Quality Performance” program. Unfortunately, it is increasingly difficult to convince

the decision-makers (Council) about the value of training...the budget for training is under increased scrutiny every year.”

The number of hours of training per year available per employee varies considerably from a low of 10 to a high of 65; and, the average is 23 hours. Some respondents (7%) noted that training requirements were not calculated on a per-employee, by-year basis but rather allocated “as required.” Two respondents noted simply that there was “not enough training” and that this particular area was subject to significant reductions during the past few years as increased financial pressures impacted local government budgets.

For the most part, respondents (66%) noted that there is an emphasis on providing employee training related to the total quality management program. The actual total of employee training related to the TQM initiative is illustrated in Figure 7.14 and the largest proportion of training (56%) is not specifically directed towards the TQM initiative. Again, these data may reflect the fact that some jurisdictions have less than a corporate-wide program.

Figure 7.14
Total Employee Training Related to Total Quality Management Program

Training/TQM	Response (%)
>90%	4 (5%)
70 - 90%	9 (11%)
50 - 69%	23 (28%)
<50%	47 (56%)
Total	83 (100%)

In terms of new employees, 51% of respondents provide training related to the TQM program as part of the process used to introduce new recruits to the organisation. On an on-going basis the data suggests that to some extent, individual employee appraisals are linked to the TQM program. In the case of 52% of respondents there are specific methods to tie individual employee performance to the TQM program. For the most part, these methods include the development of individual or team performance plans drawn up on a regular basis that identify quality program related objectives. Further, 28% of respondents use a system of performance pay which links individual or team performance to the TQM program.

For example, the City of Surrey uses a performance-based compensation system (see Appendix K) for all exempt staff members. This system includes the identification of individual employee performance plans on an annual basis. These plans are based on corporate and departmental goals and objectives. In particular, "...customer service and quality-related goals are specifically included as part of this system." [25] At the end of the year, employees are reviewed against their employee performance plans and eligible for a one-time merit of up to ten (10) percent of their base pay. Unfortunately, "we have not made any progress in extending this performance-based pay system to unionised staff; however, that is our objective," states City Manager Doug Lychak.

Many survey respondents (60%) who do use performance pay systems confirm that it is currently available only to non-unionized employees; and a number of respondents noted that merit pay is "a very important issue in our organisation currently under review. We need a method to recognise individual or team contributions of excellence."

The ongoing recognition of specific achievements and support for a total quality management program cannot be underestimated.[26] TQM is frequently cited as a process or journey that requires commitment over time [27]; and, it is important to “celebrate success: along the way.” In the case of local government in Canada, Figure 7.15 provides data on stakeholder recognition and support for TQM initiatives.

Figure 7.15
Stakeholder Recognition and Support for Total Quality Management Program

Stakeholder	>90%	70 - 90%	50 - 69%	<50%	Total
Elected Officials (Mayor and Council)	28 (35%)	16 (20%)	13 (16%)	23 (29%)	80 (100%)
Staff	11 (14%)	21 (26%)	24 (30%)	24 (30%)	80 (100%)
Public	2 (2%)	2 (2%)	14 (18%)	62 (78%)	80 (100%)

The data illustrate that only 35% of respondents estimate that more than 90% of their elected officials recognise and support the TQM programs within their jurisdictions; whereas, fully 29% cite less than 50% of elected officials recognise and support their programs. At a staff level, 70% of respondents note that greater than one-half of their employees recognise and support TQM programs; whereas, most respondents (78%) report less than one-half of the public recognise and support those efforts. Specific methods of recognition identified by respondents to “celebrate success” include award dinners; certificates of achievement; items such as T-shirts or other rewards; and, days off with pay in some cases. One example from the City of Grande Prairie, Alberta is the use of a Very Innovative People (V.I.P.) program to recognise employees who contribute suggestions which “enhance or improve the way we do business.”

Another example is the Town of Ajax, Ontario which in 1994 resolved “to focus on service delivery through an employee suggestion program called STAR\$ (Saving Town of Ajax Real Dollars). We challenged every employee to find ways to reduce costs without cutting service or laying-off staff. Thousands of ideas were generated and implemented and by the end of 1995 we had saved \$1.5 million from a total budget of about \$20 million.”[28] It is important to recognize that “...employees in Ajax were understandably nervous about our efforts to significantly reduce costs. In our case, the City provided a letter of understanding to the union and all exempt employees to guarantee that our efforts would not result in any job loss. This was a crucial sign to our employees that we were committed to change – with them as our partners.”[29]

For the most part, the methods of recognition identified in this research are internally oriented and, as a result, may yield the rather lower public recognition and support figures.

7.7 Process Optimisation (Improvement)

A key component of TQM is the manner in which “...work is organized to support the organisation’s strategic direction with a specific focus on improvement practices...”[30] In this area, respondents were requested to rank a number of important factors as a part of the TQM program. The factors and responses are contained in Figure 7.16.

Figure 7.16
Elements of TQM System

Stakeholder	Not Important	Fairly Important	Important	Very Important	Total
Corporate Strategic Plan With Quality Goals	2 (2%)	8 (10%)	22 (27%)	49 (61%)	81
Departmental (Service Area) Strategic Plan with Quality Goals	2 (2%)	13 (15%)	24 (30%)	42 (53%)	81
Performance Measures	4 (3%)	12 (15%)	36 (44%)	29 (37%)	81
Customer/Citizen Surveys	1 (2%)	15 (19%)	26 (31%)	39 (48%)	81
Employee Surveys	5 (6%)	22 (28%)	27 (33%)	27 (33%)	81
Directed Training	1 (2%)	16 (19%)	39 (48%)	25 (31%)	81
Other	0	0	0	9 (100%)	9

For the most part, respondents identify the requirement for appropriate linkages between the TQM program and the corporate strategic plan. These linkages were seen as “very important” by 61% of respondents. Specific examples of these types of linkages are discussed in Chapter 8 as part of a more detailed study of three selected cases. The data contained in Figure 7.16 in respect to corporate strategic plan linkages were, to some extent, initially raised in earlier sections (see Figure 7.4 and 7.5). Also, 53% of respondents noted the link between TQM and departmental or service area strategic plans as “very important.” One further area seen as “very important” by 48% of respondents is the use of customer/citizen surveys.

Of lesser importance were performance measures 37%; employee surveys 33%; and, directed teams 31%. In terms of “other” components, a number of respondents re-confirmed the need to “ensure quality is not just another program but that it is built into the culture of the organisation.” In addition, some respondents cited a need to recognise that TQM is, in fact, a process. Therefore, commitment over time was seen as a very

important component. In that respect, the City of Ottawa's "Corporate Renewal Process" outlined a series of current state attributes of the organisation that would be required to evolve into a new organisational paradigm. These attributes are illustrated in Figure 7.17 and they focus on moving to a more results-based, team-oriented organisation which recognises the importance of the customer.

Figure 7.17
City of Ottawa - Corporate Renewal Vision

<i>Focus</i>	From...	To...
<i>Corporate Culture</i>	Doing work	Serving the customer
<i>Organisation</i>	Protective; controlled	Productive; supportive
<i>Managers</i>	Hierarchical; individual tasks	Functional; team product
<i>Executives</i>	Supervisors	Coaches
<i>Performance measures</i>	Departmental managers	Corporate leaders
	Activity-based	Results-based

Source: City of Ottawa, Corporate Renewal Process, City of Ottawa, Ottawa, ON May 21, 1996 p. 15.

Structurally, there are a variety of methods used to incorporate the TQM system into local government organisations. The most commonly reported (60% respondents) method was the use of cross-departmental teams variously identified as "quality teams," "business planning teams," "improvement teams," "effectiveness teams," or "performance teams." The second most common structural type was the identification of an individual as the key co-ordinator or catalyst for the quality effort. This type of structure was cited by 33% of respondents. In terms of those respondents (15%) that report integration of a quality function into an existing department there were two departments identified. First, 60% of respondents incorporating quality into a department cite the Chief Administrator's Office; and, second 40% use the Human Resources Department. Again, some comments under the category "other" included the requirement to "integrate quality into all business areas," as opposed to structurally

setting up an independent unit. Also, a number of respondents stated that “regardless of the type of structure used it must have strong senior management support.”

The reported costs of the TQM program vary widely (see Figure 7.18). In part, the wide range of population size of the respondent jurisdictions and complexity of municipal organisations are likely the main reasons for this range. Indeed, only 25% of respondents identified direct costs ranging from \$5,000 to approximately \$1,000,000 per year. Most of these respondents noted that there were other indirect costs of staff time in particular that were generally not calculated on a project basis. Overall, the average identified costs on an annual basis for the twenty-three respondents were approximately \$140,000; however, as illustrated in Figure 7.18, there is a wide range of costs based on population.

As an example of the costs of a TQM initiative, the City of Vancouver Council authorised a series of work process reviews as part of their “Better City Government” program. These reviews included, revenue billing and collection; development and billing permit process; facility and building management; plus, twelve other key operating processes. The intent of these reviews was to “...see significant improvements in quality of service and effectiveness.”[31]

To undertake these work process reviews “...represents a major commitment of talent and resources towards making significant changes in the way the city works. Significant staff time will be required and resources to carry out the daily work of the city will be strained. In some critical areas temporary staff may be required for ongoing operations. Also, consultant costs will be substantial. A number of different

consultants will be used depending on the process to be reviewed. The work presented here will likely require \$1.5 million over a two-year (1995-96) period. While this total expenditure is a significant commitment, it is more than reasonable considering the scale of the review and work process redesign proposed over a short period of time.”[32] Similar program costs for TQM initiatives in other jurisdictions are evident in Figure 7.18.

Figure 7.18
Quality Costs

Population	Respondents	Total Costs	Average Costs
<25,000	3	\$27,000	\$9,000
25,000-99,999	12	\$963,000	\$80,250
100,000-249,999	3	\$460,000	\$154,000
>250,000	5	\$2,235,000	\$447,000
Total	23	\$3,300,000	\$140,000

Of those respondents that did not report a specific dollar amount 15% identified the costs as “minimal”; and, a further 60% noted they were “not directly identified.” Of these categories some specific additional comments of note included:

- “Less than the costs of not having a TQM program.
- It is very profitable - actually makes money.
- Included in department and training budgets, not useful to directly identify.
- Cost is simply part of the way we are doing business; and, not quantified independently.
- Primarily internal (staff) time which is not calculated.
- Several million in net savings including reduced rework and doing the right things the first are attributable to the program.”

An example of the costs and benefits of a total quality management approach is evident in the Durham Region. In late 1991, the Council directed a reduction of two million dollars in annual savings be identified and implemented by the next (1993) fiscal year. A pilot approach to conduct a business process improvement exercise was initiated in two areas: accounts payable and building permits. “This approach delivered results in several areas as follows:

- Build motivation among staff and credibility with management as a fact-based method
- Accounts payable pilot reduced late payments by 40%
- Cut cycle time for accounts by 50% and 80% of errors
- Building permit pilot eliminated 1000 days of customer waiting time per year
- Reduced by 25% delays in permit and fee payments
- The entire project delivered tangible results within an overall TQM framework.”[33]

One of the important concepts in the use of TQM is the requirement to sustain the initiative and ensure consistent support for the implementation of this type of initiative over time. In that respect, Figure 7.19 provides details of those factors; rated by importance, in the ongoing implementation of TQM by survey respondents. Most respondents (87%) cite leadership by the City Manager as “very important.” Other key factors cited as “very important” include leadership by senior staff (80%); employee involvement (71%); and, teamwork (63%). A number of respondents noted the increasing importance to develop partnerships with other public sector or private sector organisations. These partnerships could keep “quality fresh in our organisation, allow our employees to network with others who may have similar problems; and, in some cases, reduce costs through joint training or similar exercises.”

Figure 7.19
Factors Important in the Ongoing Implementation of the TQM Program

Factor	Not Important	Fairly Important	Important	Very Important	Total
Leadership by City Manager	0	3 (4%)	8 (9%)	74 (87%)	85
Leadership by Senior Staff	0	2 (3%)	15 (17%)	68 (80%)	85
Leadership by Elected Officials	9 (10%)	19 (22%)	25 (29%)	33 (39%)	85
Customer (User) Involvement	2 (3%)	23 (27%)	33 (39%)	27 (31%)	85
Use of Consultants	32 (38%)	39 (45%)	11 (13%)	3 (4%)	85
Staff Quality Training	6 (7%)	15 (18%)	31 (36%)	33 (39%)	85
Teamwork	2 (3%)	8 (10%)	21 (24%)	54 (63%)	85
Cost Reductions (do more with less)	6 (7%)	18 (21%)	28 (33%)	33 (39%)	85
Performance Measurement	8 (9%)	16 (19%)	33 (39%)	28 (33%)	85
Employee Involvement	2 (3%)	4 (5%)	19 (21%)	60 (71%)	85

Additional factors cited as “very important” included leadership by elected officials; staff quality training; and a requirement to reduce costs (do more with less). All of these factors were identified as “very important” by 39% of respondents.

The least important identified factor in the ongoing implementation of the TQM initiative was the use of consultants. This factor was identified as “not important” by 38% of respondents. A few comments from respondents reflected the need for consultants more towards the introduction phase of the TQM program and not in the ongoing implementation phase.

Most respondents (56%) indicated that they did not anticipate the ranking of factors by importance in the ongoing implementation of the TQM program would change.

However, 44% (38 respondents) stated that the relative importance would change and these data are presented in Figure 7.20.

Figure 7.20
Factors That Will Be Important in the Ongoing Implementation of the TQM Program

Factor	Not Important	Fairly Important	Important	Very Important	Total
Leadership by City Manager	3 (8%)	0	11 (29%)	24 (63%)	38
Leadership by Senior Staff	1(3%)	2 (5%)	9 (24%)	26 (68%)	38
Leadership by Elected Officials	0	0	15 (39%)	23 (61%)	38
Customer (User) Involvement	0	2 (5%)	16 (42%)	20 (53%)	38
Use of Consultants	13 (35%)	10 (26%)	10 (26%)	5 (13%)	38
Staff Quality Training	0	1(3%)	18 (47%)	19 (50%)	38
Teamwork	3 (8%)	3 (8%)	16 (42%)	16 (42%)	38
Cost Reductions (do more with less)	0	2 (5%)	7 (18%)	29 (77%)	38
Performance Measurement	0	5 (13%)	10 (26%)	23 (61%)	38
Employee Involvement	2 (6%)	2 (6%)	9 (25%)	23 (63%)	36

The most frequently cited factor that will change in respect to the ongoing implementation of the TQM program is the requirement to “do more with less” cited as “very important” by 77% of respondents. Other notable factors subject to change and rated “very important” include: leadership by senior staff (68%); leadership by the city manager, and employee involvement (63%); and, leadership by elected officials and performance measurement identified by 61% of respondents. In the area of employee involvement a number of respondents identified the necessity to address the concerns of unions as an important issue.

Again, the least important factor identified was the use of consultants. In this category 35% cited this factor as “not important.” Some commented that there is an ongoing requirement towards a “train-the-trainer” concept whereby most assignments previously out-sourced to consultants are internalised. This concept suggests that training should use internal resources as appropriate to enable more involvement and buy-in from employees to the process. Another factor in respect to the use of consultants relates to the timing of their involvement. As discussed previously perhaps the most opportune time is the introduction phase to provide information and direction after which more can be undertaken using internal resources.

In terms of the use of comparative benchmarking either internally (between departments) or externally to other organisations most (60%) respondents do use these types of measures. Some of those respondents (15%) who reported that they do not benchmark noted that benchmarking efforts were underway. Some of those that do use benchmarking stated that these measures were particularly important as they provided a quantifiable basis for assessing improvement efforts over time; however, it was noted that comparisons must be appropriate and, in fact, compare data or programs that are similar. There were some examples cited of benchmarking exercises within some provinces on a trial basis. For example, benchmarking efforts in Alberta [34] included each municipality reporting key performance indicators on a regular basis to a central co-ordinating agency (the Alberta Urban Municipal Association). Reports of these indicators are prepared annually for release to the contributing respondents. Another example is that of the Greater Vancouver Regional District [35], which has established a pilot benchmarking exercise to collect data related to building and finance departments

within member municipalities. This effort is also developing a gap analysis methodology to be used in assisting continuous improvement within these service areas.

The survey results identify that, for the most part, TQM programs have changed since initial adoption. Fifty-eight percent of respondents noted changes were made since adoption and of the remaining forty-two percent there were a number that noted changes were forthcoming in large measure due to changing external and internal factors.

One of the key considerations with respect to any public sector program, particularly during a period of increased fiscal pressures, is the requirement to be both effective and efficient. In that regard, Figure 7.21 provides details on the degree to which respondents perceive that the TQM program contributed towards achieving indicators of effectiveness and efficiency.

Figure 7.21
The Contribution of the TQM Program in Key Areas

Factor	Not Important	Fairly Important	Important	Very Important	Total
Reduced Costs	2 (2%)	22 (26%)	31 (37%)	29 (35%)	84
Improved Performance	3 (4%)	5 (6%)	43 (51%)	33 (39%)	84
Higher Level of Customer Satisfaction	4 (4%)	11 (13%)	40 (48%)	29 (35%)	84
Corporate Management Perspective	2 (2%)	13 (16%)	42 (51%)	26 (31%)	83
Corporate Goals	3 (4%)	16 (19%)	37 (44%)	28 (33%)	84

Generally, respondents rated the contribution of the TQM program consistently as “very important” or “important” across all of the factors identified. In particular, 90%

reported improved performance as “important” or “very important.” Similarly, 83% attributed a higher level of customer satisfaction to the TQM program.

One of the final open-ended questions in the survey requested the opinion of respondents with respect to their view as to whether or not the TQM initiative was successful or not. Seventy-one of eighty-three (86%) respondents stated that, in their view, the total quality management effort in their respective jurisdictions was, on balance, successful. Additional responses in this area to provide further explanation included:

- “Although too early to tell definitively, I believe it has been successful.
- It has allowed us to meet the challenge of reduced revenue, and deal with change.
- Increased our understanding of customers and allowed us to become customer-focused.
- Provides a structure and process to do more with less.
- Assists in cost containment efforts.
- Staff and council relationships are stronger as result of TQM.
- Program must be seen as evolving and continuous but at this point it is a success.
- Very positive and achieving real results.
- Saved more than one million dollars so far notably in reduced rework costs; reduced cycle time costs; and, by doing the right things correctly.
- Reduced costs – get it right the first time.
- Changed departmental focus to corporate focus.”

Of those 14% that stated the initiative was not successful the factors cited included:

- “Too early to tell.

- Staff resistance at both exempt (non-union) and union levels.
- Very little support and understanding from elected officials.
- Not sufficient commitment to both implementation and evaluation.
- Too many other things to do – difficult to maintain a focus on quality.
- Employees cynical of TQM as we continue to reduce positions to save money and try to improve quality.”

The survey also requested respondents identify the key elements of success associated with their total quality management program. In response to this question many noted that it was important to ensure that Council and staff at all levels understood and supported the principles and objectives of the total quality management initiative. In particular, it was noted that a “cookie cutter” or “one size fits all” approach towards implementing a program without organisational “buy-in” was not appropriate. Also, many respondents identified the need for a vision and leadership in respect to the program that was also consistent over time. The requirement for a “change in corporate culture” was frequently cited as an important component.

Other factors identified included the need to actually initiate specific improvement projects and celebrate the success of those exercises. On a day-to-day basis members of the organisation should have an opportunity to “see results.” Indeed, many commented on the need for the program to be results-driven. The key elements related to the success of a total quality management program as identified by respondents are summarised in Figure 7.22.

Figure 7.22
Components of a Successful TQM Program

- Political and Senior Staff Support
- Clear, Understandable TQM Plan or Program
- Focus on Customer (Internal and External)
- Employee Involvement
- Training for Employees
- Recognition of Success
- Measurable Results

In terms of the future of the total quality management program respondents offered a number of observations. Many identified the need for continued support of the program and an understanding of a process-oriented assessment aimed at continuous improvement. In addition, many noted a requirement to move the TQM initiative from a departmental perspective or focus to a more corporate-wide focus. Others pursued this concept further and expanded the effort to include “community stakeholders.” The concept inherent in many of these comments was identified by one respondent as a “...seamless organisation, focused on customers and customer needs.” Although most stated that the initiative was “...critically important and here to stay,” one commented that “...it may be just another management fad.”

However, for the most part, comments about the future of TQM were very positive. There were a number that stated the use of award programs such as the Canada Awards for Excellence program would be used as a way to focus the efforts of the initiative in their organisations. Also, a few identified the objective of attaining ISO 9000 series registration as a future component of their quality efforts that would provide a “level of credibility” to the total quality management program.

As noted, many respondents submitted information and material (see Appendix K) related to their TQM efforts. These documents were useful in providing a better understanding of some of the individual components of TQM operating within these particular jurisdictions. Also, a detailed analysis of these documents provides a somewhat more objective perspective on the individual use of TQM by each respondent municipality.

Finally, a number of respondents requested information related to TQM and local government including survey results. In response to these requests an information packet with bibliographic references and internet sources was prepared and circulated to thirty respondents; and, a presentation outlining preliminary results was made at the 1997 Canadian Association of Municipal Administrators Annual Conference.[36]

In addition, presentations of the survey research were made to conferences sponsored by the International Quality and Productivity Centre [37]; and, the Institute for International Research.[38] Finally, articles [39] outlining the research findings were published in a national local government journal.

7.8 Summary

In summary, there has been a considerable volume of data and documents generated by the survey. The intent of the Chapter has been to simply report the survey results and describe some of the relevant documentation. A subsequent Chapter will explore the issues raised by these data and information in more detail.

However, there are a number of observations that can be drawn from the survey of Canadian local governments. First, the overall survey response rate is strong, which likely reflects, to some extent, the support of CAMA. Second, there does appear to be considerable understanding and use of total quality management amongst local governments in Canada; however, in many instances it is a relatively new evolving technology used in less than a formal manner. Third, many respondents see an increased use of formal recognition programs (Canada Awards for Excellence) or registration programs (ISO 9000) as important (future) components of their initiatives. Fourth, many local governments see TQM as a formalised method to deal with change in a structured and fact-based manner. This point was cited as particularly relevant during a period of both significant fiscal pressure; and, increasing recognition of the concept of customer (both internal and external). Fifth, the support of senior staff, notably the chief administrator, and the Council are important to the successful introduction and implementation of TQM. Further, most respondents cite the need to align TQM initiatives to other corporate activities to ensure that program objectives are widely communicated to all employees. Finally, most local governments state that their programs are “successful” for a variety of reasons and note a series of key components (see Figure 7.22) to that success.

In addition, to the survey results many respondents submitted documents to provide more detailed information on their respective TQM initiatives. These documents were particularly useful in providing more detail on many of the TQM applications; and, to some extent, the documents provide for a measure of cross-validation of survey results.

The survey results and documents identify a number of issues and concerns related to TQM at the applied level. For example, there are very few reported assessments of internal organisational impacts of TQM efforts including the impacts (perceived and actual) on employees. Further, the level of involvement and support of elected officials in TQM programs is not well-documented. Finally, the “success” attributed to many TQM efforts appears to be more anecdotal than actual.

The next Chapter will explore in more detail these concerns identified in the survey phase of the research; and, the factors of success as they relate to three pre-selected municipalities or “case” studies. A further Chapter will analyse the survey and case study results; and, compare and contrast these data in Canada with recent empirical work at the local government level in the United States and the United Kingdom.

7.9 Endnotes

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- [5] Further information on the Canada Awards for Excellence is available in the National Quality Institute, Quality Criteria: Guide to Your Journey, NQI, Ottawa, ON 1996.
- [6] City of Ottawa, Corporate Renewal Review Process, City of Ottawa Staff Report, Ottawa, ON December 9, 1994.
- [7] City of Vancouver, Better City Government: The Next Steps, City of Vancouver Staff Report, Vancouver, BC April 24, 1995 p. 2.
- [8] City of St. Albert, A Community Survey, St. Albert, AB 1995 p. 3.
- [9] City of Burlington and Angus Reid Group, Making Burlington Better: A Quality Survey of City Services, Burlington, ON 1996 p. 31.
- [10] *Ibid.*, p. 34.
- [11] District of West Vancouver and G. Cuff, District of West Vancouver: Corporate Review, West Vancouver, BC 1997 p. 12.
- [12] *Ibid.*, p. 73.
- [13] Regional Municipality of Hamilton-Wentworth, Management Action Plan, Hamilton, ON February 6, 1996 p. 1.

- [14] Ibid., p. 28.
- [15] Ibid., p. 4.
- [16] Terry Totten, "How Cities Can Meet the Challenge of Change," Saint John Telegraph, Tuesday April 9, 1996 p. A2.
- [17] The Government of Canada and the National Quality Institute initiated the Canada Awards for Excellence in 1984 to recognise outstanding Canadian organisations in a variety of business categories. In 1995, the award program was expanded to include education, government, and health care. To date, there have been no local government award winners. Additional data on recent award winners is available in National Quality Institute, Profiles of Excellence 1996, NQI, Ottawa, ON 1997.
- [18] B. Skinner, "Another First For Ajax: ISO 9001 Certification," Cordillera Institute Journal, Cordillera Institute, Markham, ON Issue 5 1997 p. 5.
- [19] Ibid., p. 6.
- [20] D. Kloster, One Community's Quest for Quality: The City of Airdrie, Alberta, City of Airdrie, AB 1994 p. 4.
- [21] Ibid., p. 4.
- [22] Ibid., p. 5.
- [23] Ibid., p. 6.
- [24] Ibid., p. 7.
- [25] City of Surrey, Performance-Based Pay, Surrey, BC 1995 p. 16.
- [26] For a more detailed discussion of the role of "recognition of success" as an important component of a quality initiative see, for example, S. George and A. Weimerskirch, Total Quality Management: Strategies and Techniques Proven at Today's Most Successful Companies, John Wiley & Sons, New York, NY 1994.
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- [30] NQI, A Road Map to Quality: Quality Criteria, Ottawa, ON 1995 pp. 2-5.

- [31] City of Vancouver, Better City Government: The Next Steps, City of Vancouver Staff Report, Vancouver, BC April 24, 1995 p. 11.
- [32] Ibid., p. 12.
- [33] Ernst and Young, Cost and Improvement Process, Ernst and Young, Toronto, ON 1993 p. 28
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8.0 Total Quality Management and Local Government in Canada: Case Studies of Winnipeg, Manitoba; Calgary, Alberta; and, Maple Ridge, British Columbia.

8.1 Introduction

The previous Chapter provided survey results that identified the scope and depth of the use of total quality management in Canada at the local government level. The purpose of this Chapter is to outline in more detail the use of TQM through the use of case studies. The chapter is divided into two sections. The first section provides an overview of the survey results of the three selected cases for comparative purposes. The second section deals with a more detailed review of each of the selected cases. This detailed review of the cases includes:

- i. A list of the documentation used;
- ii. An overview of the current status of TQM practice based on the documentation;
- iii. Responses from a series of semi-structured interviews with the Chief Administrative Officer and key selected stakeholders; and,
- iv. Observations and conclusions.

The cases – local government jurisdictions – identified for more detailed study are Winnipeg, Manitoba; Calgary, Alberta; and, Maple Ridge, British Columbia. These cases were selected based primarily on two factors. First, each community indicated a willingness to participate in the more detailed case study. This is an important point as additional time has been required to assist in the identification, interpretation and analysis of relevant documentation; and, to participate in semi-structured interviews to solicit further details. Second, both of the cities (Winnipeg and Calgary) were selected

as they have a strong and established track record with respect to the application and implementation of total quality management. There is a variety of documentation and reports available that outline in some detail the intent of the quality initiative and the elements used over time to develop these programs. Also, both communities have excellent worldwide web sites that provide detailed information on many of their more recent initiatives including those related to quality. On the other hand, Maple Ridge was selected as a smaller jurisdiction with a more recent, developing TQM program.

The intent of this chapter is to describe in some detail the attributes of the total quality management systems in the communities selected. More importantly, the analysis will enable identification of the key issues, problems, and concerns involved in actually implementing TQM; and, developing a “best practices” guide that can be used by other local governments that are considering total quality management.

8.2 The TQM Program in Winnipeg, Manitoba; Calgary, Alberta; and, Maple Ridge, British Columbia: An Overview of Survey Results

8.2.1 Introduction

This section will briefly outline the survey results from Winnipeg, Manitoba; Calgary, Alberta; and, Maple Ridge, British Columbia. The section will compare and contrast these data with a view to the identification of key themes related to those three cases. A detailed comparison of the responses for these three cases on a question-by-question basis is contained in Appendix L.

Winnipeg and Calgary both identified that they have a defined, documented, and formal (adopted by Council) total quality management program that has been in place within

their organisations for more than four years. Of note is the fact that both organisations used somewhat different terminology to identify their efforts. In both cases there was a conscientious effort to avoid the term “Total Quality Management” as it was seen to be somewhat vague and not reflective of the direction of each jurisdiction to the extent that it implied a program by managers as opposed to an organisation-wide, employee driven initiative. However, both acknowledge that their programs are fundamentally TQM in nature and that they do follow TQM principles. In the case of Winnipeg, the program is called the “Continuous Improvement Initiative;” and, in Calgary “Service Improvement.”

Maple Ridge is a relative newcomer that has a newer, formal, developing TQM program. It has been active approximately one year. This program is called the “Continuous Quality Improvement” initiative.

In all cases, the TQM program operates within all departments of the organisation; and, it is linked to strategic planning/policy planning efforts of each of the municipalities. In Winnipeg linkage to corporate efforts such as strategic and policy planning is through a Council approved “General Directive” which will be discussed in more detail in later sections.

In Calgary, a multi-year, rolling corporate business plan approach is mandated by Council and leads to a formal document that is adopted annually. This document contains ongoing corporate and departmental strategic objectives and budgets. It also includes reference to the specific goals including those that deal with the quality program for each particular year. Maple Ridge links their TQM efforts to other

corporate processes through a corporate strategic plan adopted by Council; and, a newly initiated business planning process. Again, both the corporate plan and detailed business plans identify quality as an important component in the organisation.

The TQM initiative in all cases is linked to the budget process. Again, in Winnipeg, this is primarily through the “General Directive;” and, in Calgary and Maple Ridge through the business plans. The Calgary survey response notes that actual budgeting for the initiative is left primarily with individual departments to be built into their methods of doing business as opposed to creating a specific line item account for a TQM program or project. Currently, both Winnipeg and Maple Ridge have a centralised line item budget for corporate TQM initiatives. Additional details on the methodology of budgeting for TQM is contained in a later section.

Winnipeg, Calgary and Maple Ridge do have specific, identified methods to communicate knowledge about the TQM program to staff at all levels. The specific responses are illustrated in Appendix L.

Each municipality noted the “very important” element of presentations to employees. In Calgary, this is achieved (in part) through the annual award of the Mayor’s Productivity Cup to an employee or team to recognise “quality service.” Other, less formal meetings were also scheduled frequently to discuss the Service Improvement program and initiatives.

In terms of “other” each municipality identified a monthly (internal) newsletter as very important. Winnipeg also noted the use of scheduled, informal meetings with the Chief

Commissioner; and, the production of in-house, specific issue training videos for internal distribution as very important. Maple Ridge identified a structured program to achieve corporate recognition for quality through the Quality Council of British Columbia as an important focal point for staff; and, informal meetings of employees and the Chief Administrative Officer.

The most important mechanism to communicate information about the TQM to Council and the public identified by Winnipeg was the use of structured presentations to community and business groups. Winnipeg has developed an internal “speakers bureau” of employees with sufficient expertise and skill who can go to community groups, service clubs or other groups on request to discuss their program. Also, both cities identified as important “other” mechanisms. In the case of Calgary this included a pocket sized annual publication called Fast Facts which serves as a type of public report card to document improvement. Winnipeg annually prepares a video for internal distribution to document the progress and achievements of the TQM program. Maple Ridge noted their need for increased emphasis in this area; however, a newly initiated annual report, a special employee award programs and recognition events were a “start.”

8.2.2 Customer Focus

In all cases, customer satisfaction is identified as a part of the TQM system. The methodology used to define and measure customer satisfaction in each case is outlined in Appendix L.

Winnipeg, Calgary, and Maple Ridge all noted that a complaint management system was a “very important” index of customer satisfaction. In each case, complaints are recorded and documented to provide monthly reports to management and Council. In

addition, all noted the importance of employees (internal customers) as customers. In each case customer surveys were conducted both externally and internally. In Calgary, there are interviews conducted annually by an external party of the Mayor and Aldermen to develop an index of satisfaction with respect to the performance of key staff members and program initiatives. These results are shared with senior staff members as a method of identifying areas for improvement. In Maple Ridge an extensive survey was conducted of both external customers and internal customers as part of the first year of the TQM efforts. These surveys will provide a framework for further quality efforts in Maple Ridge and they are designed to be repeated in the future to track improvement.

8.2.3 Process Improvement

Historically, the Chief Commissioner of Winnipeg was in office at the time of the introduction of the TQM program and he was supportive of the initiatives. In Calgary, the Chief Commissioner did not hold that position at the time the program was initiated but he would have been supportive of the initiative. Similarly, in Maple Ridge the current Chief Administrative Officer was not in post at the initiation of the TQM program; however, he does support that initiative.

There were a number of external factors of note that led to the introduction of the TQM program in each of the cases and these factors are illustrated in Appendix L.

There are some interesting differences in the importance of the identified factors. In part, Winnipeg's rating of citizen complaints primarily related to reduced funding; voter demands; and, media coverage as "very important" may relate to the history of

amalgamations that created the City and these elements will be explored in more detail in a later section. Also, Winnipeg cited professional associations as “very important.” This relates to the use, by Winnipeg, of some of the earlier quality work undertaken by the International City Management Association outlined in Chapter 5. Winnipeg also notes success stories in business and local capabilities of the University of Manitoba as “important” external factors. In the case of Winnipeg, the TQM effort has pursued external partnerships as an important part of the initiative. The most important external factors identified by Calgary included demands by other levels of government reflecting major changes in the Province of Alberta undertaken by the Provincial government. These changes include substantially reduced transfers of monies from the Province to the local government level. Maple Ridge noted success stories in business as a key factor driving their interest in TQM; and, more recently, declining financial assistance from the province.

There are minor differences in the level of importance related to internal factors. However, each case notes that budget pressures and increasing employee productivity are key factors as is the interest of the City Manager. At a lower level of importance is employee interest and the interest of elected members of Council. Additional discussion of this latter point will be provided in subsequent sections.

In Calgary, performance goals and targets were established at the time of introduction of the TQM initiative; whereas, in Winnipeg and Maple Ridge these types of goals are under development internally with some external assistance from consultants. The performance goals in Calgary were developed largely by city staff and subject to comment by the public prior to approval by Council.

All jurisdictions or cases are aware of the existence of the Canada Awards of Excellence available annually through the National Quality Institute. Winnipeg has started a process to complete documentation for the public sector award for quality through this program; and, Calgary indicated an interest in considering application for an award in this category. In each instance the award program is seen as a method to document the work that has been completed with respect to quality and provide some recognition to the organisation.

Maple Ridge has not made application for a Canada Award of Excellence at this time. However, they have successfully pursued recognition as a Bronze Award recipient through the Quality Council of British Columbia. This award recognises private and public sector organisations that identifies customers (internal and external) as important; and, pursues a structured, continuous improvement effort.

At this point, Winnipeg has not applied for ISO 9000 series registration and is not currently contemplating moving in that direction. On the other hand, Calgary has acquired ISO 9000 series registration for their supply management services and is considering other areas for possible registration. Additional information on the ISO pilot project undertaken in Calgary is presented in a subsequent section. Maple Ridge indicates some interest in ISO 9000 but notes that this is something that is premature at this time.

8.2.4 People Focus

The Winnipeg initiative included a focus on the objectives of service and service delivery which included a reappraisal of these services; an assessment of whether the

municipality should be in this (specific type) of business; a reappraisal of the level of service; and, a redefinition of the customer.

In Maple Ridge, the establishment of the TQM system also included a requirement that the municipality focus on objectives of service and service delivery. This re-focus exercise, which is ongoing does include a reappraisal of the service; and, a redefinition of the customer through the development of corporate and departmental business plans. In the case of Calgary, an assessment of whether the municipality should be in the business was not specifically conducted. Further, Calgary did not conduct a specific reappraisal of the level of service. The reason that this type of analysis did not include a core/non-core assessment was based on a "citizen's survey in which 80% of respondents supported maintaining current tax levels and service levels."

In terms of the percentage of employees actively involved in the TQM program Winnipeg and Maple Ridge report less than 50%; whereas, Calgary reports a significantly higher 70-90%. Each jurisdiction notes an initiative to continue to expand the percentage of employee participation; however, these data are lower than the TQM literature would support and this issue will be explored in more detail in subsequent sections.

In each case, the TQM program has identified specific training requirements. These included, in Calgary, courses on customer identification; how to create satisfied customers; coaching for superior performance; supervisory/leadership development; and front-line staff training. In Winnipeg, similar types of courses including continuous improvement theory; process improvement; and customer service training were

identified as priorities. Winnipeg has attempted to build a group of internal trainers to assist in the delivery of training to employees. In Maple Ridge, the primary emphasis, to this point, has been on management or leadership skills training. It is expected other training requirements will be identified through a needs analysis that has recently been initiated.

The amount of training available for quality in each case varies depending upon seniority, context, department and available resources. Generally, the amount identified by the cases was 4-5 days per annum. Each case noted an emphasis on providing training related to the TQM program. In Winnipeg, 50 – 69% of training was focused on the TQM initiative; and, in Calgary and Maple Ridge approximately 50% was identified in the same category. Further, Winnipeg and Calgary currently include quality as a part of the orientation process for new employees; and, Maple Ridge is working on implementing this type of process.

All cases identify a link between individual performance appraisals and the TQM initiative. Winnipeg does not tie performance pay to the TQM system; whereas, Calgary has a series of cash awards to recognise “superior performance.” In the case of Calgary and Winnipeg, both are considering a more performance-based compensation system. In Maple Ridge there is a performance (merit) based pay system recently established which is currently available only to senior exempt staff. The intent is to try and roll this program out to a wider group of employees.

The percentage of elected officials; staff; and, the public that recognise the effects of the TQM program are identified in Appendix L; Figure L-6. There are some interesting

contrasts in respect to the responses in this area. All respondents indicated that the results of this question were subject to fluctuations based on time; and, context (current issues) which were impacting the organisation.

In the case of Calgary it was noted that members of Council chaired two standing quality committees including the Customer Service Review Committee; and, the Performance Measurement Task Force. As a result of these committees and other direct involvement the elected officials in Calgary were perceived to strongly recognise and support the TQM initiative. In the case of Winnipeg and Maple Ridge elected officials have less direct involvement (e.g. chairing specific committees or council sponsored recognition activities), and the TQM initiative appears to be more of a staff-driven exercise. Also, Winnipeg and Maple Ridge report a markedly lower level of staff and public recognition of their quality efforts and these are areas cited as in need of improvement.

8.2.5 Process Optimisation

There is a strong alignment of responses from all cases to the question of key components in a TQM system. All respondents identify these as “important” or “very important.” In the category other, Winnipeg identifies open communication of improvement efforts; and Calgary identifies quality as something that must be seen as an ongoing process, which is “built into the way business is conducted.”

All cases use a system that involves a cross-departmental team that is supported by the Office of the Board of Commissioners or Office of the Chief Administrator. In addition, both Calgary and Winnipeg note an important role played by the Human

Resources Department in the TQM program particularly in the areas of the identification and provision of training.

The current budget for the TQM program in Winnipeg is \$255,000 per annum. In the development stage of the Winnipeg program costs were two to three times this figure. In Calgary, the budget is in separate department areas and not specifically identified; however, it is currently estimated at \$350,000 per annum. Maple Ridge has a current budget of \$50,000 per annum attributable to direct program costs.

There are a number of factors illustrated in Appendix L; Figure L-8 that are ranked by importance and relate to the ongoing implementation of the TQM program. Again, there is considerable similarity between each of the cases as most of the factors are rated “important” or “very important.” In each case consultants are ranked as less important due, in part, to the fact that all respondents anticipate using “internal” consultants and a “train the trainer” approach over time. All of the cases suggest that these factors are not anticipated to change in the future.

Calgary actively pursues the establishment of benchmarking both internally and externally (with other municipalities) as part of the TQM process; whereas, Winnipeg and Maple Ridge currently do not use benchmarking as a specific component of the TQM program but they are exploring this type of initiative.

Both Calgary and Winnipeg state that there have been changes to the TQM system since its adoption and subsequent sections will explore the evolution of these programs in

more detail. In the case of Maple Ridge the program is too early to have had any significant adaptations.

In terms of evaluations of the TQM program, each case has identified areas in which the program has contributed to corporate objectives (see Appendix L).

Notably, both Calgary and Winnipeg agree that the TQM program was “very important” in achieving reduced costs. Also, Calgary notes that service levels have been “maintained while there has been a significant decrease in dollars per capita as a result of declining inter-governmental transfers.” Maple Ridge suggests it is too early to fully assess success in most of these areas but improved performance and reduced costs are key objectives that, to date, have been achieved to some extent.

All cases state that their TQM programs have, in their estimation, been successful; and, there is an acknowledgement that their TQM programs are successful for a number of reasons. In Calgary the TQM program “... has avoided the flavour of the month syndrome as there has been consistency of support and refinement of the program over time.” Further, involvement of the political level and the public in Calgary is seen as important to the program. In Winnipeg, there is also an awareness of the importance of the evolution of the program to enable all parts of the organisation “to speak about improvement using a common language.” In Maple Ridge it is noted that the program is “in evolution – it is a start – but there is so much still to do.”

The key elements of success, identified in Calgary include:

- i. Service improvement must be seen as long term;

- ii. Commitment to innovation, customer service and continuous improvement;
- iii. Employee recognition; and,
- iv. Executive leadership.

In Winnipeg, the key elements of success include:

- i. Leadership commitment;
- ii. Learning organisation with training; and,
- iii. Commitment to action.

In Maple Ridge, the key elements of success include:

- i. Employee commitment to improve (team spirit);
- ii. Clear senior management focus and expectations (leadership);
- iii. Recognition of accomplishments; and,
- iv. Corporate pride.

Finally, the survey requested that respondents provide comments on the future of the TQM program. In Calgary, the TQM program is seen as an important concept that will continue as a foundation for strategic and business planning initiatives on corporate and departmental levels. Operationally, challenges that remain include: “more detailed position and competency descriptions for customer service positions; mechanisms to ensure seamless customer service across departments; measuring customer service/satisfaction; non-monetary rewards; and, recognition for employee achievements.”

In Winnipeg, the future involves a “...fundamental shift in the way we think about our work and each other; continued opportunities to learn about the theory and tools of improvement. More importantly ...the emphasis will be on actions which integrate continuous improvement into all we do.”

Maple Ridge reported that the TQM program was a “notable piece of the changing future of the organisation;” and, the development of a more formal documented continuous quality improvement plan in conjunction with the corporate business plan would assist in providing consistency of direction for future efforts.

8.2.6 Summary

In summary, this section has provided information from the survey results with respect to the use of TQM in Winnipeg, MB; Calgary, AB; and, Maple Ridge, BC. These results provide a comparative overview of the TQM initiative in each community from the perspective of the Chief Administrative Officer. This comparison highlights some differences between the cases and many similarities. These data form the base for more detailed casework.

A number of key themes are evident from the foregoing discussion of the three cases. Specifically, TQM appears to have been implemented in all cases at a time of significant change affecting each of the municipalities. For the most part, this included financial pressure on the organisation. In all cases, the term TQM was not used as it was too “management oriented.” Second, all of the cases identify the concept of “customer” as important to their quality efforts.

Third, the level of employee involvement in TQM appears to fluctuate within each of the jurisdictions. Also, the recognition of various key stakeholder groups appears rather weak.

Fourth, some key elements of TQM such as benchmarking appear to have limited applicability within these three cases. Also, the use of merit pay suggests some differences in application. Finally, although all cases suggest their use of TQM has been successful there appears to be little hard data to support this statement. These themes will be explored in more detail in the next section.

8.3 Case Studies: Introduction

The importance of case studies in the context of this research was discussed in Chapter Six. The case studies were developed using data from a number of sources.

First, the case studies included a detailed review of relevant documentation. Second, initial interviews were conducted with the Chief Administrative Officer to provide a framework of the use of TQM within each of the selected jurisdictions. Third, to provide a broader perspective, a second series of interviews were conducted with representatives of key internal stakeholder groups. The intent of these interviews was to “triangulate the data” by securing alternative views on the quality initiatives. The second series of interviews were conducted with the knowledge of the Chief Administrative Officer. These interviews were conducted with an elected representative of Council (either the Mayor or a member of Council designated by the Mayor); a representative of a union; a representative of mid-management; and, a front-line employee. In Maple Ridge and Winnipeg these interviews were conducted on-site. In the case of Calgary, interviews were conducted both on-site and by telephone. The

interviews were semi-structured in nature based on a questionnaire (see Appendix M).
The interviews lasted approximately one to one and one half-hours in length.

8.4 Total Quality Management: The Case of Winnipeg, Manitoba

8.4.1 Background

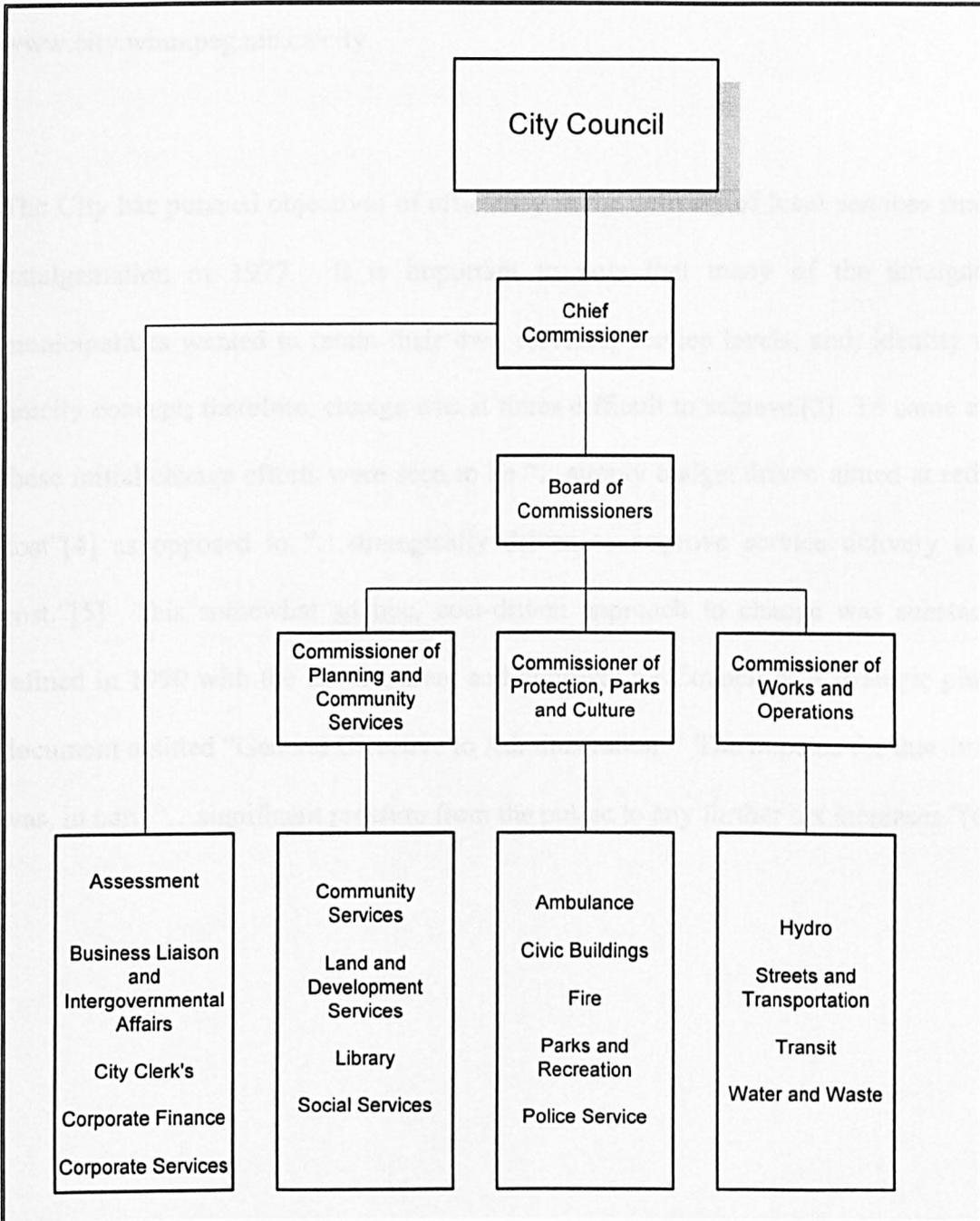
Winnipeg, a city of 637,700 people is the capital of Manitoba. The local economy is based primarily on manufacturing, transportation, government services and farming support services. As a municipal corporation, Winnipeg has an annual budget of \$1.42 billion dollars and 9,734 employees.

The Province of Manitoba created the current City of Winnipeg on January 1st, 1977 under The City of Winnipeg Act. This provincial statute amalgamated twelve outlying municipalities with the City of Winnipeg to create the one larger municipality that has 56% of the population of the entire province. The city uses a ward system and there are fifteen full-time Councillors each representing one ward. In addition, a Mayor is elected at-large and combined the Council exercises legislative, quasi-judicial and administrative powers. The primary motivation for the establishment of a “unicity” to amalgamate thirteen communities was to “...more economically and efficiently administer most basic public services.”[1] Since the inception of the unicity concept in 1977, the city has pursued a “...number of structural and organisational changes...”[2] aimed at achieving the objectives of efficiency.

Structurally, the City uses a Board of Commissioners model (see Figure 8.1). The Board of Commissioners includes four members chaired by the Chief Commissioner. The Board also includes the Mayor and Deputy Mayor as ex-officio members. As discussed in Chapter 2, the role of this type of Board is to provide a co-ordinating

mechanism between staff and Council. It also serves as a key mechanism for corporate and strategic planning initiatives and the formulation of advice to the elected Council.

Figure 8.1
City of Winnipeg Structure and Organisation



Source: *City of Winnipeg, 1995 Annual Report, Winnipeg, MB 1996 p. 3.*

8.4.2 The TQM Program

The documentation submitted by the City of Winnipeg used in this component of the research is illustrated in Figure 8.2. Another source of useful information related to the TQM efforts in Winnipeg is their worldwide website accessible at: www.city.winnipeg.mb.ca/city

The City has pursued objectives of efficiency in the delivery of local services since the amalgamation of 1977. It is important to note that many of the amalgamated municipalities wanted to retain their own services; service levels; and, identity in the unicity concept; therefore, change was at times difficult to achieve.[3] To some extent, these initial change efforts were seen to be "...simply budget driven aimed at reducing cost"[4] as opposed to "...strategically driven to improve service delivery at least cost."[5] This somewhat ad hoc, cost-driven approach to change was substantially refined in 1990 with the development and approval by Council of a strategic planning document entitled "General Directive to Administration." The impetus for this directive was, in part, "...significant pressure from the public to any further tax increases."[6]

Figure 8.2
City of Winnipeg Total Quality Management: Documentation

City of Winnipeg, Achievement Report, Winnipeg, MB 1993.

R.L. Frost, "Winnipeg is Quality ... and has the Award to Prove It." CAMA Bulletin, Canadian Association of Municipal Administrators, Ottawa, ON Spring 1993.

City of Winnipeg, Know Your Customer: An Overview of City of Winnipeg Customer Service Surveys, Continuous Improvement Initiative, Winnipeg, MB 1993.

City of Winnipeg, Process Management Prototype Teams Report, Winnipeg, MB 1993.

City of Winnipeg, A New Direction for Civic Administration, Winnipeg, MB 1994.

City of Winnipeg, Annual Report 1995, Winnipeg, MB 1996.

City of Winnipeg, Annual Report 1996, Winnipeg, MB 1997.

City of Winnipeg, Continuous Improvement Initiative, Winnipeg, MB 1993-1994.

City of Winnipeg, Continuous Improvement Initiative, Winnipeg, MB 1995.

City of Winnipeg, Continuous Improvement Initiative, Winnipeg, MB 1995-1996.

City of Winnipeg, Employee Survey, Winnipeg, MB 1996.

The General Directive provided a mandate to "...pursue constant improvement in quality and productivity by placing continuing emphasis on four key elements"[7] including financial stability; quality client service; commitment to staff; and, open communication (see Figure 8.3).

Mayor Susan Thompson identified the General Directive as a significant initiative by the Council to set a framework for improvement and reducing costs. Mayor Thompson noted that Winnipeg "...faced a citizen's tax revolt in the early 1990's and continuous improvement was one of our important methods of increasing productivity."[8]

Figure 8.3
General Directive to the Administration

“That the City Administration be given general direction to pursue constant improvement in quality and productivity by placing continuing emphasis in four areas:

- a) Long-term financial stability because the City’s rate payers expect sound management with predictable impacts.
- b) Quality client service because people inside and outside the organisation should be given what they have a right to expect.
- c) A commitment to staff because the productivity of the City’s municipal government is a direct reflection of the strength of its employees.
- d) Positive attitudes and open communications because even where there is need to balance conflicting perspectives, all people should be treated fairly and with respect.”

Note: Adopted by City Council August 1, 1990

Source: City of Winnipeg, Council Minutes, August 1, 1990 p. 17

In large measure, “the General Directive has formed the cornerstone of the City’s work over the past few years.”[9] Initially, the quality component of the General Directive was aimed primarily at “changing the focus of the organisation to recognise the critical importance of internal and external customers.”[10]

The City’s initial service improvement process, to achieve the objectives of the General Directive, was called the Continuous Improvement Initiative and its first priorities were “to promote a learning process, continuous improvement teams, and strengthen communication.”[11] Of interest is the choice of the terminology “Continuous Improvement Initiative” for this exercise. The term was specifically chosen to avoid the label Total Quality Management. This latter term was seen to connote “...a top down management system; whereas, continuous improvement was a more neutral, broad-based term.”[12]

The General Directive noted that “a municipal government exists to serve. The citizens of Winnipeg expect and deserve a high standard of service both in their dealings with civic officials and in the quality of work carried out by civic employees.”[13] To implement this objective, individual departments were provided with “...a new mandate to focus on responding to customer needs, improving service and simplifying procedures.”[14]

“At the outset, there was some reluctance by staff throughout the organisation to pursue quality as it was seen as a method to cut costs and potentially jobs” [15] reports Chief Commissioner Richard Frost. However, the City “started slowly to develop corporate goals and objectives; to identify customers and respond to their needs; and, at the same time structuring training opportunities for staff around quality themes.”[16]

In 1993, the City was awarded the inaugural Manitoba Quality Award by the Winnipeg Quality Network. The Awards Committee noted that “although the effort is relatively new it provides a solid foundation and maintains a comprehensive approach.”[17] This comprehensive approach included the “development of corporate-wide mission and vision statements; preparation of a code of ethics; an emphasis on empowering employees; and, the increased use of cross-functional, employee improvement teams in key areas such as employee suggestion awards, building and planning permits and customer service.”[18] Finally, the Awards Committee identified the emphasis on communication as a particularly strong component of Winnipeg’s quality efforts. Functionally, communication was initiated through the development of a “...formal annual report; preparation and completion of an employee survey; and, the initiation of an employee newsletter, which are all noteworthy achievements.”[19]

Since these early efforts, the quality effort has “expanded, matured, and changed but it remains a very important part of the direction of Winnipeg as a municipal corporation.”[20]

The current continuous improvement initiative includes a Model for Improvement (Figure 8.4). This model, based on W.E. Deming’s Plan-Do-Study-Act (PDSA) cycle provides “a strong conceptual base for improving systems.”[21] The model contains three components or questions that are seen to be integral improvement concepts including: aim, current knowledge; and, the cycle for learning and improvement.

Figure 8.4
Model for Improvement

Aim	What are we trying to accomplish?
Current Knowledge	How will we know that a change is an improvement?
Cycle for Learning & Improvement	What changes can we make that will result in improvement?
PLAN → DO → STUDY → ACT	

Source: City of Winnipeg, *Continuous Improvement Initiative 1993*, Winnipeg, MB p. 3.

i. Aim – What are we trying to accomplish?

This question is necessary “to develop a clear and shared understanding of the aim of each of our systems, in order to facilitate the working together of each component.”[22] Although previous quality initiatives had assisted in the development of a corporate vision to be a “vibrant and healthy city,” the intent of this question is to ensure a global, corporate-wide recognition of “...systems at every level, from typing memos, to fighting fires, to excavating a water main, to supervising a wading pool, and so on.”[23]

ii. Current Knowledge – How will we know that a change is an improvement?

This question is important in providing the current data or baseline information about an organisation and its parts. “In order to get to where we want to go, we have to know where we are (current knowledge).”[24] To achieve this objective requires a solid understanding of “...our system’s current capabilities through clearly defined, appropriate measurements – those measurements which are most likely to be indicators of improvement.”[25]

iii. Cycle for Learning and Improvement – What changes can we make that will result in improvement?

This is the component that “...launches the PDSA cycle ...which is in essence an on-going process of learning what we need to know to improve our system(s).”[26]

The initial stage of this cycle is the component, which is the “identification of specific change(s) to your system(s) which might lead to an improvement and the establishment of an experiment or test to assess the viability of that change.”[27] The next stage (Do) is simply undertaking that proposal and collecting data. The third stage (Study) requires a “comparison of the new results to the original results to see if the change achieved the desired effect.”[28] Finally, stage four (Act) includes action to implement the successful improvements if it achieved the desired results. Alternatively, if it did not achieve “... the desired results, then work to understand why and begin

the learning cycle again. Either way, we are continually learning what we need to know to improve our system(s).”[29]

On a more detailed level, the PDSA model developed within the City of Winnipeg used a series of “...eight specific steps, which served as a road map to understand and improve processes within the system.”[30] This methodology, outlined in detail in Figure 8.5 “...emphasises that improvements are possible only when team members understand the aim of their process, how it contributes to the overall system, gain insight into and an understanding of customer expectations, and generate ideas for innovation and change.”[31]

Figure 8.5
City of Winnipeg Continuous Improvement Method

PLAN	Step 1	Understand how this process fulfils the vision and mission.
PLAN	Step 2	Understand the present process.
PLAN	Step 3	Identify customers, suppliers and their respective needs.
PLAN	Step 4	Explore and determine ideas for improvement/innovation.
PLAN	Step 5	Develop an experiment to test and learn about the idea for improvement/innovation.
DO	Step 6	Conduct the experiment.
STUDY	Step 7	Study the data from the experiment.
ACT	Step 8	Act on the learning.

Source: City of Winnipeg, The Continuous Improvement Initiative 1993-1994, Winnipeg, MB 1993 p. 4.

A key theme of the Continuous Improvement Initiative, is the concept of a “learning organisation.”[32] In Winnipeg, the importance of this concept includes an assertion that “...improvement is interdependent with learning. As we learn new concepts we try them in practice, and as we try new ideas in practice we will see a need to learn other new concepts and ways of thinking.”[33] To implement this component the

“Continuous Improvement Initiative will provide structured opportunities for learning and knowledge development, support for improvement teams and focus on improving communication within the organisation.”[34] A more detailed list of specific quality related training courses available to employees; cross-functional teams to be used during the next year; and, the communication programs to enhance communication both within the organisation and externally to stakeholders for 1996 is detailed in Figure 8.6. This Figure illustrates the range of specific projects to be undertaken during the calendar year and it provides a sense of the annual work program for that particular year.

One component of the 1996 work plan included the development and use of an internal employee survey. The survey results identified a number of issues of concern to employees throughout the organisation. The key issues were:

- i. Increased stress and poor morale;
- ii. Restructuring – staff shortages consistently means extra responsibility to individuals; and, no training in these new duties;
- iii. No long term planning and direction from political level; and,
- iv. Vacancy management and increased level of stress with fewer people.

The intent of the survey was to gain a better understanding of employee issues; and, establish a system for regular employee surveys. Also, the results of the survey were to be assessed for inclusion in work plans in future years.

Figure 8.6
Continuous Improvement Initiative Work Plan

KNOWLEDGE DEVELOPMENT

1. **SYSTEMS THINKING:** Continue to provide the Systems Thinking workshop as the basic introductory program. Include an increasing percentage of the instruction being provided by civic employees.
2. **APPLICATIONS FOR IMPROVEMENT:** Continue to provide instruction on the tools of continuous improvement including control charts and Statistical Process Controls.
3. **PEOPLE ARE IMPORTANT:** Continue to develop this seminar which focuses on leadership, group and team skills, communication and learning.
4. **CIVIC SYMPOSIUM:** Sponsor a two-day educational conference in November primarily focused on Civic employees and providing an opportunity to share learning throughout the organisation.
5. **FACILITATOR DEVELOPMENT:** Continue the development of the facilitator group within the organisation and focus efforts on their role as catalysts and resources to others. Facilitators will be provided with additional opportunities and support for learning.
6. **STUDY TOURS:** Continue to provide funding for selected study tours to other municipalities. Study teams should include individuals who have attended the Systems Thinking workshop and who have an understanding of the theory behind continuous improvement.
7. **PROGRAM DEVELOPMENT:** Develop new educational programs or service delivery approaches that support the objectives of the Continuous Improvement Initiative.
8. **CUSTOMER SERVICE EDUCATION:** Develop educational opportunities for customer service.
9. **COMPUTER ASSISTED EDUCATION:** Explore the possibility of developing computer assisted educational modules to assist in learning.

IMPROVEMENT PROJECT/TEAMS

1. **RE-DESIGN FEEDBACK SYSTEMS:** Sponsor a project to re-design the employee feedback systems using the support of an external consultant.
2. **MEASUREMENT SYSTEMS:** Support the design of an overall framework for the measurement system by developing discussion processes and documents as required to facilitate development of a family of measures.
3. **PRINCIPLES:** Support the design of a discussion mechanism to develop shared understanding and clarification of the principles that underpin civic government.
4. **CITIZEN-CENTERED SERVICES:** Develop a framework/model for the development of co-ordinated citizen-centred service.
5. **FRONT LINE PROJECT TEAMS:** Conduct research and develop a framework/model for the support of front line project teams.

Figure 8.6 continued . . .

COMMUNICATIONS

1. **VIDEO PRODUCTION:** Develop instructional videos for internal use that improve understanding of key concepts and knowledge. Key projects will include: Customer/Balance video, Telephone Based Services, The City as a System, Leadership and Building Shared Vision.
2. **RESOURCE ACCESS:** Continue to develop the departmental library systems to facilitate access to videos, books, articles and support resources throughout the system.
3. **CUSTOMER FEEDBACK MECHANISMS:** Co-ordinate municipal efforts to solicit feedback from citizens and develop a series of sentinel questions to be tracked over time.
4. **INTERNAL/EXTERNAL COMMUNICATIONS:** Improve the internal and external communication system.
5. **PUBLISHING ARTICLES:** The initiative will identify Public Administration Journals for publication of articles detailing City of Winnipeg Continuous Improvement activities.

Source: City of Winnipeg, Continuous Improvement Initiative 1995, Winnipeg, MB 1995 pp. 5-6.

One of the increasingly important elements of the quality-related work in Winnipeg has been the introduction of a system of performance measures. "Performance indicators are a vital tool for organisational planning and decision-making. More importantly, they are a source of information that facilitate the growth of knowledge about our systems." [35]

In developing these systems it is recognised that "...performance measures must take the system orientation into consideration by assessing the performance of the system as a whole instead of only by its parts. Individually, each measure may provide limited information but when interconnections are recognised and analysed collectively, a measurement process can reflect the performance of the organisation as a whole. Recognition of the interconnectedness of measures also highlights how changes in one

part of the organisation may impact the rest of the organisation.”[36] The use of data and measurement over time is seen as an important component of improvement in the quality (Continuous Improvement Method) initiative (Figure 8.5).

The City of Winnipeg performance measurement system is being developed to require that both financial and non-financial information is interpreted using a “...framework that ensures measures are congruent with the aims (vision and mission statements) of the organisation.”[37]

The principles of the performance measurement system include:

- i. “Measures must be within our municipal sphere of influence;
- ii. Measures must have appropriate operational definitions;
- iii. Measures must be few enough to manage, yet sufficient in scope to maintain holistic views;
- iv. Measures must be “living” (meaningful, relevant, timely – evolving as we learn);
- v. Measures must be balanced (comprised of financial and non-financial, process and results data);
- vi. Measures must be interconnected (i.e. always reported collectively, never singly);
- vii. Accountability is tied to the measurement strategy, not to individual measures.
- viii. Context must be well documented (including Who? When? How? What assumptions?);

- ix. Measures must be system data (or process data) taken over time; and,
- x. Measures must be visible and available to all.”[38]

It is important to note that the “...performance measurement system continues to evolve but it remains an important part of the continuous improvement.”[39]

8.4.3 Chief Commissioner Interview Results

Additional data related to the TQM program in Winnipeg, MB were generated through the use of a more detailed semi-structured interview with Mr. Richard Frost, Chief Commissioner; and Ms. Pam Sveinson, Co-ordinator, Continuous Improvement Initiative. The interview questions are included in Appendix F.

In terms of context or state of the organisation at the time the TQM initiative was started Mr. Frost identified “strong external pressures for improved service at less cost” as very important factors. These factors did “lead to considerable levels of concern within the organisation as restructuring and other efforts were undertaken to respond to these concerns – morale was generally not positive.”

The decision to proceed with a formal, TQM process was based “on the well-published, positive business case applications of TQM,” states Ms. Sveinson; also, in Winnipeg “there were considerable resources available through business, academic (University of Manitoba); and, other government (Province of Manitoba) interest. Their use of TQM – provided a natural and enthusiastic support network to share information and build our program.”

Initially, the TQM program was started through a formal and official resolution of Council (General Directive, 1991). Frost identifies this resolution as a turning point as, “It was an important public and formal stamp of approval to get the message out that we were moving in the direction of TQM.” In addition to this General Directive, “we had other more specific methods to get the program off the ground such as specific training sessions; bringing in speakers on a variety of quality-related topics; and, setting up cross functional teams to work on specific improvement projects.”

In terms of support for the TQM program, Frost notes that, “Strongest support came from senior staff; there was some support from Council but there was also scepticism at this level; and, finally most employees probably did not appreciate the scope and importance of the continuous improvement initiative.” At the outset, Winnipeg did have some staff members (exempt and unionized) who were resistant to the program.

The main reason for this resistance was related to other corporate actions. For example, at the same time as the continuous improvement was being implemented, the city was experiencing significant financial problems; and, as a result, a number of major restructuring and down-sizing efforts were undertaken. Between 1993 and 1997, the organisation moved from one with twenty-five departments to one with nineteen departments. Management staff was reduced by 20% from 977 to 778; and, unionized employees were reduced by approximately 15% or 1400 employees. Unfortunately, the restructuring and continuous improvement efforts were “frequently confused by both internal and external observers,” suggests Frost. For example, he notes “employees were very cynical about the quality message of continuous improvement at the same time as significant reductions of staffing levels were being implemented. These

concerns were evident at all levels from exempt through to unionized employees. Staff morale was very low throughout this period and the level of grievances filed reached a record number in 1996.”

As a result of these types of concerns, there were more specific efforts made to involve the union executive members and a broader range of employees up-front in the program; and, to broaden the range of training to a larger cross-section of employees. On balance, the unions were “cautiously supportive; and, communication of the TQM program, objectives and time frames made it easier for the initiative to proceed.” The major impediments to be overcome was “the sense that this (the TQM) program was a short term solution to a fiscal problem; the need to communicate to all parts of the organisation on a regular basis about the rationale and performance of the TQM initiative; and, constantly remind Council of the value of this type of program including the requirement for their public support.”

Mr. Frost suggests that the program has been a success and he states that, “We view our overall TQM efforts as successful – they have contributed to a more organisation-wide understanding of our work processes and the need to constantly improve our work in response to increased customer demands. The major issue for us now is sustaining the interest and commitment by all participants.”

Currently, Winnipeg is completing an application for the Canada Awards of Excellence Program. Mr. Frost notes that, “The process of application is probably more valuable than the award as we must all step back and look at our own work.” Also, Winnipeg is

considering ISO 9000 as a means to ensure consistency of service delivery and help to sustain the program. Other issues requiring resolution include the need to have more Council involvement, understanding and support for the TQM efforts. “This type of buy-in and commitment by Council and indeed the public would assist in our ongoing implementation,” suggests Mr. Frost. Finally, there is a requirement to “keep the entire initiative fresh as a corporate priority at a time of declining resources in our organisation.”

Notwithstanding these concerns, Mr. Frost has described the TQM effort as successful and he states that “... it has created a new level of awareness in the organisation related to the elements of the improvement knowledge as described by W.E. Deming. We have begun to look at and speak about improvement using a common language.”

The keys to the success of the quality program are “...a commitment to the initiative from leadership at all levels and all areas of the organisation; a commitment to ongoing learning that is reflected in our actions and decisions; a commitment to take action working to apply the theory and tools of quality and use quality to drive the change in thinking about how we work,” states Ms. Sveinson.

8.4.4 Stakeholder Interviews

As noted, a series of semi-structured interviews were conducted with key stakeholders. The questions used for these interviews are outlined in Appendix M.

In Winnipeg, interviews were conducted with Mayor Glen Murray; Brenda Douglas, Manager of Human Resource Services; Paul Moist, President Canadian Union of Public Employees (CUPE Local 500); and, Scott Hodges, Human Resources Clerk.

Mayor Murray is in his first term as the Mayor but he has served on Council for three terms as a Councillor. In his view, “Winnipeg continues to face significant financial problems and we must address those problems while trying to improve service. The impetus originally to bring in a continuous improvement exercise was from Council to ‘control costs in the city’ and from the Chief Commissioner. The most resistant levels were some members of Council who were concerned about the cost of the training and other parts of the exercise at a time we were trying to reduce costs; and, mid-management who felt very threatened by this work. Of course, morale has not been very positive with the types of changes being brought in aimed at improving our performance. The major hurdle was trying to incorporate an improvement culture with the support of our employees at a time when significant program and staff cost-cutting measures were being undertaken.”

“Currently, the improvement program is starting to take hold to the extent Council and staff are more comfortable with it – the future of our city and organisational change are both bright,” says Murray. As an observation, Mayor Murray suggests it is very important to get and keep employee support; and, make sure the public understands the work of the city.

Brenda Douglas is the Manager of Human Resource Services. She has served as a member of quality planning teams during her thirteen years of service with the city.

In her view, morale has been a significant issue in Winnipeg for a number of years as a result of downsizing and uncertainty related to employment in many areas. The morale and high stress are well-documented in some of our employee survey work, which unfortunately has only been completed regularly within the past three years. Council and many external (public) stakeholders drove the original continuous improvement program as a means to reduce costs. It was started with a Council resolution (see Figure 8.3) but it was difficult to actually implement as many employees – primarily mid-mangers were less than enthusiastic. The major hurdle to overcome was the sense of cynicism related to the fact “quality” was tied to job loss.

Currently, the program looks quite different from the original design. There are more Council, union, management joint committees now – it is more of a co-operative effort although change continues. The future of the program is that it will continue to mature and change itself as required. Our workforce is more aware of and understands change, improvement and quality principles and techniques, which is a benefit.

Paul Moist is the President of CUPE Local 500. From his perspective, the drive to reduce costs is the sole reason that the continuous improvement exercise was started. There was nearly a tax revolt in Winnipeg and Council with the Board of Commissioners saw the quality project as a way to resolve those problems. Of course, the average employee was very critical of any program that was aimed at reducing jobs

and cutting costs. Morale was very low and employees were under a lot of stress. The Union conducted its own surveys in 1994 and 1997. These confirm very real, important and increasing issues for employees including: a lack of trust (of the employer); a feeling that most managers, Council and the public do not understand the work undertaken by public employees; and, fear that more and more work is being assigned to fewer and fewer employees. As a general comment, Moist notes, “there are frequently significant changes in direction with a new Council and employees are concerned that they be treated properly and with respect.” In general, “the system was broken and needed to be fixed,” states Moist.

In terms of the future, “we are cautiously optimistic that this Council will listen to our issues. A number of working groups have been set-up to discuss a variety of outstanding matters.” As an observation, the union has always supported delivery of quality services but we need the respect and resources to do it properly.

Scott Hodges is a Human Resources Clerk. This is a unionized position and Mr. Hodges has been in this position for two years. My involvement in the continuous improvement program has been limited – initially, at the time of being hired he did receive some training about customer service. “I understand it was started because of complaints about poor service from customers,” states Mr. Hodges. One of the areas that Mr. Hodges was assigned to was an inter-departmental group working on performance measures. These measures should be an important means to encourage a stronger level of support from employees; however, to date they haven’t been widely used. The most resistant level to these types of (quality) programs is middle management due to

significant job loss in this area. Finally, Hodge suggests that, “Council doesn’t seem overly committed to the quality concept.”

In terms of concluding comments, Mr. Hodges notes the program has had many successes but needs to itself continuously adapt to changing political and other factors.

8.4.5 Summary

In summary, the City of Winnipeg has one of the more mature total quality management initiatives at the local government level in Canada. The main elements of the current practice of TQM in Winnipeg are outlined in Figure 8.7.

Figure 8.7
Winnipeg and TQM: Current Practice

- Program called “Continuous Improvement Initiative.”
- Annual work plan developed, adopted by Council and circulated with key components or focus areas outlined.
- Current key components include focus on training (notably customer service); development of specific project improvement teams; and, enhanced means to communicate the TQM message and achievements to stakeholders (see Figure 8.6).
- Initial internal employee survey conducted.
- Major effort to define a performance measurement system as part of continuous improvement initiatives.
- Documentation of TQM efforts as part of application for Canada Award for Excellence underway.

The documents and interviews suggest that there are a number of concerns related to the use of TQM from an internal perspective. These include the level of political knowledge, support, and commitment to the continuous improvement program; the resistance of middle management; the rather low level of employee involvement; a fear

that quality service is primarily aimed at cost reductions; and, the sense that TQM will adversely affect individual employees.

Notwithstanding these concerns most commentators have indicated that the Continuous Improvement Initiative has made useful and important contributions to the organisation.

8.5 Total Quality Management: The Case of Calgary, Alberta

8.5.1 Background

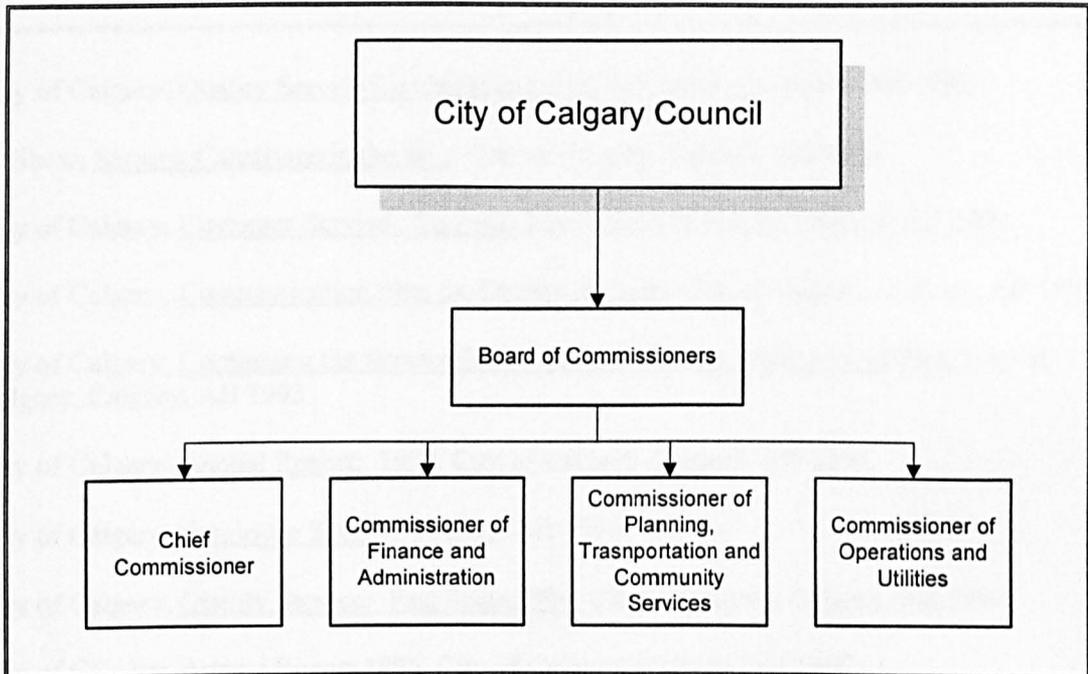
Calgary, Alberta is Canada's second largest municipality with a population of 767,000 people and a current growth rate of approximately 3% per annum, which is the highest rate for large cities in the country. Calgary is also home to the second highest (behind Toronto) concentration of corporate head offices in Canada. The city has an annual budget of more than \$1.5 billion and 10,750 employees.

Calgary's economy is described as one of the most buoyant in the country and it is primarily noted for oil and gas head office and support functions; agricultural support services; a distribution centre for Alberta and western Canada; and, a financial, corporate headquarters centre.

The city is governed by a Mayor, elected at-large and by fourteen full-time Aldermen elected every three years on a ward basis. The City uses a Commissioner model of government (see Figure 8.8). The Board of Commissioners model was established in 1905 by Council and originally included the Mayor (as Chair), City Clerk and City Engineer. In 1968, the Mayor ceased to perform the duties of Chair and become an ex-officio member.

The current Board format established in 1971 includes a Chief Commissioner and three other Commissioners appointed by City Council. The Mayor continues to serve ex-officio on the Board.

Figure 8.18
City of Calgary: Structure and Organisation



Source: City of Calgary, *City of Calgary Municipal Handbook*, Calgary, AB 1997 p. 36.

8.5.2 The TQM Program

The documentation submitted by the City of Calgary used in this component of the research is illustrated in Figure 8.19. Another source of useful information related to the TQM efforts in Calgary is their worldwide website accessible at www.gov.calgary.ab.ca

The City has adopted a mission statement and guiding corporate philosophy as important elements of the organisation. The mission statement is: “The purpose of the Corporation is, on behalf of the citizens of Calgary, to maintain and build a modern, attractive, economically viable city with appropriate services, infrastructure and supporting human resources.”[40]

Figure 8.19
City of Calgary Total Quality Management: Documentation

City of Calgary, Quality Service for Calgarians, City of Calgary, Calgary, AB 1992.

R. Shaw, Serving Calgarians in the 90's, City of Calgary, Calgary, AB 1991.

City of Calgary, Customer Service: Strategic Plan, City of Calgary, Calgary, AB 1992.

City of Calgary, Communication Plan for Quality Service, City of Calgary, Calgary, AB 1993.

City of Calgary, Continuing the Service Improvement Process: 1993 Action Plan, City of Calgary, Calgary, AB 1993.

City of Calgary, Annual Report: 1995, City of Calgary, Calgary, AB 1996.

City of Calgary, Employee Survey, Calgary, AB 1996.

City of Calgary, Quality Service: Fast Facts 1996, City of Calgary, Calgary, AB 1996.

City of Calgary, Annual Report 1996, City of Calgary, Calgary, AB 1997.

City of Calgary, Corporate Customer Satisfaction Survey, Calgary, AB 1997.

In addition, the guiding corporate philosophy adopted by Council is seen as "...a common theme to the business plan that guides the future actions of City employees.

This philosophy is as follows:

- The purpose of the corporation is to serve the citizens of Calgary. Every action must centre on serving the customer better;
- To ensure quality service for Calgarians, interdepartmental co-operation must be emphasized;
- City employees are creative, innovative and skilled. Their involvement in corporate decision-making is the key to attaining the desired level of integration among departments; and,
- Improving performance is a continuous process, based on meaningful, result-oriented performance measures, assisted by ongoing evaluation.”[41]

Both the corporate mission statement and the corporate philosophy articulate and build upon a tradition of innovation, and customer orientation in Calgary that can be traced back to 1982. In that year, Calgary and Alberta were in a period of significant recession due to sharp decreases in the price of oil. “To co-ordinate Calgary’s cost-cutting efforts without reducing services to the public, the Board of Commissioners appointed a corporate steering committee called the Performance Measurement Co-ordinating Committee – 1982.”[42]

This committee was renamed the “Service Improvement Steering Committee” in 1983 and it undertook a number of quality related initiatives in a more strategic, structured fashion including:

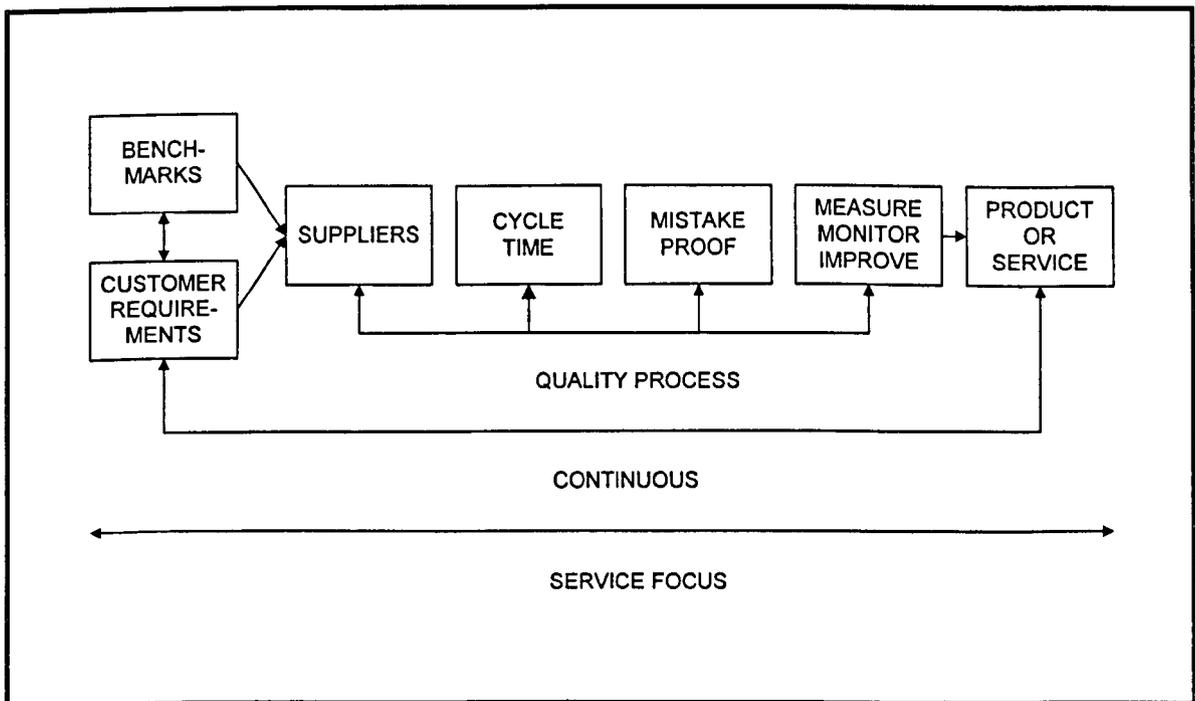
- i. “The preparation of an orientation package of material and in-house video to communicate corporate goals including quality and customer service objectives to all staff on a regular basis;
- ii. Introduction of an internal newsletter with an emphasis on employee service improvement;
- iii. An employee recognition program that included awarding the Mayor’s Productivity Cup, which recognises the top productivity initiative; and,
- iv. Increasing the scope of service improvement from isolated productivity techniques aimed at cost reductions into a way of doing business in all areas.”[43]

The gradual implementation and evolution of the program was specifically developed to allow more employee buy-in to the program; and, it was initially seen as quite successful. “The service improvement initiative, during the six year period ending in

1990 has yielded approximately \$18 million in cost savings/avoidance and produce numerous examples of changes geared to improving the quality of service to Calgarians.”[44]

A model of the quality service focus used by the City of Calgary (Figure 8.10) illustrates the main components of the program including the focus on customers. On an operational level, the emphasis on customers has led to a biannual survey of citizens (external customers) which was established in 1990. As a result of this type of survey there are now trend line data to track customer satisfaction. Also, employee (internal customer) surveys were initiated in 1991 on a biannual basis for similar purposes.

Figure 8.10
City of Calgary: Quality Service Focus



Source: R. Shaw, *The City of Calgary: Serving Calgarians in the 1990's*, Calgary, AB 1991 p. 16.

One of the key components of the quality service focus was the use of training and education, which was developed to meet two basic requirements:

- i. Training must help the employee apply the concepts to improve; and,
- ii. The learning must be applied or used as soon as possible.”[45]

Specifically, the training was aimed at ensuring everyone in the organisation was provided with the following:

- “Information on the quality process including definitions and its importance from a corporate perspective;
- How to collect and analyse performance data;
- How to identify and solve problems;
- How to develop and improve processes;
- How to measure and report results;
- How to co-operate effectively as part of a team; and,
- How to deal with customers.”[46]

In addition to the important role of training in the success of the quality program, there is a key emphasis on a “clear understanding and acceptance of roles and responsibilities ...(which) must proceed from the top down, thereby sending an unequivocal signal to all employees that the Corporation is committed to service improvement.”[47] To provide a focus for this support, Council directed that the objectives of continuous improvement and customer service be pursued and reported upon annually through the annual report and similar documentation. In 1992, the Board of Commissioners prepared a report [48] to Council that outlined the characteristics of a customer focused public sector organisation. These characteristics are important in Calgary’s quality journey and they include:

i. “Strong Customer Orientation

Instead of focusing on a hierarchy and on the authority that rules the hierarchy, people in the well-performing organisations focus on client needs and preferences. People in organisations derive their satisfaction from serving the client, rather than serving the bureaucracy. Interaction is strong within the organisation, but it is perhaps even stronger between the organisation and its clients. There is also an alignment of values and purpose between the organisation and its political and administrative leaders.

ii. Emphasis on Employees

People within the organisation are challenged, encouraged and developed. They have the power to act and to use their judgment. Service delivery becomes the product of caring rather than the product of systems that control.

iii. Participative Leadership

Leaders clearly define the vision, purpose and goals and frequently articulate these to foster commitment. Staff communicate and collaborate easily with their peers.

iv. Innovative Work Styles

Successful organisations maintain monitoring, feedback and central systems as tools to assist them in continuing to be innovative and flexible. They respond to changes in their environment rather than to outside controls.”[49]

These characteristics were used as the basis for a more detailed eight-step model (see Figure 8.11) for implementing customer service in Calgary. This is the conceptual model currently being used in Calgary from the departmental to individual employee

level to implement the quality service program and continuous improvement objectives.[50]

Figure 8.11
City of Calgary – Eight Steps to Quality Customer Service (A Model)

The following eight steps have been identified as a blueprint for developing quality customer service initiatives. Every department/division/unit and individual employee can enhance their commitment to customer service by following these eight steps.

Step 1 – Define your department/division/section/unit/individual contribution to both the Corporate and/or departmental customer service mission and strategic plan issues.

This first step implies that you are or will become familiar with the missions and strategic plan issues at both a corporate and departmental level. Using this information you will be able to align your role and contributions you have made to the corporate and/or departmental mission and strategic plan issues.

Step 2 – Identify your products or services and those internal and external groups, individuals, agencies or boards who assist you in providing them.

The City of Calgary delivers external services (e.g. ambulance, transit, utilities) and internal services (e.g. personnel, finance, law), has regulatory and enforcement responsibilities (e.g. licensing of business and charities, collecting taxes, policing) to protect public interests and develops policy and legislation (e.g. environmental protection) to help achieve the objectives of municipal government.

City departments often perform regulatory as well as service functions in collaboration with internal and external partners.

Step 3 – Identify your customers (both internal and external) and their expectations.

A catalyst to quality customer service is knowing who your customers are and their service expectations and needs. It is important for departments to strive for congruency between customer expectations and the products or services being delivered.

“If you are not serving the customer your job is to serve somebody who is.”[1]

Step 4 – Redefine, clarify and communicate your business with an emphasis on customer service to all team members to ensure a common understanding.

Once you have gone through the process of identifying your product or service and the customers who use them redefine or restate your business to ensure understanding. A key ingredient is to communicate the revised vision of your purpose to all team members.

Figure 8.11 continued . . .

Step 5 – Review your systems with the aim of making them more customer friendly and maximise use of resources to empower your employees to satisfy customer needs.

Simplify systems, maximise use of resources and give employees permission to make decisions. Find new ways to deliver better services through initiatives such as: using plain language, using technology innovatively, changing work flow, getting rid of unnecessary rules, delegating authority.

Step 6 – Provide all employees with the information and training to meet customer needs.

Training is a critical element for customer focused organisations. Having the correct mix of skills and knowledge is crucial to successfully achieving customer service goals.

Step 7 – Set customer service standards and measure and evaluate results.

Setting customer service standards is an ongoing process which should reflect customer feedback in setting reasonable standards.

Step 8 – Celebrate successes.

Recognise and celebrate team and individual success in providing quality customer service.

[1] Karl Albrecht quoted in Clemmer, Jim and Barry Sheehy, Firing on all Cylinders, Macmillan of Canada, Toronto, ON 1990 p. 82.

Source: R.A. Welin, City of Calgary. Customer Service Strategic Plan, Calgary, AB 1992 pp. 11-1, 11-2.

The major objectives of the quality service work at this time are aimed at enhancing the internal and external communication components [51]; and, to establish a series of performance measures on a corporate-wide basis.[52] In the case of communication, a work plan titled Communication Plan For Quality Service has been developed to “...successfully communicate the quality service message to all the employees of the City of Calgary.”[53] The key components of the communication strategy are:

- i. Find Out What Staff Think – through surveys; questionnaires; focus groups and test runs (or pilots).
- ii. Deliver Information to Every Employee - “Every employee in the city should receive the information that he/she needs to understand Quality Service (QS)

and take on the QS challenge.”[54] The information includes quality service brochures for staff; a series of regular progress bulletins or updates; pay cheque inserts; reports to Council and employees. Also, QS presentations by senior staff are scheduled regularly; articles on QS are a regular feature of the employee newsletter; and, a series of QS videos and resource materials have been acquired and available on loan to employees.

- iii. **Active Participation By All Management Staff to Deliver the QS Message –** This focus area is predominantly related to presentations to employee groups on request. It is set out as a separate strategy to emphasise the need for leadership within the staff ranks.
- iv. **Make QS a Highly Visible Corporate Program –** “The nature of the Quality Service is that it should pervade everything that the corporation does.”[55] To enhance the profile of the QS initiative a series of posters were developed; a QS logo was developed and added to corporate stationary, business cards, and publications.
- v. **Active Support for a Two-Way Dialogue –** If the QS program is perceived as simply imposed top-down, without opportunity for feed back, it will not take hold. Staff must feel that they can freely contribute ideas and suggestions both about the QS initiative generally and about specific service improvement initiatives, and that these ideas will be seriously heard at the senior corporate level.”[56] To support this strategy staff meetings were re-formatted to encourage questions and answer sessions; specific individuals were identified as “information officers” with a mandate to accept questions and distribute information; and, a Management By Walking Around system was encouraged.

- vi. Establish Feedback Mechanisms to Celebrate Successes, Develop Pride and Support QS Initiatives – This strategy is necessary to ensure that the QS program is seen as on going and that key achievements are recognised. This strategy is implemented primarily through a corporate awards program and special recognition events including an annual dinner at which the Mayor’s Productivity Cup is presented.
- vii. Open and Proactive Approach to Media and Public – This strategy included the designation of a media contact person and a system of regular updates on the activities of the QS initiative for the media and the public.
- viii. Major Evaluation – On a regular (annual) basis the QS initiative should be subject of an audit which could serve as an opportunity to announce major successes. This type of activity again illustrates the level of ongoing commitment to the QS program.

These key elements of the Communication Plan for Quality Service are ongoing and, Chief Commissioner Dawson notes that to date, they have “assisted in spreading awareness and commitment to the QS initiative.”

In addition, another recent initiative related to the quality service project is the introduction of an ISO 9000 registration pilot project in the Supply Management Services Department. This project, initiated in the latter part of 1996, included work to encourage suppliers of goods and services to the City of Calgary to acquire ISO 9000 registration; and, accredit the Department (Supply Management Services) to the ISO 9002 standard. The pilot project had an estimated cost of \$130,000 to be used primarily for consultant activities and the actual registration process. Other costs, notably staff

time were estimated at approximately \$300,000.[57] The benefits of registration were seen to include reduced cycle times, reduced rework and improved satisfaction of customers. The original investments to initiate the ISO registration were seen to be paid back in a “four to ten year period.”[58]

The intent of this ISO registration project is to serve as a pilot for possible implementation in other areas or indeed corporately. The project will be monitored on a regular (annual) basis.

Another key component of the initiative currently is the development of performance measures. This exercise has not yet yielded any publicly available information; however, it is seen as a priority. Calgary has recently joined a pilot group of cities coordinated by the International City Management Association to develop a best practice handbook on performance measurement.

8.5.3 Chief Commissioner Interview Results

Additional data related to the TQM program in Calgary were generated through the use of a more detailed, semi-structured interview with Mr. Paul Dawson, Chief Commissioner; and, further information was made available by Ms. Diane Devonshire, Corporate and Strategic Planning Co-ordinator.

In response to the question about the state of the organisation at the time the TQM project was introduced Mr. Dawson stated, “The TQM program was initiated primarily in response to external pressure. In the case of Calgary there was a significant downturn in the local economy as a result of sharply reduced activity in the oil sector.” Calgary

went from a community with double-digit growth to one that lost population for a period in the mid-80's. This change resulted in a lower tax base and pressures on the organisation to reduce staff and work more effectively with fewer dollars. The "external pressure to work differently with less dollars – and retain service levels at or close to those previously available – drove the initial interest in a structured, corporate-wide customer service program based on TQM principles," stated Commissioner Dawson. "Of course given the circumstances, many employees were fearful of the program at the outset as a way to trim staff – it took a lot of time and effort to encourage participation and buy-in at all levels."

At the outset the success of some business applications of TQM was noted as a means to manage the changes we were being forced to undertake. The first step was a series of workshops that outlined the principles and key elements of TQM. These workshops were set-up using the assistance of consultants. "There was a recognition from the Board of Commissioners that these efforts needed a structure and a report to Council using the terminology 'quality service' was developed. The report identified improvement initiatives for consideration in a variety of departments."

Mr. Dawson suggests that "the support for these initial efforts came from senior staff with considerable interest and support from Council. Most employees were sceptical of the exercise as it was too new and different." As a result of these concerns considerable efforts were made to introduce the principles of the quality program to all staff throughout the organisation through scheduled training opportunities.

The quality program in Calgary continues to mature and evolve to meet the changing circumstances facing the organisation. Chief Commissioner Dawson states, “The tenets of quality service have taken root in most areas of the work force; however, it is an initiative which must be dynamic and responsive. We are very pleased with our results and the quality service project has been very successful. We do need to continue to improve on our use of performance indicators to ensure that it is a program of ‘continuous improvement’ as designed.” One of the challenges with respect to the current application is related to the strong level of growth within the community. This growth is “putting a strain on our ability to provide quality services on a consistent basis particularly as growth adds to our financial pressures for infrastructure – this is an important area of concern.”

At this stage, Calgary is looking at the success of the ISO 9000 registration process that was established as a pilot exercise. Also, Mr. Dawson states that “the development of corporate and departmental business plans has been seen as a vehicle to ensure that broad corporate goals and objectives and budgets compliment and link properly with those of the quality service initiatives on an ongoing basis.”

8.5.4 Stakeholder Interviews

A series of semi-structured interviews were conducted with key stakeholders. The questions for these interviews are outlined in Appendix M.

In Calgary, interviews were conducted with Mayor Al Duerr and Former Alderman Theresa Baxter; Gerry Taft, Public Works Superintendent; Terry Mutton, President

Canadian Union of Public Employees (CUPE 709); and, Rhonda Lemoine, Clerk, Planning and Building Inspection Department.

Mayor Duerr is a three-term Mayor and considers himself supportive of the quality service program. He suggested that Theresa Baxter be contacted as a former chair of the Finance Committee, which had the primary role in the development and implementation of (1986-1998) the quality program.

Both Mayor Duerr and Ms. Baxter suggest that the quality efforts flow from external (public) demands for better service at lower costs. Ms. Baxter says, “the change required to deliver services differently (at less cost) has an impact on the organisation – morale is lower, stress is higher. Like any change, communication and consistency of direction are important. Initially the quality service program looked like any other program or project (lots of support and ‘rah, rah’) but over time people – employees and public – saw that the long term commitment was there to stay the course.” The early efforts were most strongly supported by Council and senior staff. Most resistant levels were primarily mid-management which saw the changes as a threat. The biggest hurdle to overcome was the “it’s just another program” attitude of some stakeholders. “It is important to have consistency over time in a program of this nature,” says Alderman Baxter.

In the future, Baxter notes that “the program would benefit from more public awareness about what it is and how it works; also, there remain internal pockets of employee resistance – we still have work to do.”

Gerry Taft is a Public Works Superintendent with the Department of Engineering. In addition to these duties as Superintendent, he chairs the Department Quality Service (QS) Group and is very familiar with the initiative. In his view, the initial stimulus for the QS program was an internal desire to improve and reduce costs. Organisationally, the program was introduced through "...a lot of internal promotion including training, workshops, videos, and articles in the employee newsletters." The most resistant level to the program was mid-management as "QS was seen by many as more work at a time when everyone was very busy." The strongest support came from the "senior management team and individual Councillors." The major hurdle to overcome was employee support at a time when the QS program needed to deliver real budget savings. This was achieved by introducing "...a suggestion system which generates more than three hundred improvement ideas per year. Individuals (or teams) are eligible for a bonus of ten percent of savings generated by these ideas to a maximum of \$20,000. Last year, more than \$250,000 was saved." "From my perspective, the continuous improvement program is a success," says Taft.

Mr. Terry Mutton is a Works Foreman with the City of Calgary. He is also the President of CUPE 709 and serves as the representative from Alberta on a number of CUPE national boards.

Mr. Mutton notes that the unions were generally very concerned in Calgary at the initial stages of the QS initiative as it appeared to be driven by "simply a desire to reduce costs ...and with it necessary jobs. The issue of job security was one that was high on the agenda of the membership and the QS initiative appeared to put this objective at risk," says Mutton. To address this issue, the unions requested involvement "from the start so

there are no surprises.” In part, this approach to involvement at all stages was advanced by setting up regular monthly meetings between all union executives and senior staff. Further, the Mayor and Council established a luncheon format meeting with union executive members on a semi-annual basis to discuss “issues of mutual concern.”

Mr. Mutton suggests that the QS program was initially driven by senior staff as a means to reduce costs. In his view, the most resistant level was middle management. The major implementation hurdle was getting union involvement into the decision-making process as early as possible.

At this point, the program contains a new “bonus payment scheme” to reward suggestions from employees. This is very well-received by staff and can result in payments of up to \$20,000 per suggestion. The scheme also includes a guarantee that employees will not lose their jobs based on any of the suggestions.

“Overall, we support improvement and customer service programs; however, we need to be part of the solution and not part of the problem – in Calgary we have been fortunate to turn the corner on union involvement; however, other municipalities are not so lucky,” says Mutton.

Rhonda Lemoine is a front counter clerk with the Land Use Planning and Building Inspection Department. She has been in this unionized position for approximately five years; and, is aware of the Quality Service program in Calgary. “As a new employee, I did receive a presentation on the QS program and the importance of customer service.” The QS program is seen as particularly relevant for front-line staff “...although many of

my colleagues (fellow employees) remain concerned that quality means more and more work for fewer staff – the major reason for the QS program is external complaints. To resolve those complaints needs more money and more people (staff) in many cases.”

In terms of the future of QS, Mr. Lemoine suggests “...the QS program has been in use for a number of years – employees generally understand it and support it; however, it would be helpful to have more (real) involvement by employees in this and other important issues.” Finally, on a personal note, Ms. Lemoine states, “one of the parts of the QS system that is of particular value for front-line staff in my position is the availability of specific training such as ‘how to deal with a difficult customer,’ and similar types of courses. All of these courses are very helpful.”

8.5.5 Summary

Calgary has a TQM program that was initially developed in response to external, primarily fiscal, pressures. The program has evolved since its inception to become a more formal, documented TQM program broadly supported by the elected members of Council through specific committee work and recognition events, such as, the Mayor’s Productivity Cup.

The interview results provide an insight into some of the stakeholder concerns that include the timeliness and extent of employee and union involvement; and, the resistance of some groups notably middle management.

The key components of the current TQM initiative in the City of Calgary are outlined in Figure 8.12.

Figure 8.12
Calgary and TQM: Current Practice

- Program called “Quality Service.”
- Annual corporate business plan and budget process identifies objectives for quality service on regular basis.
- Current emphasis is on implementing a model “Eight Steps to Quality Customer Service” (see Figure 8.11).
- Increasing union involvement.
- Actively involved in a program to benchmark services with other jurisdictions and develop performance measures; currently assessing the effectiveness of the pilot use of ISO 9000 registration in one service area.
- Strong support of Council through committee structure and award programs.

There is strong senior management support for the ongoing efforts of the program which have been termed “successful” by the Chief Commissioner. These ongoing efforts include the development of more specific internal training capabilities; and, a more recent effort at using ISO 9000 registration as a pilot project in one particular service area. Based on a cost/benefit analysis of this registration effort it may prove to be valuable in other service areas.

8.6 Total Quality Management: The Case of Maple Ridge, British Columbia

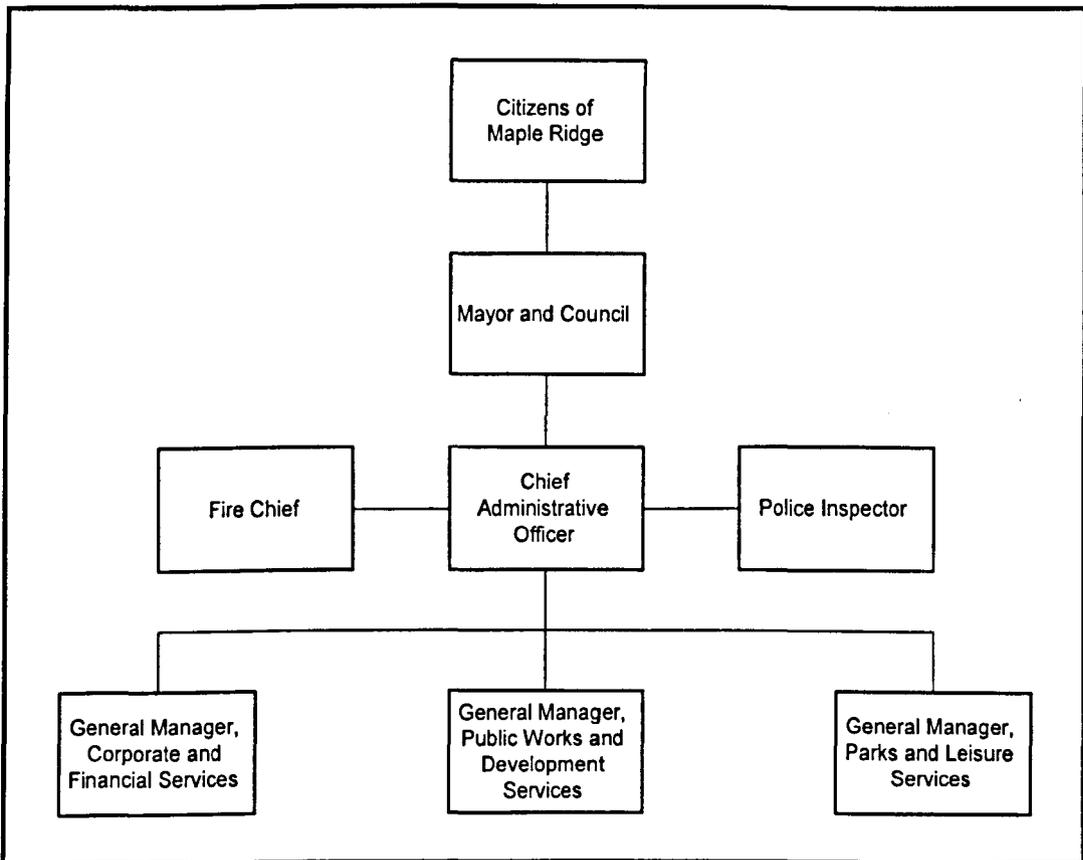
8.6.1 Background

The Municipal District of Maple Ridge is located approximately sixty kilometres east of Vancouver on the north shore of the Fraser River. It is within the Greater Vancouver Regional District (GVRD) which provides water, sewer, and planning services to the approximately two million residents of the GVRD.

Maple Ridge is a community of approximately 60,000 people with an annual average growth rate in the three-percent range. The local economy is based on forest-related activities such as sawmills and lumber mills; warehousing and distribution; and, a growing high technology sector. It is also a “bedroom community” for Vancouver. As a municipal corporation, Maple Ridge has an annual budget of approximately seventy million dollars and three hundred and fifty full-time employees.

An elected Mayor governs the District with six Councillors all elected at-large. Administratively, the District uses a Chief Administrative Officer model (see Figure 8.13).

Figure 8.13
Maple Ridge Organisational Chart



Source: District of Maple Ridge, *Business Plan and Budget 1997 – 1998*, Maple Ridge, BC 1997 p. 5.

8.6.2 The TQM Program

The documentation submitted by Maple Ridge used in this component of the research is illustrated in Figure 8.14. Another source of useful information related to the TQM efforts in Maple Ridge is their worldwide website accessible at www.mapleridge.org

As noted, Maple Ridge has a relatively new (less than one year) formal TQM program. As a result, there are significantly fewer documents and records to use in describing their program; indeed, some of the documentation submitted (see Figure 8.14) were in discussion or draft stage at the time of the survey. As illustrated in Figure 7.1, there are a significant number of Canadian municipalities with similar developing TQM projects; and, as a result, it is important to consider a case of this nature such as Maple Ridge.

Figure 8.14

Municipal District of Maple Ridge Total Quality Management: Documentation

Municipal District of Maple Ridge, Corporate Strategic Plan 1997, District of Maple Ridge, Maple Ridge, BC 1997.

Municipal District of Maple Ridge, Quality Service Program: Policy 1996, District of Maple Ridge, Maple Ridge, BC 1996.

Municipal District of Maple Ridge, Quality Management Plan 1996 (Draft), District of Maple Ridge, Maple Ridge, BC 1996.

Municipal District of Maple Ridge, Annual Report: 1996, District of Maple Ridge, Maple Ridge, BC 1997.

Municipal District of Maple Ridge, Quality Improvement Plan (Draft), District of Maple Ridge, Maple Ridge, BC 1997.

Quality Council of British Columbia, Customer Focused Quality: Self Assessment, District of Maple Ridge, BC 1997.

In the case of Maple Ridge, the initial interest in a more customer-oriented organisation was driven in large part by Council; and, to a lesser degree, by municipal staff. The main component of the involvement by Council to improve service related to the establishment of a committee called the “Public Service Review Committee.” This committee included citizen and council members and had a mandate to:

- “Review and report to Council on customer service relative to the delivery of municipal services;
- Identify areas of customer relations for special attention;
- Determine whether services provided and procedures followed by municipal departments can be improved; and,
- Solicit and review public input.”[59]

This committee held a series of meetings including public meetings and a report with recommendations was presented to Council during the latter part of 1995. Essentially, the report recommended a more customer oriented approach to service delivery.

In response to the report and to implement the key recommendations a “Quality Service Program Policy” was developed by municipal staff and adopted by Council in 1996.

This policy forms one of the cornerstones upon which the TQM program was initially developed. The policy (see Figure 8.15) recognises the importance of customers (both internal and external); provides a mechanism for the review of service delivery to promote continuous improvement; and recognises the key elements of teamwork, co-operation, employee involvement and communication within a program of this nature. Unfortunately, this policy was developed by a committee of elected Councillors and some external public member appointments. There was, in fact, very little actual staff involvement. As a result, employee buy-in was low and this issue will be addressed in subsequent sections.

To provide additional structure to this and other corporate exercises a Corporate Strategic Plan was also developed for the first time and adopted by Council in early 1997. This document provides re-enforcement with respect to the importance of the quality service program. Additional steps included the establishment of a cross-departmental, management and union team charged with the development and implementation of a detailed Quality Improvement Plan.

Also, the District of Maple Ridge has used the networking and other (short courses, professional development) services available through the Quality Council of British Columbia (QCBC). To provide some positive, internal recognition and support for the quality service program and ongoing initiatives the municipality applied for, and received, a Bronze Level Award of Excellence (1997) from the Quality Council of British Columbia. This Award is in recognition of organisations (public and private) that recognise and promote the concepts of customers and continuous improvement in a structured manner. The Award represented a significant achievement as it provided public recognition of the efforts of the organisation to improve service.

As part of the process to achieve the QCBC Bronze Level Award, the District of Maple Ridge conducted an employee survey. The survey was developed by the QCBC and administered by the University of British Columbia. The survey provided a series of insights into areas of improvement within the organisation including the sense that increased training opportunities and better internal communication would be beneficial. Also of note, was the finding that the level most cynical of existing quality efforts was the middle management group. Overall, the survey results were beneficial in the identification of areas for improvement; and, the results were to be used in refining organisational efforts in subsequent years.

Figure 8.15
Corporation of the District of Maple Ridge: Quality Service Program

POLICY STATEMENT

The District of Maple Ridge will carry out a Quality Service Program.

- The Municipality will conduct regular reviews of every process or step that is currently incorporated in the provision of every service, to identify and remove any unnecessary or unproductive steps which do not add value to the service and to identify potential ways in which the organisation can add value to the service.
- The municipality will include a system to implement regular Quality Service Reviews in every Municipal Division.
- The Municipality recognises that some organisational processes are controlled by statutes and regulations beyond the control of the Municipality. If portions of these statutes or regulations are found to be unnecessary or unproductive, the Municipality will request the appropriate agency eliminate them.
- The Municipality recognises the requirement to provide appropriate training to current and future municipal representatives to ensure that Municipal Council members, volunteers and staff are consistent in both approach and ability to achieve the goals of the Quality Service Program.
- The Municipality will establish and maintain a system for encouraging and recognising participation and contributions made by Municipal representatives toward the stated objectives of the Quality Service Program.

PURPOSE:

1. The goal of the Quality Service Program is to provide the highest possible level of quality services to our customers in a fiscally responsible manner.
2. The level of success achieved by the organisation in attaining this goal will be determined by the customer.
3. The primary objective of the Quality Service Program is to encourage all municipal representatives to continually strive to improve the quality of our services.
4. Additional objectives of the Quality Service Program are:
 - a) To provide optimal service resulting in enhanced customer satisfaction
 - b) To enable the organisation to design processes that meet or exceed customers' expectations
 - c) To improve communication, co-operation and teamwork
 - d) To increase employee and volunteer involvement
 - e) To reduce waste and eliminate duplication and unnecessary steps

DEFINITIONS:

1. The Quality Service Program defines a customer as anyone who
 - a) Resides, operates a business or community organisation, or pays municipal taxes in Maple Ridge
 - b) Enters any District of Maple Ridge facility
 - c) Interacts with any District of Maple Ridge representative (Council, volunteers, and staff) in any way
 - d) Travels anywhere in the District of Maple Ridge
 - e) Is a District of Maple Ridge Council member, volunteer, or staff member receiving support services from another representative of the District of Maple Ridge?
2. Adding value means increasing the benefit of service to the municipality's customers by adding valuable products to the service being provided.

Source: District of Maple Ridge, Quality Service Program, Maple Ridge, BC 1996 p. 6.

8.6.3 Acting Chief Administrative Officer Interview Results

To provide additional data on the TQM program in Maple Ridge a more detailed semi-structured interview was conducted with Mr. Richard Wells, General Manager, Financial and Corporate Service. Mr. Wells was the Acting Chief Administrative Officer at the time the program was introduced. The detailed questions were outlined previously. Mr. Wells noted that there was “considerable uncertainty, change and confusion at the time the TQM or quality service program was introduced. Indeed, in hindsight we were not specifically pursuing TQM as a defined program. Our efforts were less structured at first; somewhat reactive; and, seen as driven by Council. However, over time we have built a more TQM oriented initiative.” In part, the conditions of change and confusion at the outset of the project reflected the fact that a new Council and a new Mayor had recently been elected; and, there was a perceived “change in direction.” Also, the Municipality did not have a Chief Administrative Officer in place at the time that the TQM program was introduced which created significantly higher workloads for senior staff.

The primary motivation to adopt a TQM program suggests Mr. Wells “came both from Council’s direction to be more customer-oriented; and, from the staff level looking at ways to improve particularly based on some of the positive TQM results being reported by business.”

Initially, the key event in the start-up of the TQM initiative states Mr. Wells, was “the establishment of a public service review committee; however, this committee was seen by many staff (including the union) as a special interest group primarily of land developers which simply wanted to point fingers at municipal employees. In essence,

the initial steps excluded the majority of staff and the program (at its start) was perceived as externally driven.” Indeed, Maple Ridge has made more recent efforts “to include staff in all aspects of decision-making related to quality and other initiatives.”

Mr. Wells states that “the strongest levels of support for the introduction of the system included Council and (some) senior staff; and, the most resistant level was the average employee who was very cynical about the entire exercise and this remains as one of our most important issues to resolve.” In addition to employee buy-in Mr. Wells identifies the need to “keep the TQM program fresh, interesting and moving forward at a time of declining financial resources” as an important hurdle to overcome.

Currently, the TQM program is evolving slowly to become “more structured and a part of the organisation – not an add-on; and, of course we are attempting to ensure that it is driven by all of the municipal employees,” says Mr. Wells. The successes have “been a more corporate, improvement oriented approach to most issues.” The only notable failure (other than the lack of employee buy-in) is “getting the message to Council and the public about the TQM program on an ongoing basis and to recognise and celebrate success.”

In the future, “we propose to develop a more formal or documented quality improvement plan which is designed primarily to structure our efforts and make sure that all members of staff are aware of that direction. This type of quality improvement plan must be properly linked to our ongoing corporate initiatives. Unfortunately, many see TQM as an ‘add-on’ and this perception must be addressed.” Further, Maple Ridge proposes a regular (biannual) customer/citizen satisfaction survey. Finally, Maple

Ridge will pursue other quality recognition such as the awards of excellence available through the QCBC. These awards “provide an excellent opportunity to re-focus quality efforts and to provide recognition to those employees who add value to this type of exercise,” noted Mr. Wells.

8.6.4 Stakeholder Interviews

A series of semi-structured interviews were conducted with key stakeholders. The questions used for these interviews are outlined in Appendix M.

In Maple Ridge, the interviews were conducted with Councillor J. Clements, Chair of the Finance and Corporate Services Committee of Council; Paul Gill, Director of Corporate Planning and Protective Services; Moreno Rossi, Past President of the Canadian Union of Public Employees (CUPE 622); and, Vicki Munson, Clerk, Building Inspection Department.

Councillor Jim Clements is the Chair of the Finance and Corporate Services Committee. This is the Council Committee that was involved with the initial quality efforts in Maple Ridge and Councillor Clements is a three-term member of Council.

Councillor Clements noted that the primary motivation for the original quality efforts was based on the “perception by many community-based leaders that the District was an organisation that was difficult to deal with as customers.” The initial quality efforts included a public committee that was very critical of the District of Maple Ridge and many specific employees.” As a result of the work of this committee, Council adopted the “Quality Service Program” (see Figure 8.15) with only limited input from District

staff. “The quality system included comment cards and little else in terms of tangible outputs – unfortunately, staff were not supportive of these preliminary efforts,” suggests Councillor Clements.

“These preliminary efforts were successful in introducing the concepts of quality and customer service but the method of introduction resulted in considerable resistance at all levels of the organisation. In hindsight, we should have been more inclusive particularly with senior staff,” says Councillor Clements. He says, “on balance, though I see many of our efforts are producing positive results and in my view, our quality program has been successful in many ways.”

Paul Gill has been with the District for ten years and he is Director of Corporate Planning and Protective Services. This function includes a variety of internal functions that support line departments and it includes the coordinating of business planning and quality efforts.

At the outset, morale has been an issue in the organisation with many concerned about job security and the many changes impacting the District. The Quality Service Program was simply seen as “more change.” The most resistant level was likely the mid-management group as they had, in many cases, reached a level in the organisation; and, a point in their careers when change was not looked on positively. The most supportive level of the organisation is a more difficult question. Pockets of the organisation were supportive at various levels – Council, senior staff, middle management and unionized employees.

The biggest hurdle was convincing everyone that the program was here to stay and that it is an important issue to everyone. Currently, the key challenges remain adequate financial resources; getting better employee awareness of the program; and, getting results out to the public.

Moreno Rossi is a Planner and Past President of the Canadian Union of Public Employees (CUPE 622). Mr. Rossi is very critical of the early quality efforts as "...they seemed intent on finding fault with individual employees – the public committee was particularly a concern as it named individuals for what the committee called 'poor customer service.'" In fact, the introduction of the quality system resulted in a "significant reduction in employee morale and a fear that it was simply a politically driven means to reduce (identify and fire) specific staff that 'they' (Council and some community leaders) did not like."

Overall, Rossi suggested that "total quality management" is "not the right term as it implies a management problem. The Union is very interested in providing good service to our customers; however, the Union does need to be equal partners in the identification of quality or similar organisational initiatives."

Although a critic of the early quality efforts, Rossi believes more recent efforts are improvements as "...there does seem to be more involvement generally by employees and the Union."

In terms of the future of TQM in Maple Ridge, Rossi states, “the biggest fear is job security in an environment of reducing dollars, which also adds considerable stress to all employees.”

Vicki Munson is the Office Coordinator for the Building Inspection Division with the District of Maple Ridge. This is a position within the bargaining unit (CUPE 622) and she has been with the District for thirteen years. Ms. Munson is familiar with the quality initiative in Maple Ridge.

Ms. Munson notes, “I have been with the District for a number of years and seen our community grow a lot over that period. At the same time, our organisation has had considerable financial difficulties and we are always trying to do more with less.” Throughout the period of her employment, Ms. Munson has been “active in union activities and a variety of organisation functions.”

In terms of the interview questions, Ms. Munson suggests that the early rationale for the introduction of the quality program was “almost totally driven by external stakeholders – mostly developers wanting to build homes. As a result of this perception, staff generally were not, in my opinion, supportive.” In many respects though, this perception has been addressed by more recent changes to the quality system, “notably the addition of union members and a wider cross section of employees to the steering committee; by introducing more and better training; and, by communicating on a more regular basis with all of the employees. More and more employees understand that we do have customers to consider in our work.”

8.6.5 Summary

The case study of Maple Ridge provides information about a newer, evolving TQM initiative in a mid-sized community that, as a result, is significantly different than the cases of Calgary and Winnipeg.

The key components of the current initiative in the District of Maple Ridge are outlined in Figure 8.16.

**Figure 8.16
Maple Ridge and TQM: Current Practice**

- Initiative called “Quality Service Program.”
- Annual corporate business plans under development will identify key process improvement areas; and, establish performance measures.
- Need to encourage stronger commitment from staff through recognition programs, better communication, and more involvement.
- Ongoing use of award programs such as Quality Council of British Columbia to focus efforts.

There are, of course, fewer documents and reports in Maple Ridge to describe the program. However, the challenges and opportunities associated with a new program are perhaps more current and visible in this type of case. Also, this type of newer, evolving program in use in Maple Ridge more accurately reflects the type of TQM system in use in the majority of survey respondents; therefore, it is an important case study.

In Maple Ridge, preliminary efforts have included both Council and senior staff support. These efforts, to date, have resulted in the development of formal mission and value statements; a corporate strategic plan and business plans with customer service and quality goals; and, specific customer training initiatives. Further work is ongoing and will “focus on more involvement of employees throughout the entire organisation.”

In particular, the level of employee involvement at the outset of this case study appears to have generated some cynicism and resistance to the program, which is the subject of concern in current applications.

8.7 Case Studies: Observations and Conclusions

The three selected cases provide an opportunity for a more detailed assessment of an operational TQM program in a local government context. The cases were developed using survey results; existing documentation; a semi-structured interview process with the Chief Administrative Officer; and, interviews with key stakeholders to build a picture of the TQM program from its initial implementation to current practice. The data generated in the case studies included an identification of some of the key issues and practical problems that have faced these particular organisations in the development and application of their TQM programs.

Some examples of practical problems and concerns in the application of TQM identified within the case study jurisdictions are outlined in Figure 8.17.

Figure 8.17
TQM Programs: Practical Problems

- Introduction of TQM at time of significant fiscal stress is problematic;
- Rationale, terminology and purpose of TQM must be clearly communicated to employees;
- Involvement of employees throughout the organisation at an early stage is important and was generally not well-handled;
- Support and involvement of unions is important;
- Employee support appears cautious at best;
- Leadership and consistency of support of Council and senior staff is required;
- TQM programs should be more clearly linked to existing corporate initiatives;
- Ongoing communication is essential to ensure stakeholder (Council/public/employee) support;
- Performance indicators remain a weak area identified for further work; and,
- Important to keep program fresh in a time of declining fiscal resources.

Clearly, the case studies illustrate a number of common themes or elements. For example, initially both Winnipeg and Calgary adopted TQM as a means to address external change that included significant fiscal pressures on both organisations. Their current initiatives reflect somewhat different models; however, both retain a commitment to TQM and describe the efforts as successful. The only key differences with respect to ongoing efforts relate to the stronger level of political support evident in the Calgary model and the efforts towards ISO 9000 registration as a pilot program in that community. Generally, there is a more optimistic attitude in Calgary with respect to the future of TQM; however, current growth has strained fiscal resources and this may lead to additional pressure on the TQM and other corporate programs.

In the case of Maple Ridge, the data illustrates a newer, less structured but formal program. This type of “evolving” program is similar to many in Canada and this case study provides a useful insight into the problems and issues associated with a more recent effort in a smaller community. In Maple Ridge, the effort was driven largely by Council at the start, and more recently by staff primarily to provide better customer service. To date, there has been a concerted effort to structure the program through the development of a mission statement; a corporate strategic plan; and, other corporate documentation that has been used throughout the organisation to ensure all employees are aware of and participate in the program. A preliminary effort to provide some recognition to the TQM efforts resulted in Maple Ridge attaining a Bronze Level Award from the Quality Council of British Columbia which was seen as important in respect to both external and internal support of ongoing efforts. As a newer program than those in Winnipeg and Calgary, the documentation in Maple Ridge reflects an evolving TQM effort; however, it does provide a perspective on an emerging system that clearly is

important in the context of this research.

Fundamentally, it is of interest to note that all the cases have selected TQM as a means to address change in a structured, fact-based manner. Each of the cases have expended considerable resources (financial and human) to use a TQM system tailored to suit their own specific needs.

In conclusion, all of the cases examined classify their TQM programs as successful. Both Winnipeg and Calgary have extensive experience with the use of TQM on an organisation-wide level. Maple Ridge is a newer program but it does classify its efforts as successful. The initiative in all cases has been named something other than TQM and it has generally evolved to reflect local circumstances and conditions with involvement by employees throughout these organisations. Support for the programs from a political perspective does vary from case to case. In all cases there have not been any quantifiable cost savings accurately identified, which may yield some questions for future analysis. Finally, there does appear to be a gap of perception between interview respondents with respect to the success of the programs. Some interviewees and employee survey data from the cases suggest that there are morale and stress issues of real concern related to employees and their unions with respect to quality efforts. Indeed, the quality efforts are frequently seen as a means to simply address organisational financial issues as opposed to trying to improve local government service delivery with employee support and participation. These are important concerns that will be discussed in more detail in the next Chapter.

The next Chapter will briefly outline the key results of the survey including a comparison of TQM efforts at the local government level in Canada with those of the United States and the United Kingdom. This Chapter will also include a critique of current TQM efforts in Canada based on the survey results and casework.

8.8 Endnotes

- [1] City of Winnipeg, Changing City Government, Winnipeg, MB May 1994 p. 3.
- [2] Ibid., p. 2.
- [3] For a more detailed assessment of the factors involved in the creation of the Winnipeg Unicity in 1972 see, for example, D. Hefferon, "Policy Statement of the Manitoba Government on Reorganisation of Greater Winnipeg: Notes on Bill 36, The City of Winnipeg Act," in L.D. Feldman and M. Goldrick, ed. Politics and Government of Urban Canada: Selected Readings, Methuen Pub., Toronto, ON 1976 pp. 375–395.
- [4] City of Winnipeg, Changing City Government, Winnipeg, MB 1994 p. 5.
- [5] Ibid., p. 6.
- [6] Ibid., p. 5.
- [7] City of Winnipeg, A New Direction for Civic Administration, Winnipeg, MB 1994 p. 5.
- [8] City of Winnipeg, Annual Report 1995, Winnipeg, MB 1995 p. 2.
- [9] R.L. Frost, "Message From the Chief Commissioner," City of Winnipeg 1995 Annual Report, Winnipeg, MB 1996 p. 5.
- [10] Ibid., p. 6.
- [11] City of Winnipeg, The Continuous Improvement Initiative, Winnipeg, MB 1993 p. 3.
- [12] J. Sveinson, Continuous Improvement in Winnipeg, Winnipeg, MB 1995 p. 6.
- [13] City of Winnipeg, City of Winnipeg 1995 Annual Report, Winnipeg, MB 1996 p. 13.
- [14] Ibid., p. 2.
- [15] R. Frost, "Winnipeg is Quality...and has the Award to Prove It," Canadian Association of Municipal Administrators Bulletin, Ottawa, ON Spring 1993 p. 1.
- [16] Ibid., p. 3.
- [17] Ibid., p. 1.
- [18] Ibid., p. 2.
- [19] Ibid., p. 1.

- [20] Ibid., p. 2.
- [21] City of Winnipeg, The Continuous Improvement Initiative 1995, Winnipeg, MB 1995 p. 4.
- [22] City of Winnipeg, The Continuous Improvement Initiative 1993–1994, Winnipeg, MB 1993 p. 4.
- [23] Ibid., p. 4.
- [24] Ibid., p. 5.
- [25] Ibid., p. 6.
- [26] Ibid., p. 7.
- [27] Ibid., p. 5.
- [28] Ibid., p. 6.
- [29] Ibid., p. 5.
- [30] City of Winnipeg, Continuous Improvement Initiative 1995, Winnipeg, MB 1995 p. 5.
- [31] Ibid., p. 4.
- [32] For more information on learning organisations; see, for example, P. Senge, The Fifth Discipline: The Art and Practice of the Learning Organisation, Doubleday, New York, NY 1990.
- [33] City of Winnipeg, Continuous Improvement Initiative 1994, Winnipeg, MB 1994 p. 6.
- [34] Ibid., p. 7.
- [35] City of Winnipeg, Continuous Improvement Initiative 1995: Performance Measurement, Winnipeg, MB 1995 p. 1.
- [36] Ibid., p. 2.
- [37] Ibid., p. 4.
- [38] Ibid., p. 5.
- [39] Ibid., p. 4.
- [40] City of Calgary, Annual Report 1996, Calgary, AB 1997 p. 1.
- [41] Ibid., p. 2.

- [42] R. Shaw, The City of Calgary: Serving Calgarians in the 1990's, Calgary, AB 1991 p. 1.
- [43] Ibid., p. 2.
- [44] Ibid., p. 2.
- [45] Ibid., p. 17.
- [46] Ibid., p. 18.
- [47] Ibid., p. 22.
- [48] R.A. Welin, Customer Service: Strategic Plan, Calgary, AB 1992 p. 3.
- [49] Ibid., p. 7.
- [50] Additional information on current initiatives is available in City of Calgary, Quality Service for Calgarians, Calgary, AB 1993; or at the City of Calgary worldwide website which may be accessed at www.gov.calgary.ab.ca/
- [51] Some of the preliminary elements of the communication strategy were developed in City of Calgary, Communication Plan For Quality Service, Calgary, AB 1993; however, implementation and work on this project continues as a priority of the corporation.
- [52] Further information on the performance measurement component is available in City of Calgary, Annual Report 1996, Calgary, AB 1996 pp. 14-16.
- [53] City of Calgary, Communication Plan for Quality Service, Calgary, AB 1993 p.2.
- [54] Ibid., p. 6.
- [55] Ibid., p. 8.
- [56] Ibid., p. 7.
- [57] City of Calgary, ISO Certification, Calgary, AB November 13, 1996 p. 12.
- [58] Ibid., p. 13.
- [59] District of Maple Ridge, Quality Service Program: Policy 1996, Maple Ridge, BC 1996 p. 3.

9.0 Total Quality Management and Local Government in Canada: Comparisons, Contrasts and Critique

9.1 Introduction

The purpose of this chapter is to discuss the raw data generated by the postal survey as presented in Chapter 7; and, the data and information generated through the case studies presented in Chapter 8. In addition, these data and results will be compared and contrasted with similar empirical local government data available related to the use of total quality management from the United Kingdom and the United States. This discussion uses the standardised categories of the National Quality Institute (NQI) initially used as a means to structure the collection of data. However, the discussion also includes a more thematic approach based on main elements or themes generated by the research. The thematic elements are raised within a summary component for each section.

As noted in Chapter 6, the research includes both qualitative and quantitative elements. The discussion and analysis of results within this Chapter contains both elements.

In terms of quantitative analysis of the data, a series of hypotheses were developed in Chapter 6. These hypotheses were tested using a chi-square analysis, which is a statistical measure used to test for association. The chi-square cross-tabulations were conducted to determine whether or not a relationship exists between certain variables. In this research, all cross-tabulations were analysed using an alpha value of 0.05 whereby the null hypothesis (H_0) is rejected if the computed chi-square value is less than the alpha of 0.05. For these calculations, the null and alternate hypotheses are:

Ho – There is no relationship between the two variables under consideration.

Ha – There is a relationship between the two variables under consideration.

In addition to these cross tabulations, a simple frequency analysis was conducted for the information generated by the open-ended questions. A discussion of the results of these tests (see Appendix N) are included in this Chapter. The qualitative components of the research generated a considerable volume of data. These data are presented, discussed, and analysed in this Chapter to provide for a “thick description, which is the key to qualitative research” (Denzin 1989).

Finally, a critique of the TQM efforts at the local government level in Canada will conclude this Chapter.

A further Chapter (Chapter 10) will provide conclusions and recommendations with respect to the overall research study.

9.2 Total Quality Management and Local Government: The State of the Art

9.2.1 Background

As previously discussed, there are considerable challenges facing the public sector and local government in the 1990's. Increasingly, the public sector including local government has used the principles and techniques of a management philosophy that originated in the private sector as a means to improve product quality and enhance customer satisfaction. This philosophy – Total Quality Management – does have some features which require careful consideration prior to simply adopting it in the public

sector; however, it is apparent (see Chapters 4 and 5) that it has increasingly been embraced within a broad cross section of public jurisdictions.

At the local government level, there are relatively similar surveys that have been conducted in the United Kingdom [1] and the United States [2] against which the data generated by this research study may be assessed. Although not directly comparable in all areas there are some important similarities in the surveys and responses that are useful and instructive to explore in more detail. This type of approach which seeks to compare and contrast the efforts of local government in the understanding and use of TQM in the United Kingdom, the United States and Canada may yield further insight into the criteria required for the successful application of TQM within local governments. In addition, there are recent data available from private sector surveys and these will be used to provide a further level of comparison.

The data illustrated in Figure 9.1 provide a comparison of key results from recent surveys undertaken in the US and the UK with those of this survey undertaken in Canada. Also, Figure 9.1 compares the data from these local government surveys with the results of a recently completed private sector survey of Fortune 500 Corporations [3]; and, a mixed public and private sector group of managers in the United Kingdom.[4]

In the survey of local governments in Canada 186 surveys were circulated and 119 returned for a response rate of 64%. By comparison, similar surveys of local government in the United States and the United Kingdom generated response rates of 36% and 80% respectively. Further, a recent survey of Fortune 500 companies to assess

TQM usage among the private sector had a response rate of 19%; and, a similar survey of private and public sector managers in the UK conducted by the British Institute of Management had a response rate of 22% (see Figure 9.1).

Figure 9.1
Recent Surveys of the Use of TQM in Public/Private Organisations

Survey	Total Survey	Response Rate	Use of TQM or Quality Techniques
British Institute of Management ^①	4,000	880 (22%)	71%
Fortune 500 ^②	500	95 (19%)	92%
ICMA (US) ^③	1,211	433 (36%)	55%
LGMB (UK) ^④	447	359 (80%)	97%
CAMA ^⑤	186	119 (64%)	80%

Sources:

① A. Wilkinson, T. Redman, and E. Snape, "New Patterns of Quality Management in the United Kingdom," *Quality Management Journal, ASQ, Milwaukee, WI Volume 2 No. 2 Winter 1995 pp. 37-51.*

② J.R. Lackritz, "TQM Within Fortune 500 Corporations," *Quality Progress, ASQ., Milwaukee, WI Volume 30 No. 2 February 1997 pp. 69-74.*

③ J.P. West, E. Berman, and M. Milakovich, "Total Quality Management in Local Government," *The Municipal Year Book 1994, ICMA, Washington, DC 1994 pp. 14-25.*

④ *Quality Initiatives: Report on the Findings from the 1995 Survey of Local Authority Activity, The Local Authority Associations Quality Group, ACC Pub. London, UK 1995.*

⑤ CAMA, *TQM Survey, Original Data, 1996.*

The organisational use of TQM or "quality initiatives" reported by these surveys range from a high of 97% by local governments in the UK; and, local governments in the US and Canada report 55% and 80% respectively. In the private sector, 92% of respondents to the Fortune 500 survey report the use of TQM.

Finally, another recent survey of four thousand members of the British Institute of Management (BIM) in the United Kingdom which includes representation from both the private and public sector indicates that "...71% of managers report that their organisations had implemented a formal quality management campaign, and a further eleven percent were planning to do so." [5]

In terms of observations, the data in Figure 9.1 illustrates a very wide range of survey response rates from 19% to 80%. As discussed in Chapter 6, lower response rates may be some cause for concern in surveys of this nature and further analysis of the survey methodology is warranted to ensure the validity of the results.[6] Also, one important caveat to the comparison is the fact that each survey uses marginally different definitions of the terms “TQM” or “quality initiatives.” As previously discussed (in Chapter 3) there are a variety of definitions associated with the terms “TQM” and “quality”; and consistency of definition is obviously important. Further, TQM is currently very topical as a management philosophy.[7] To some extent, the survey response data may reflect an element of “social desirability.” The term “social desirability” refers to “the tendency to agree to items that the respondents believe reflect socially desirable attitudes in order to show themselves (or their organisations) in a better light.”[8] Notwithstanding these concerns, the data in Figure 9.1 illustrates a strong level of use of TQM and quality techniques in both the private and public sectors.

In terms of the Canadian survey data, there is a wide variation in the population size of respondent jurisdictions (see Figure 7.1). A research hypothesis was developed to test for a relationship between respondent population and the use of TQM. In this instance, the computed significance value of 0.003 is less than the alpha value of 0.05, which indicates that the null hypothesis should be rejected. Therefore, a measure of association exists between the population of a municipality and whether a municipality engages in a TQM program.

Further, only 64.8% of municipalities with a population of less than 25,000 identify use of TQM; whereas 94.1% of municipalities with a population of more than 250,000 use TQM. As population size increases, it appears that there is more likelihood of use of TQM. In some respects, larger municipalities have more resources (human and financial) to devote to initiatives such as TQM. Also, there is normally a higher level of support available from other organisations (public and private) in larger communities.

In addition to the evident use of TQM and quality initiatives illustrated in Figure 9.1, it is important to note that the UK local authority data reflects the third annual survey of local authorities by local government authorities. The local government data from both the US and Canada, reflect individual research surveys which are not designed to be repeated. As a result, the issue of quality and total quality management does appear to be more accepted and promoted at a national and institutional level within local government in the United Kingdom as compared to either the United States or Canada.

Further, there is one concern that is evident in respect to the data generated by the preliminary portion of the survey of local government in Canada. In particular, this concern relates to the relatively high proportion of respondents that have indicated that their jurisdictions use TQM in a more informal manner. Specifically, 24% identify use of a formal, documented TQM initiative; whereas, fully 56% report adopting an “informal” TQM program. To some extent, this may reflect a less than enthusiastic commitment to TQM or quality initiatives and this issue will be explored in more detail in a latter section as a critique of current efforts.

In summary, the Canadian survey response rates are comparable to similar surveys in the public and private sectors. The use of TQM in Canadian local government is somewhat lower than local government use in the UK; and, higher than that of US local governments. In general, the larger the population of the respondent municipality, the more likely that TQM is used. Finally, many respondents identify their TQM initiative as “emerging” or informal in nature. To some extent this type of response may be reflected in the higher level of “informal” use of TQM within local governments in Canada.

9.2.2 Leadership

The use of TQM as a method to strategically address organisational change in local government is relatively recent in both Canada and the United States. In Canada, fully 40% of respondents identified a TQM program that was less than two years in use. In the US, the majority of reported cases using TQM cite less than four year of experience with the technique.

As previously noted, the history in the UK appears somewhat lengthier in terms of local government applications of quality and TQM. This survey is conducted annually by the Local Government Management Board; and, to some extent, it follows the guidelines promoted by the Audit Commission (see Figure 5.6). Unfortunately, it does not specifically identify the length of use of TQM or other quality techniques; however, overall there has been an increase in the percentage of local authorities using quality in each of the survey years (1993 – 95%; 1994 – 96%; and, 1995 – 97%).

Another survey [9] in the UK of public and private sector managers suggests that quality management remains "...a relatively recent phenomenon with 21% having introduced a campaign within the past year, and a further 40% within the past five years. Only 10% had a formal quality management campaign dating back more than five years." [10]

In terms of the Canadian survey data, a research hypothesis was developed to test for a relationship between the population size of respondent municipalities and the length of time that TQM has been used within their organisation. In this instance, the cross-tabulation reveals a significance value of 0.000, which indicates a very strong measure of association. Of those surveyed, 62.9% of programs in municipalities of less than 25,000 have been operating for less than twelve months; whereas 68.8% of municipalities with populations greater than 250,000 have had a TQM program in place for more than thirty-six months.

In addition, a research hypothesis was developed to test for a relationship between the length of time that TQM programs have been in place and whether or not the system operates in all departments. In this instance, the significance value of 0.084 exceeds the alpha of 0.05, which means that the null hypothesis cannot be rejected. There is no apparent relationship between the length of time TQM programs have been in place and the operation of TQM in all departments.

Overall, the data with respect to length of use of TQM is quite consistent and points to a relatively recent and gradually evolving use of the technique. Although there may be some benefits in a gradual systematic introduction of a TQM program, there may also

be concerns raised about the level of commitment to TQM in these data. There needs to be a balance between persistence in the sense that TQM represents continuous improvement over the long term; and, pragmatism to the extent that incremental success is demonstrable and adds value to the organisation.[11]

The communication internally of objectives and specific programs or activities related to the implementation of TQM is an important consideration. In Canada, the survey and case studies illustrate acknowledgement of the importance to align TQM with other corporate initiatives such as budgets and strategic planning efforts (see Figure 7.4). The case studies of Winnipeg and Calgary in particular do contain tangible linkages between corporate programs and their TQM initiatives.

In terms of the survey data, a research hypothesis was developed to test for a relationship between the length of time that TQM has been used and the link to strategic (corporate) planning. In this case the computed value is 0.065; therefore, the null hypothesis cannot be rejected. As a result, it does not appear that the length of time that a TQM program has been in place is linked to the strategic planning efforts within each municipality.

Also, there are identified means (see Figure 7.6) to communicate the elements of the TQM efforts to staff including the recognition of success through tailored reward programs. There are no directly comparable local government survey data from the US or the UK in this area. However, the ICMA survey of US local government does identify increased co-ordination and monitoring internal performance as key strategies to implement quality improvement (see Figure 5.3).

As noted, local authority survey data in the UK is not as directly comparable although both case studies from the UK discussed in Chapter 5 do acknowledge a strong emphasis on ensuring a broad level of understanding of the quality initiative throughout the organisation. Further, the BIM survey reports “...quality was identified as a responsibility of all employees by 44 percent of respondents; by 34% for senior managers; and by only 9% for quality control specialists.”[12] These data do suggest the need to align TQM programs properly with other corporate initiatives and ensure broad employee and stakeholder support.

In summary, the survey data suggests a relationship between respondent population size and length of time that TQM has been used. Larger jurisdictions are more likely to have a TQM program; and, more likely to have the program in place longer than smaller jurisdictions. Further, the survey data suggests that there is no relationship between the length of time TQM has been used and strategic planning (and other corporate planning) efforts. Also, the survey suggests there is no relationship between the length of time TQM is used and its operation in all departments. Indeed, only 65% report the use of TQM “organisational-wide.”

Finally, the survey does report a number of means to communicate information about the TQM program to municipal employees and generally communication is seen as “important.” However, the information from documents, case studies, and interviews suggests the issue of communication is one of some concern for employees and it will be discussed more fully in a later section.

9.2.3 Customer Focus

There is recognition that customer satisfaction is an important component of a TQM system within local government in Canada (see Figure 7.8). The most commonly cited (93% of respondents) technique to identify customer satisfaction is the use of a customer survey. Although the use of this technique appears quite prevalent, it does have its critics. Indeed, “municipal politicians in Canada, have been more reluctant than their federal and provincial counterparts to embrace survey research as a substitute or complement to more traditional ways of sensing the public mood. For example, in the 1980’s, one prominent city manager was directed to stop citizen survey activities on the grounds that this was essentially a political function.”[13] For the most part, these types of concerns have abated and many communities have initiated surveys to “...seek views on the priority attached to different services; the preferred mode of delivery”[14]; and, increasingly, the level of satisfaction with respect to these services.

Finally, although there does appear to be considerable use of customer surveys within Canadian municipalities there is very little in applied research related to the use of surveys to improve customer service at the local government level. In one reported study, Das and Mackenzie (1996) suggest that “...customer satisfaction levels varied depending on the user experience levels and homogeneity of needs of the consumer. In general, satisfaction levels were higher for low (infrequent use) experience and homogeneous services.[15] Das and Mackenzie (1996) advocate additional work in the development and use of customer surveys at the local government level in Canada to ensure that surveys are indeed useful in assessing and improving customer satisfaction.

In terms of the survey data, a research hypothesis was developed to test for a relationship between the length of time that TQM has been used within a respondent municipality and the level of customer satisfaction. In this instance, a cross-tabulation between these two variables provides a significance value of 0.003, which is less than the alpha value. As a result, the null hypothesis can be rejected. Those municipalities that have had TQM initiatives in place longer report a higher level of customer satisfaction.

Other means to establish or measure customer satisfaction such as comment cards; complaint management systems and other methods such as focus groups are also used and seen as important in securing and enhancing customer satisfaction.

The US survey data illustrate that customer surveys are used by 85% of respondents. In the US a comprehensive document has been prepared by the International City/County Management Association to identify the importance of customer surveys and to outline in detail techniques to conduct these surveys. The document, How Effective Are Your Community Services: Procedures for Measuring Their Quality [16] has been developed as "...public officials as never before are being encouraged to examine the quality of their services. National and international events have greatly increased public sector attention to service quality." [17] This type of "how to" manual has been of considerable assistance in promoting the use of customer surveys in the United States; and, to some extent, in Canada.

Similarly, in the UK local authorities report widespread use of customer surveys with 74% of respondents (see Figure 5.10) which identify the use of this technique. The

Citizen's Charter movement; the work of the Audit Commission; and, more recently the movement towards "Best Value" [18] are other examples of a move to a more customer-oriented environment in the United Kingdom.

In summary, the research data in this area illustrates an awareness of the importance of a focus on the customer in the delivery of local services; and, an increasing use of surveys and other methods to measure customer satisfaction. The linkages between the data generated by customer surveys and corporate actions to improve service are important. Some of the survey respondents note the lack of these linkages is an area of weakness. In particular, the research study suggests that some municipalities have difficulty in using the customer survey data to drive improvement on a continuous basis. This issue will be discussed in a subsequent section.

9.2.4 Continuous Improvement

There are a number of factors both internal and external that have influenced the local government level in the adoption and adaptation of quality techniques and total quality management. The primary internal factor cited as "very important" consistent from the survey data in the UK (82%); US (59%); and Canada (50%) is that of leadership and support of the city manager (chief administrative officer).

The main area of contrast with respect to internal factors is the importance of elected members of Council in the UK (see Figure 5.8) versus the relatively lower level of importance related to involvement by elected officials in both the United States (see Figure 5.2) and Canada (see Figure 7.10). In the UK, 68% of survey respondents cited Council involvement as "very important" or "important"; in the US 59%; and, in

Canada 58%. In Canada, and indeed North America there is a sense that “policy” issues are the prerogative of Council as detailed in Chapter 2; whereas, “management” issues including TQM are administrative issues which may be a factor in these responses. However, other commentators disagree with this type of distinction particularly as it applies to quality efforts. Gaster (1995) states, “If public service quality is to be a democratic policy then a driving force behind the definition and implementation of quality has to be the political values of the elected Councillors of the organisations.”[19] This issue of organisational support is an important one that will be addressed further in a subsequent section as a critique of current efforts.

In terms of external factors of significance related to the introduction of a TQM system there is considerable consistency – predominantly associated with a move towards a more customer-oriented approach to local service delivery. Although this question is not specifically addressed in the UK survey data, there are similar data available for the US and Canada. In particular, areas of consistency between these data in the US and Canada include the relatively high level of importance attached to citizen complaints. The consistency of response in this area is not surprising and reflects some of the ongoing dissatisfaction with government discussed in Chapter 4. Again, although this issue is not specifically addressed in the UK local government survey, there is a similar direction regarding citizens and citizen complaints. Specific, examples of this orientation includes the use of citizen charters at the local levels; and, other methods of setting standards and performance indicators for local government service discussed in Chapter 5. Also, in Canada, the research suggests that many local governments have adopted TQM (in whole or in part) to address significant fiscal pressures.

The most significant area of contrast with respect to the influence of external factors relates to local capabilities (i.e. colleges) and media coverage. In the US, local government respondents rated both these factors significantly higher (51% and 52% respectively as “important and very important”); versus, Canadian respondents (7% and 9% respectively). Further, in the BIM survey in the UK 38% of respondents [20] identified a lack of quality infrastructure (support groups and networks) as a difficulty facing organisations wishing to pursue quality. Perhaps these responses illustrate a broader level of the use of quality in local communities in the US in areas such as business, schools and hospitals; and, more media coverage of the topic of TQM.

The question of performance measures generated an overall lower response rate within Canadian municipalities with only 37/189 reporting. Of those respondents many (44%) had included specific performance indicators as a part of the TQM system; whereas those who did not generally identified this component as a “work in progress.” In the US, 62% of respondents noted the requirement for “new performance measures” as part of the TQM system. In 1995, the survey in the UK reported an increase from 44% (1994) to 48% of local authorities [21] using these measures as part of their systems.[22] In the UK, the Local Government Management Board and the Policy and Performance Review Network have recently produced a particularly useful booklet [23] on performance indicators to “promote better practice.”

Overall, the level of use of performance measurement reported in the UK, US, and particularly in Canada at the local government level is rather low given the importance of the concept of continuous improvement as an integral component of a TQM program. To some extent, these low levels may be attributable to the nature of public services (see

Chapter 4) and the inherent difficulties of measuring services that, in some cases, are difficult to quantify. However, to sustain support for an initiative such as TQM in the future, it will require that performance is appropriately measured to ensure it “adds value” to an organisation. Indeed, one “key element of TQM is the requirement to base decisions on data and not opinion.”[24] Deming has identified “management by use only of visible (notably financial) figures with little or no consideration of figures that are unknown or thought to be unknowable” [25] as one of the seven deadly sins facing western organisations.

Another element of a successful TQM program is the concept of “recognition of success.” In part, this concept can be advanced through specific award programs such as those available to the private sector and more recently (1996) the public sector in Canada sponsored by the National Quality Institute. Notwithstanding their relatively recent introduction, there does appear to be awareness of these programs at the local government level in Canada. Indeed, 70% of respondents indicate they are aware of the Canada Awards of Excellence and 77% of those respondents indicate an interest in submitting an application for an award in the future. To date, there have been no national local government award winners although some local governments (including two of the case studies Maple Ridge and Winnipeg) have won provincial quality awards.

In Canada, the survey indicates that there is some limited interest in considering ISO 9000 registration for some or all service areas. To date, 7% of respondents note that they are, in fact, pursuing some form of ISO registration. One community (Town of Ajax, Ontario) has recently achieved ISO 9001 registration for the entire organisation;

and, there are examples of registration being attained for specific service areas within local government organisations. The case study of Calgary illustrates an organisation “trying” ISO 9000 in one service area as a pilot. However, on balance registration to ISO standard appears limited. In the United States, there is no specific national public sector quality award program. There are however, specific award programs for federal government agencies including, the President’s Quality Award Program.[26]

In addition, there are a variety of state award programs based generally on the national private sector Malcolm Baldrige program. These programs have awarded recognition to a number of local governments; however, overall the participation level is described as “rather low.”[27] There are limited data available about the interest of specific US communities in terms of pursuing ISO 9000 registration.

In the United Kingdom, there appears to be a significantly higher level of interest and involvement in recognition programs notably the “Charter Mark.” Applications for “Charter Mark” awards by local authorities has risen since its inception and in 1995 35% of all awards were presented to local governments.[28] Further, a large number, (170) local authorities either had received or were pursuing ISO 9000 registration.[29] These numbers in the UK are obviously considerably larger than those reported in Canada.

From a different perspective, a recent survey in the UK does identify a note of caution with respect to the use of quality registration systems. In some cases, there “is a perception associated with quality certification of a large and growing bureaucracy surrounding the notion of quality management...such as BS 5750 (ISO 9000) which was

described as paperwork driven...bureaucratic...and adding little value.”[30] To some extent, these are the types of concerns evident in the data from the survey in Canada and there will need to be changes to the perception that registration does not “add value” before local government in Canada pursues certification on a broad basis.

In summary, both internal and external factors have influenced the implementation of TQM at the local government level in Canada. One key internal factor identified is the role of the Chief Administrative Officer. The survey, documents and case studies suggest the support at this level is very important and these results are consistent with US and UK surveys. Indeed, in Canada TQM is seen as a “management” issue by many commentators.

One internal area of contrast is the role of elected officials. In the UK this element is seen as more important than the experience in the US or Canada. In North America, the lack of a partisan system within local government may be, in part, the reason for a lower ranking of importance with respect to the role of elected officials.

Also, from an external perspective, US data suggests a much stronger role for local capabilities and media coverage compared to the Canadian results. These results may reflect a higher level of community awareness related to quality and quality initiatives in the US.

Continuous improvement is one key element of TQM that is noticeable by the rather low level of usage reported in the survey. Indeed, fewer than 50% of Canadian survey respondents report the use of performance goals or targets. The case studies and

documents suggest more work is underway in this area to use performance data and a process to pursue continuous improvement. Nevertheless, the results in this area are somewhat disappointing.

Finally, in terms of recognition of “success,” most survey respondents are aware of formal recognition programs. In general, award programs are seen by many as a more formal means to work cooperatively as an organisation towards the goal of “recognition.” However, the research suggests there is a noticeable difference in the use of these types of programs between, for example, UK local authorities and local government in Canada. In the UK, there is a much higher level of participation in awards programs.

9.2.5 Employee Involvement/Training

A key element of a TQM program as identified by the National Quality Institute is a people focus. An important indicator of people focus is the level of participation by employees throughout the entire organisation.

In Canada, almost half (47%) of respondents indicated that less than fifty percent of their employees were involved in the TQM program. In terms of this issue, a research hypothesis was developed to test for a relationship between respondent population and employee involvement. The computed significance value between these two variables is 0.000, which suggests a strong measure of association.

The data indicates that only 9% of municipalities with populations under 25,000 report employee involvement greater than 50%; whereas, 100% of respondents with

populations greater than 250,000 report an involvement level greater than 50%, and fully 50% of these report involvement levels in excess of 90%. Larger municipalities are more likely to include higher levels of employee involvement.

One area of employee involvement a number of respondents identified is the necessity to address the concerns of unions, particularly as TQM may be perceived as a method to eliminate positions through more efficient operations. One survey respondent (the City of Vancouver) raised an example of this type of issue. Vancouver's TQM program (Better City Government) was introduced in Chapter 7. In this instance, there are thirteen unions representing approximately 6,000 employees. The unions proposed a joint steering committee with equal management/union representation to oversee the "Better City Government" initiative as an important pre-condition of union involvement. Also, "a basic premise of their (union) participation is that permanent employees cannot be laid off because of technological change or contracting out." [31] These types of concerns are not unique to Vancouver and may be frequently seen as a by-product of TQM. As noted in the Vancouver case, "when there is this type of workplace change, it is incumbent for them (management) to try to come and reach an agreement with the unions. No union will get on board with any of these programs without a written agreement and that is standard across the board. The city's refusal to work with the unions does not make basic sense given that 'Better City Government' is supposed to be all about empowering workers." [32] Based on these and similar comments from some survey respondents and case interviewees, the relationship of TQM programs to unions is one that does require attention.

The issue of labour and management relations is one that has received considerable attention [33] in the private sector application of TQM. There may be value in local governments exploring lessons learned by business to ensure that the unique issues of unions are properly addressed in the application of a TQM initiative.

In addition, although the low reported participation rate (less than 50% of employees) may reflect a less than corporate-wide application of TQM; or one which may be quite recently introduced, the level of participation should be an area of improvement.

Further, the TQM programs in Canada did have some impact in respect to the identification of specific training initiatives. Overall, training averaged 23 hours per employee per annum; however, the bulk of that training (56%) is not directly geared to the TQM program.

In the UK, training is seen as a strategy used to implement quality improvement by 66% of local government respondents (see Figure 5.3). Further, fully 82% of local authority respondents cite employee involvement as “very important”; and, a further 16% suggest that it is “important.” Similarly, staff training is cited as “very important” by 70%; and important by 25% of UK local government respondents (see Figure 5.8).

In the private sector, more than one-half of respondents to a Fortune 500 survey stated that “less than 80% of the management teams were sufficiently knowledgeable of TQM.”[34] Also, in the UK, one survey identified about 50% of respondents [35] using training as an approach or technique to advance quality.

Clearly there are wide variations in respect to the actual use of quality training within organisations identified by these surveys. In theory, most quality commentators [36] would suggest training should be available to all employees. In part, the discrepancies cited through the actual surveys may reflect recent, and in some cases partial, application of TQM. In that regard, the Federal Quality Institute in the United States has prepared a guideline for training which is based on the various phases of TQM implementation in an organisation (see Figure 3.9). In many respects, the level within an organisation and type of training will evolve with the maturity of a TQM program. To some extent the evolution of a local government training program is evident in the City of Winnipeg case study discussed in Chapter 8; however, on a broad scale the data from the survey in Canada does indicate that improvements could be made in respect to broadening the overall training throughout the entire organisation and aligning training more directly to the TQM program. These issues will be explored in more detail in a subsequent section as a critique of current efforts.

In addition, the survey data from local government in Canada illustrates that 52% have methods to tie individual performance to TQM program objectives and 28% have a system of merit pay. The question of performance appraisal and links to merit pay is a particularly difficult one in the context of TQM. "Within the quality literature there are two opposing schools of thought with respect to performance appraisal. The followers of Deming would like to see it abolished while many practitioners and academics perceive there to be a strong need for the appraisal of individual performance." [37] This research is not designed to specifically address this debate; however, it is important to recognise the diversity of opinion on this topic and other sources [38] can address these issues in further detail.

Survey respondents were requested to identify the level of recognition and support from key stakeholders in respect to their TQM programs. In that regard, a series of hypotheses were identified to enable quantitative tests for relationships between the length of time that a TQM program has been used and the level of support from key stakeholders.

The first hypothesis tested for a relationship between the length of time that a TQM program had been in place and the support of elected officials. In this instance, the significance value is 0.000, which is less than the alpha of 0.05. As a result, the null hypothesis should be rejected. A measure of association does exist between the two variables. Indeed, only 3.7% of elected officials from municipalities with programs in place for less than twelve months were seen to recognize and support the program. On the other hand, support from elected officials in those municipalities whose programs have been in place for more than thirty-six months is quite high. Fully 78.6% of these municipalities report that over 90% of their elected officials support and recognize their programs.

The second hypothesis tested for a relationship between the length of time a TQM program had been in place and the support of staff. The computed significance of 0.000 again suggests a strong measure of association between these variables. Only 7.4% of municipalities with programs in place for less than twelve months indicate staff recognition and support at 70% or greater. In contrast, staff support is identified as greater than 70% by 75% of the municipalities in which a program was in place for more than thirty-six months.

Third, a hypothesis was developed and tested for a relationship between the length of time a TQM program was in place and the support of the public. In this instance, the significance value is 0.136, which exceeds the alpha value of 0.05. As a result, the null hypothesis cannot be rejected. The length of time that a TQM program has been active within a municipality does not appear to be related to the public recognition and support of that program. In fact, overall 78% of municipalities suggest that less than 50% of the public recognize and support their TQM program.

In the US, support from the CAO (86%) and senior staff (85%) was identified as the most important factors followed by the Mayor (76%) and Council (75%) and then the public (44%). In the UK, leadership by senior staff was cited as very important by 82% of respondents. Councillor participation was cited as “very important” by 25% of respondents and important by 44% of respondents (see Figure 5.8).

The question of participation and support by locally elected officials for programs such as TQM is an important one. One commentator states “...it is a dangerous mistake to believe that political and management processes are opposed to each other or can be separated. Effective management of an organisation has to be grounded in the purposes and conditions of that organisation and the political process sets the purposes and conditions of local government.”[39]

In terms of recognition and support, another survey in the UK notes that “lack of commitment from middle managers, supervisors and employees was seen as at least a minor difficulty by well over 40% of respondents.[40] Clearly, organisational commitment to a management philosophy such as TQM must be broad-based.

Indeed, the question of employee involvement in TQM programs is of particular importance to the success of these types of initiatives. Employee involvement is defined in one research study as "...a wide variety of practices that moves information, knowledge, power and rewards downwards in organisations." [41] Most literature [42] and research [43] "...strongly suggests that employee involvement and TQM practices should be woven into an inter-related effort to improve organisational performance." [44] The question of employee involvement is even more critical in times of significant workplace change. For example, a recent survey of the Canadian workplace states that "...only 33% of employees rated management decisions as good; 29% saw those decisions as timely; 27% said they were communicated well; and, while 61% of senior managers said employees were treated as valued business partners only 27% of employees agreed. It's one thing to tell people, it's another to involve them." [45]

In summary, people focus is a very important element in a TQM system. Unfortunately, employee involvement appears to be an area of weakness in the reported survey data, documents, and case studies. Indeed, employee comments from interviews reflect fear and concern of TQM initiatives as a means to simply reduce costs. These comments are similar to those noted earlier in Chapters Seven and Eight from unions in the City of Vancouver. The level of concern from individual employees and unions reflects a need for a more open and inclusive approach in the application of TQM.

One key element of TQM identified in the literature review is the need for a broad-based, systematic training scheme. In the case of this research, it appears that training could be better aligned to support TQM efforts; and, more strategically delivered in a

manner that is tied to employee needs and requirements. Currently, the research suggests that training appears to be considered by many employees as somewhat ad hoc and available as a “perk” to a limited number of employees.

Merit pay is one method being used to align performance on an individual or team basis with compensation. Currently, merit pay is limited to non-union employees but there is interest in extending the concept in many municipalities.

Finally, the data from the local government level in Canada related to recognition and support of TQM is somewhat lower than comparable US and UK data. Statistically, the research in Canada identifies that a relationship does exist between the length of time that a TQM program has been in place and both elected official and staff recognition and support. However, there is no similar relationship with respect to the public. In part these results may reflect newer, less mature TQM and partial quality programs. Alternatively, there may be a need in Canada for a broader base of understanding about TQM and quality both within local government organisations; and, at the broader community level.

9.2.6 Process Optimisation/Improvement

This component as identified by the National Quality Institute is based on the concept of organising work to support the strategic direction of an organisation and pursuing a philosophy of continuous improvement. In practical terms this area requires the alignment of an organisations various strategic directions and an awareness of the need for a systematic process to encourage improvement. Indeed, one of the concerns evident from the research is the sense that TQM can be a “quick fix” to solve

organisational and financial problems in local government. As noted, many Canadian local governments identified that their TQM programs were initiated as a structured response to financial “downloading” by senior levels of government.

In Canada, the alignment of corporate documentation such as corporate plans and departmental or service area plans are both seen as very important by 63% and 53% of respondents respectively. Unfortunately, in at least one of the case studies (Maple Ridge) proper alignment of various corporate initiatives with the TQM initiative was seen as “requiring improvement.” Also, some of the documents submitted by respondents to the survey suggest that the alignment of TQM to other corporate initiatives is an area of weakness.

In terms of the survey, two research hypotheses were developed to test for:

- i. A relationship between the length of time a TQM initiative has been in place and the achievement of a corporate management perspective; and,
- ii. A relationship between the length of time a TQM initiative has been in place and the achievement of corporate goals.

An examination of the cross-tabulations to test these hypotheses shows a significant relationship between time and the contribution of TQM towards achieving a corporate management perspective. The significance value of 0.000 is less than the alpha of 0.05. The data suggests that, over time, TQM can assist in achieving a corporate perspective. Of those respondents whose programs are less than twelve months old, only 37.8% identify the ability to achieve a corporate management perspective; whereas, 96.4% of respondents with TQM use greater than thirty-six months cite a similar result.

Also, a significant relationship exists between the length of time that the TQM program has been in place and the ability of the program to achieve corporate goals. In this case, the computed significance value is 0.000. Of those municipalities with programs in place more than thirty-six months, fully 89.3% of respondents identify that it has contributed to corporate goals; whereas, only 37.8% of municipalities with programs of less than twelve months note the same results.

As previously noted, the primary measure to identify improvement over time is customer satisfaction, which is developed partially through the use of customer surveys. Surveys of this nature undertaken over a period of time can be useful both to establish a benchmark of performance; compare performance with other organisations; and, assess improvement. Although a large number of respondents do use surveys, there are a few that suggest the information from these instruments could (and should) be more properly tied to decision-making. Similar to the experience in Canada, the survey data in the US reflects the use of customer surveys (85%) (see Figure 5.3) as one of the primary mechanisms to assess continuous improvement.

Overall, the use of benchmarking as a means to measure improvement in Canadian local government (60%) is rather low given the importance of this type of function. In Canada, there appears to be only limited institutional support to assist coordinating or implementing benchmarking. Finally, training is an important element in ensuring process optimisation. It is identified in the research as a key part of a TQM initiative; however, reduced funding is putting a strain on training (and other) budgets.

In the US, other examples of process optimisation such as staff training (66%); and, performance indicators (79%) are also noted as important. In terms of benchmarking, only 40% of communities in the US survey employ this technique of part of their TQM system.

In the UK there does appear to be a more concerted, broad-based level of implementation related to process optimisation techniques at the local government level. For example, staff training is identified by fully 87% of respondents as a key component to assist in the implementation of a TQM initiative. Also, through the use of service standards and similar targets there is an increasing use of performance measures at the local government level. More broadly, the use of performance review systems (of which benchmarking is one component) at the local government level in the United Kingdom is detailed in Ball (1998) who suggests that "...36% of UK local authorities use performance review systems." [46] These results are comparable to the level of use data reported in Figure 5.9.

The rather low rate of the use of benchmarking in the UK, although similar to the data collected in the US and Canadian surveys is somewhat surprising. Most commentators [47] suggest that "...benchmarking is a 'learn from others' approach. Local and national governments worldwide have sought ways to reduce operating costs while maintaining or even improving the efficiency and efficacy of services provided to citizens. To realise these goals and objectives it may need to look beyond its immediate environment and be willing to share information with and learn from public and private sector counterparts." [48] Fundamentally, "benchmarking can and should be used as an essential element of a comprehensive TQM strategy." [49] In the area of benchmarking

local governments have some work to complete and this issue will be addressed further in subsequent sections.

In terms of this research, two research hypotheses were developed to test for:

- i. A relationship between the length of time TQM has been used and the reported success of TQM initiatives; and,
- ii. A relationship between the length of time TQM has been used and the ability to achieve reduced costs.

The computed value to test for a relationship between time and success of TQM is 0.000. Therefore, there is a strong relationship between these variables. Indeed, only 43.2% of respondents with programs in place less than twelve months judged them as successful. In comparison, 94.7% of respondents with programs in place for the past twelve to twenty-four months view their TQM program as successful; and, fully 100% with programs in place more than thirty-six months cite a similar result.

The computed value to test for a relationship between time and reduced costs is also 0.000. Therefore, a strong relationship between these variables exists. Of those municipalities whose programs have been in place for more than thirty-six months, 92.9% state that it contributed to reduced costs; whereas, only 21.6% with programs of less than twelve months cite similar results.

As noted, the trend towards increased use of performance measures is more evident in the UK survey data and specific local government examples as discussed in Chapter 5. In terms of corporate linkages, “many public sector organisations (in the UK) now

develop strategy statements, business plans, statements of purchasing intentions or strategic objectives called by any other name strategic policies provide an important clue to what services are for – the ‘fitness for purpose’ of quality.”[50]

One element noticeably absent in most studies, [51] including the local government surveys in the UK, the US, and Canada, which attempts to categorise the success of TQM programs, is a cost/benefit analysis of the use of the technique. There remains questions as to the ability of TQM to add value to the outputs of an organisation and some suggest it is simply another management fad.[52] Increasingly, as fiscal pressure on local governments in Canada continues to escalate it will be important to show “value for money” in respect to the application of TQM.

Notwithstanding the foregoing, most survey respondents (85.5%) in Canada cite their TQM programs as successful. In terms of the research, a hypothesis was developed to test for a relationship between the length of time that a TQM program was used and improved performance. A significance value of 0.001 provides that the null hypothesis can be rejected, and identifies that a relationship exists between the variables. While 59.5% of municipalities with TQM programs in place less than twelve months state that improved performance has been achieved, fully 96.4% with programs in place more than thirty-six months cite similar results.

In terms of this research study, the final components of the survey included a series of open-ended questions. The results from this area were reviewed using a method called frequency analysis, which Zigmund (1997) suggests is one of the most common means

of summarising a set of data. The tabular summaries are included in Appendix N and a discussion of these data follows.

Reasons for TQM Success

As noted, survey respondents were asked to distinguish their TQM programs as “successful” or “not successful.” Fully 85.5% cited their programs as successful.

The majority of respondents (43.8%) attribute the success of their program to its ability to control costs. Interestingly, 71.8% of respondents rated cost control earlier in the survey (Question 27a) as an important factor in the ongoing implementation of TQM initiatives. Similarly, 84.7% of respondents indicated that budget pressures were an important reason for the introduction of TQM in their organisation (Question 11b). Together, these results suggest financial issues, including cost containment, figure prominently in the introduction, design and implementation of a TQM initiative.

In addition, 29.9% of respondents attribute success of their TQM program to their ability to better focus on customers. The survey data indicates that 92.4% of respondents cite customer satisfaction as important in their TQM system (Question 8); and, 90.6% state that the establishment of the TQM system led to a redefinition of the concept of customer (Question 15d). These results suggest an important and increasing role of customers in the system of service delivery within local government.

Reasons for TQM Failure

There were 14.5% of survey respondents who identified that their TQM initiatives were not successful. Of these respondents, 65.2% cited a general lack of support (see

Appendix N). Other elements of the survey suggest that limited employee involvement may contribute to their lack of success. For example, 47.1% of respondents note that less than 50% of employees are actively involved in the TQM program (Question 16); and, 49.4% of municipalities do not provide TQM related training to new employees (Question 21). Other survey data and the case studies support these contentions and suggest that a broader level of employee involvement would be of benefit.

Key Elements of Success

Appendix N identifies the key elements of success identified by respondents. Many respondents (39%) suggest performance measures are important; however, as noted earlier, most respondents (56.5%) do not have performance measures in place (Question 12a). As discussed earlier, other key elements include commitment from within the organisation; a focus on customer; proper and timely training; and, an appropriate system of rewards and recognition.

The Future of TQM

For the most part, respondents suggest their TQM initiatives will continue in the future. Many identified the role of continuous improvement as important in the ongoing use of TQM within their organisations (see Appendix J). Others, 21.6% of respondents, believe continued focus on customers as important; and, 15.7% believe rewards and recognition will play a role in future TQM efforts.

In summary, the survey and research suggests that TQM can be of value over time in achieving corporate goals and a corporate perspective. Generally, survey respondents and the case studies see TQM as more successful with time. Some suggest that time is

necessary to allow the TQM system to be “customised” to meet the particular demands and circumstances of individual organisations. Survey data confirms that newer programs are cited by respondents as less successful.

In addition, TQM is identified as a method frequently used to assist in containing or reducing costs in a time of significant fiscal pressure. The research suggests that these pressures to “do more with less” are significant with respect to local governments considering TQM.

One area that could be improved is the use of performance indicators including benchmarking. Currently, many survey respondents identify the use of performance indicators as an area of weakness. Also, the case studies all note this area as one requiring more work.

9.2.7 TQM: The State of the Art

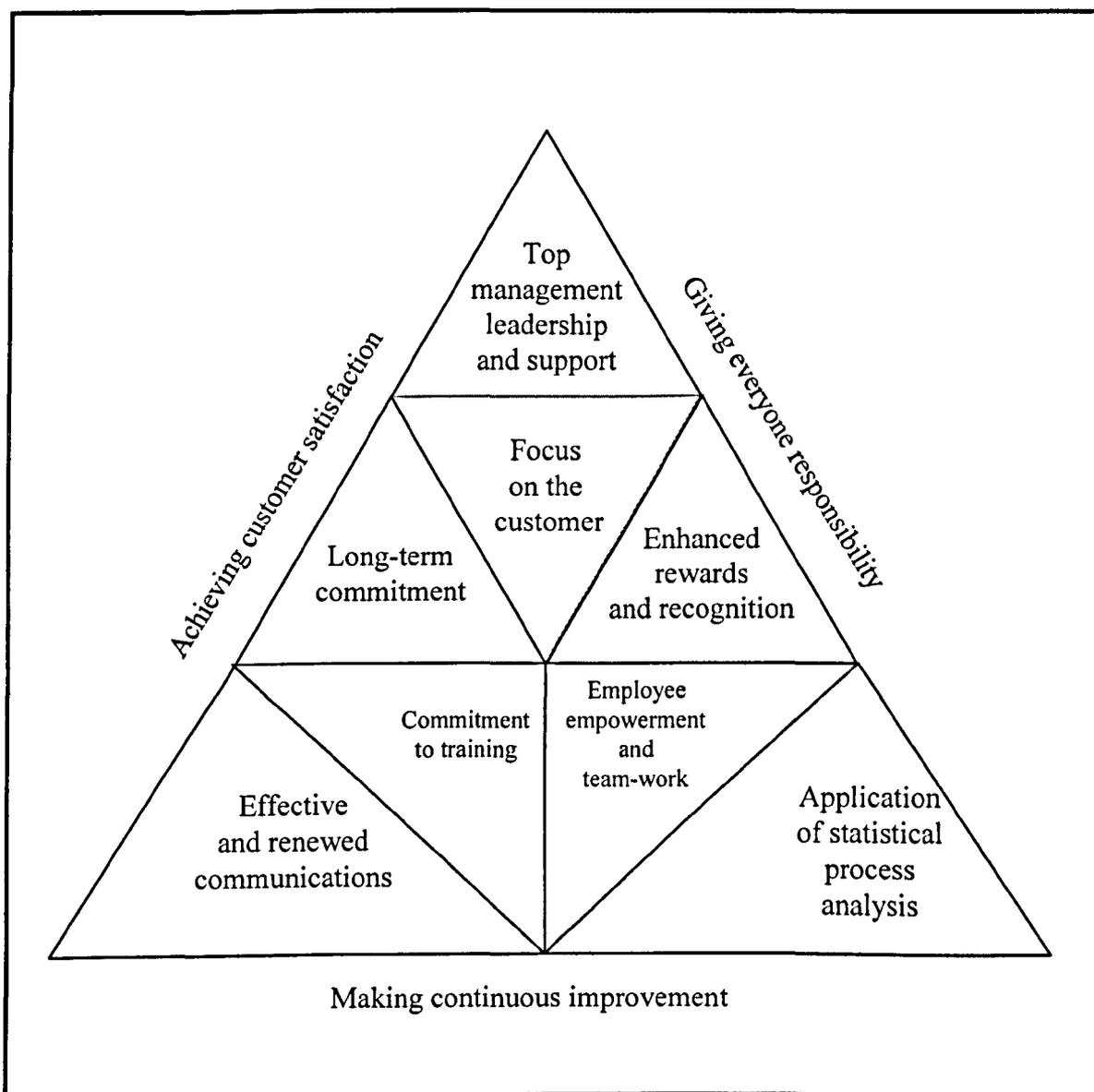
On balance, there does appear to be some consistency within public sector agencies in respect to the level of success reported. As discussed, most local governments do report that their respective TQM initiatives have been “successful.” To some extent these levels of success are somewhat higher than those in the private sector. For example, the TQM effort in most Canadian municipalities (86%) was seen by respondents as successful. Similarly, in the US quality improvement efforts in a range of specific areas are generally seen as “positive” and “very positive.” For example, in the US, 89% of respondents report quality of service improvements; 85% report productivity improvements; and, 70% cite ability to improve performance in spite of resource constraints (see Figure 5.5) as examples of the success of their TQM initiatives. In the

UK, 85% of local authorities reported quality initiatives as “effective” or “partly effective” in achieving stated objectives. Overall, these local government data are quite consistent; and, although similar positive results are evident within the private sector they are generally not quite as optimistic.

In the private sector, respondents to a Fortune 500 survey rated their quality programs as 40% to 70% successful. In the UK, a public/private survey reports 47% of respondents identify their quality efforts as “very successful” or “successful.”

In addition, there is for the most part, some consistency around the types of components required to make a TQM program success. However, most surveys or other documentation note that it is important to consider the unique attributes of a specific organisation prior to implementation. Indeed, one recent survey notes that “...part of the current scepticism about the quality movement stems from its underlying premise that the same set of management practices can be effective for all organisations.”[53] The main elements of a successful TQM system are outlined in Figure 9.2. These interlocking components are all required to make a complete system; and, it is important to view the system as one that is customer focused, dynamic and pursues continuous improvement. All of these components are readily apparent (to a greater or lesser extent depending on the jurisdiction being considered) in the survey results, documents and case studies from local government in Canada. However, it is important to recognise the holistic nature of TQM. In some respects the data from the Canadian survey reflects less than corporate-wide application of specific quality techniques and more work in many areas is necessary to fully meet the framework outlined in Figure 9.2.

Figure 9.2
Elements of Total Quality Management



Source: Federal Quality Institute, Introduction to Total Quality Management in Federal Government, Washington, DC May 1991 p. 22.

Clearly, there are paradigms or models comprised of common elements that may be of value to Canadian local governments considering a TQM program. However, the process of conducting this research study indicates that establishing a TQM system is complex, frequently protracted and largely driven by unique organisational circumstances such as leadership, involvement of employees, enthusiasm and others (see Figure 9.2). Indeed, Tuckman (1994) suggests that “TQM as a management

technique may be differentiated from others on the basis that emphasis is placed on cultural change within the organisation. The process of establishing TQM is, as one might expect, almost like an act of conversion.”[54]

The survey data and case studies suggest that the application of TQM within a local government organisation requires considerable effort over time; and, to be successful it must involve a number of stakeholders. Indeed, TQM is not an end unto itself. “Total quality management works best when it is pervasive yet largely transparent to the normal operation of the business.”[55]

In addition, the survey does identify some concerns or problems with respect to the application of TQM and quality at the local government level in Canada. These problems will be discussed in more detailed in the next section.

9.3 TQM and Local Government in Canada: A Critique

The data from the Canadian survey and the comparisons of these data with similar data from surveys in the US and the UK does present some issues of concern and problems associated with the use of TQM and quality initiatives. These issues are:

Support of Elected Officials

There appears to be limited support for the initiation and implementation of techniques such as Total Quality Management from elected officials in Canada. In part, this lack of support may reflect the attempt in Canada to draw a distinct line between the political and administrative branches of local government. Clearly, this is problematic to the

extent that a TQM program requires organisational commitment including financial resources on a consistent basis over time. This organisational commitment must include the elected Council to reflect their roles both as the policy makers and budget approving authority.

Institutional Support

Institutional support on a national [56] or sub-national level through the provinces or groups such as the Federation of Canadian Municipalities; the Canadian Association of Municipal Administrators; or, the National Quality Institute could be improved. Currently, there are very few efforts to promote quality principles at the local government level and establish, for example, quality networks that may provide some insight into the lower level of interest reported in the survey amongst smaller local governments.

Quality as Fad

Overall, 80% of respondents indicated that their jurisdictions employed either a documented, formal TQM program; or an informal TQM program. Unfortunately, fully 56% of respondents identified use of a less than formal program; and, only 24% reported a formal, documented program. To some extent, these data may point to a very preliminary interest by respondents or an initial, less than corporate-wide effort. These data may reflect the complexity of introducing a TQM system; however, it is important to note that these informal programs generally do not meet the definition of TQM as an organisation-wide strategic, systematic, customer-driven initiative. Unfortunately, there may be a “panacea phenomenon” [57] associated with TQM use in local government. Essentially, this type of phenomenon suggests that applying a technique (whether it is TQM, re-

engineering, business process improvement, management by objective etc.) will automatically improve an organisation.

In addition, the relative newness of many TQM programs in Canada may also reflect the “panacea phenomenon” to the extent that organisations facing internal and external pressures try to structure a response that is seen as popularly successful, notably in business.

Corporate Alignment

TQM must be tailored to properly align with the strategic objectives of a particular organisation.[58] As noted previously, many examples attempt to simply add TQM onto their organisations without appropriate knowledge of the terms, procedures and use of the technique. As a result, it may be applied without the required level of knowledge and commitment of employees at all levels. To some extent, Canadian local government application suffers from the lack of these types of alignments. This is particularly evident through the use by many local governments of a less than corporate-wide initiative. Again, this type of organisational alignment points to the necessity for everyone in the organisation (including elected officials in the case of local government) to appreciate and support those efforts.

Employee Involvement

One of the principles of TQM is the involvement of employees throughout the organisation. This is a particularly important issue as employees are integral to the proper dissemination and evolution of quality techniques that are inherent parts of a TQM system. In principle, TQM affords employees with more responsibility and

accountability for their actions either independently or in a team-oriented environment. As a result, it is important that the organisation using TQM ensures broad-based employee involvement including the involvement of unions. Unfortunately, the data does suggest that employee involvement (both individually and from the perspective of the employee unions) at the local government level in Canada is an area for improvement.

TQM Training

Appropriate implementation of TQM requires a commitment of resources to ensure that training, in particular, is available to all employees. The data in local government in Canada illustrate that training is frequently available but generally only to a limited number of staff members contrary to TQM philosophy. On balance, the data suggests that training is quite a weak component in respect to the amount; type; and, distribution of training available within organisations. The alignment of this training to support employees in achieving corporate priorities is also seen as in need of improvement. Improvements in this area could yield better success rates for TQM at the local government level. Finally, there was a suggestion by at least one respondent that training funds were increasingly being reduced, which would further erode the ability to provide proper support of the TQM initiative.

Performance Measurement

The ability to sustain a TQM initiative over time is a very important element. Although there are only limited data available in Canada there appears to be a series of concerns related to the apparent lack of performance indicator data including data of a cost/benefit nature to support the investment in a TQM system. In a time of declining

fiscal resources, it is increasingly important that appropriate indicators be developed and used to assist in monitoring the application of a TQM program. This is particularly important as many TQM programs were introduced at times of financial stress; and, as a result may be seen as simply a short-term program to address fiscal pressures as opposed to a long-term, strategic effort and commitment to continuous improvement.

9.4 Summary

In summary, many Canadian local governments do appear to be using TQM or TQM techniques to address a range of issues within their organisations. Many of these initiatives appear to have been started in response to fiscal pressures as senior levels of government in Canada reduce financial support. On balance, survey and case study data compiled for this research suggest these efforts are largely deemed as “successful.” A more thorough assessment of documents and case related interviews suggests that the actual results are somewhat less than successful in a number of areas. In that regard, there are a number of themes evident from the research study.

Generally, the evolution of TQM at the local government level in Canada parallels similar initiatives in the US and the UK in a number of key areas. For the most part, local governments in Canada with larger populations are more likely to use TQM or quality techniques; and, they are more likely to have had this type of program longer than smaller local governments. Local governments in the US, UK, and Canada note an increased awareness of the concept of “customer” as part of their TQM initiative. Local governments in Canada with TQM initiatives generally report higher levels of customer satisfaction.

Interestingly, local governments in the US, UK, and Canada report a rather low level of use of performance measures. Given the importance of measurement in continuous improvement efforts, this result conflicts with TQM theory. In the UK, many local governments participate in formal recognition programs such as Charter Mark as part of their quality efforts. Also, many local governments in the UK have achieved ISO 9000 registration. In Canada, participation in formal recognition programs appears more limited; however, two of the cases (Winnipeg and Maple Ridge) have received provincial awards for their quality initiatives. In both the US and Canada, local governments report an interest in ISO registration; however, very few have actually proceeded to undertake the process.

In terms of employee involvement in Canada, larger municipalities appear to have higher levels of employee involvement. Further, the research suggests that there remains some cynicism from employees and unions about the use of TQM. Generally, the longer that TQM programs have been in place within local governments in Canada, the higher the level of recognition and support from both elected officials and staff. Unfortunately, a similar correlation does not exist between the length of use of TQM and the public.

The research data also suggests a correlation between the length of time that a TQM program has been in place and both a more corporate perspective; and, the increased ability to achieve corporate goals.

Unfortunately, local governments in the US, UK, and Canada do not use the technique of benchmarking to the extent recommended by most TQM proponents. Although

Calgary has actively pursued benchmarking with a consortium of ICMA municipalities, this function remains an area of weakness for most Canadian jurisdictions.

The research data suggests that there is a strong relationship between the length of time that TQM has been used and reduced costs. For those municipalities with programs in place longer than thirty-six months, fully 92% state that the TQM program contributed to reducing costs. Unfortunately, empirical evidence to support this claim is an area of weakness.

Most municipalities in the US, UK, and Canada cite their TQM initiatives as “successful.” In Canada, 85.5% of respondents suggest their TQM programs are “successful” – notably in the areas of cost control and a customer focus for service delivery.

Of those respondents (14.5%) that responded that their programs were not successful, the main reason cited was “lack of support” from within the organisation.

Key elements of a TQM program as identified by survey respondents include organisational commitment; customer focus; proper and timely training; performance measures; and, an appropriate reward system.

Most survey respondents suggest that the future of their TQM initiatives will include increased focus on continuous improvement; and, customers.

There are, however, a series of issues that can be identified using the Canadian survey and case data that could be improved. For example, many key stakeholders (e.g. elected officials, employees, and unions) that must be supportive of the type of organisational culture change associated with the application of TQM appear to be cautious (at best) in their support. In part, this caution may reflect the fact that many TQM initiatives appear to have been introduced at a time of significant fiscal pressures on local government in Canada. As outlined in Figure 9.2, TQM includes a series of inter-locking elements that are required to ensure that it is actually built into an organisation as opposed to simply applied to an organisation. Many of the current TQM efforts in Canadian local government appear to suffer from the latter problem.

It is very important that those local government organisations considering TQM are aware of these types of concerns and devise a system to adequately address those concerns – if indeed, they resolve to proceed. Further discussion of these concerns including recommendations and suggestions for improvement are contained in the next section.

Finally, one of the key issues raised in this study is simply the lack of available data, research or documents to assist a researcher or indeed a practitioner in the definition or use of TQM at the local government level in Canada. As a result, there are few comparisons available. The research work from the US and the UK does provide some interesting and useful information for Canadian practitioners and researchers. The issue of further research is an important one that will be addressed in the next Chapter along with conclusions and recommendations.

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10.0 Summary, Conclusions and Recommendations

10.1 Introduction

This chapter presents an overview of the key research questions; and, a summary of key results in the context of those research questions. Also, the chapter provides a brief discussion of the future of the quality movement; and, presents conclusions of the research findings of this study.

The summary of key results provides a broad overview of the postal survey of local government chief administrative officers; and, the results of more detailed case studies of three selected municipal organisations Winnipeg, Manitoba; Calgary, Alberta; and, Maple Ridge, British Columbia. These results are presented in the context of the research questions. The subsequent section presents a brief discussion of the future of quality based on the local government survey data in Canada; and, the research undertaken for this project. Additionally, broader management implications with respect to the future of TQM in local government are discussed. This section on the future of the quality movement provides a useful and important perspective on the types of issues facing quality and quality advocates.

Finally, conclusions about the status of quality at the local government level in Canada as illustrated by the survey, documents, and case studies are presented; and, some observations about further research efforts are identified.

10.2 Research Questions

The research for this study was undertaken to address the following key questions:

- i. Ascertain the level of understanding and use of TQM in local government in Canada;
- ii. Identify key success factors in the use of TQM;
- iii. Identify key barriers or constraints to the use of TQM.

To properly identify and address these research questions initial advice and comments were sought through personal and professional contacts within local governments and organisations including the Canadian Association of Municipal Administrators (CAMA); The Federation of Canadian Municipalities (FCM); and, the National Quality Institute. The scope and direction of research was developed and confirmed through these initial contacts; and, support with respect to the postal survey to local government administrators by CAMA provided a strong level of credibility to the exercise.

The actual research included a detailed review of the literature on Total Quality Management. For the most part, the literature is oriented towards the private sector primarily manufacturing types of organisations. The literature does note increasing use of TQM in the public sector; and, increasing use of TQM at the local government level. In particular, there are recent documented studies of TQM applications in local government from both the United Kingdom and the United States. To date, there has not been similar empirical work related to documenting and exploring the use of TQM at the local government level in Canada. Therefore, this research is timely and relevant.

In addition to the literature search, a key component of the study was a postal survey addressed to city managers from across the country. The survey methodology was outlined in Chapter 6; and detailed results from the survey are presented and discussed in Chapter 7. There were 186 surveys circulated and 119 surveys returned for a return rate of 64%.

To provide a rich level of detail associated with the actual use of TQM in a local government organisation, three cases (local governments) were chosen for further analysis using existing documentation and a series of semi-structured interviews with key stakeholders.

The research employed both quantitative and qualitative elements. The qualitative component was aimed at testing for relationships between variables with respect to a series of hypotheses.

The qualitative component has "...strengths in its ability to look at change processes over time to understand people's meanings to adjust to new ideas as they emerge and to contribute to the evolution of new theories. They also provide a way of gathering data which is seen as natural rather than artificial." [1] The combined use of quantitative and qualitative techniques was purposely designed to collect data and information relevant in addressing the research questions.

The results of the postal survey and the case analysis work generated a considerable volume and breadth of data. As a result, separate chapters were completed to present the data from the survey (Chapter 7) and the cases (Chapter 8). A further Chapter

(Chapter 9) provides an analysis of the research findings. Also, this Chapter provides comparisons and contrasts of the Canadian data with relevant data available from the UK and the US; and, a critique of the TQM efforts in Canada. A summary of the key results from this research study is presented in the next section.

10.3 Summary of Key Results

There are a number of key results that are evident from the data generated by this research study as follows:

First, there is a generally strong awareness and use of TQM; and, quality principles by local governments in Canada. The data generated through the survey instrument indicate that eighty percent of respondents are actively involved in TQM through either a defined formal, documented program (24%); or, a less formal application (56%). In general, larger municipalities are more likely to be involved in TQM initiatives with fully 94.4% of jurisdictions with populations greater than 250,000 reporting the use of TQM. The use of TQM at the local government level is relatively recent with fully 60% of programs in use for less than two years. Again, larger municipalities report a longer period of use of TQM with 68.8% of respondents with populations greater than 250,000 noting that their initiatives were in place for more than thirty-six months.

Most TQM programs do have a corporate-wide application (65%); and those with a departmental focus are seen to be in the process of building on a service area that may have a more readily identifiable “customer.” For the most part, TQM initiatives are linked to corporate strategic planning (75%) and budgeting efforts (72%) of local governments; and, the alignment of TQM to other corporate initiatives is seen as

important to avoid the sense that it is just “another management fad.” However, it is of interest to note that there is no statistical relationship between the length of time that a TQM initiative has been in place and the operation of TQM in all departments of an organisation.

Internal communication of TQM goals, objectives and results is seen as an important element of a successful program. Specific techniques to communicate knowledge of the TQM program to employees includes presentations of reports to Council, employee groups, newsletter articles and other mechanisms tailored to meet the demands of the organisation. The research, particularly the case studies, suggests that internal communication could be improved.

Almost all respondents (92%) noted that customer satisfaction was an important part of their TQM system. The primary mechanism to gauge customer satisfaction is a “citizen survey” cited by 93% of respondents as “important” or “very important.” Indeed, a positive relationship exists between the length of time that respondent municipalities have had TQM initiatives in place; and, a higher level of customer satisfaction.

TQM initiatives at the local government level result from a variety of factors both external and internal to an organisation. In the case of external factors, many respondents (56%) cite public demands or citizen complaints as “important” or “very important.” Internal factors of particular importance included the ongoing requirement to improve employee productivity; and, the support of the city manager. Many TQM initiatives have been started during a period of considerable fiscal pressure within Canadian local government.

Only about one-half of respondents identified that performance measures were currently used as part of their quality scheme; however, many note ongoing efforts to develop appropriate measures. Performance measures are particularly important as part of a program of continuous improvement and the rather low level of current application is a concern.

Although there is significant awareness (70% of respondents) of the National Quality Institute sponsored Canada Awards for Excellence there has been limited actual use of the program in terms of specific applications for recognition. Similarly, although many respondents (63%) indicated an interest in ISO 9000 registration there were less than seven percent that had actually initiated any specific action. The primary concerns related to the application of ISO 9000 at the local government level appear to be the costs of registration and questions about the value of registration.

Most respondents initiated an evaluation or re-evaluation of the types of services undertaken by the local government; including the question of “should we be in this business”; the level of services; and, an assessment of the concept of “customer” for each service. These types of questions were seen as important to establish the business parameters of the TQM efforts.

Almost 50% of respondents stated that less than 50% of their employees were actively involved in the TQM program. In some respects these rather low participation rates are not illustrative of the theory of TQM which supports a broader base of employee involvement throughout organisations. In terms of the data related to local government in Canada perhaps the rather low participation rates reflect the recent application of

TQM in many jurisdictions; and, the fact that the application of TQM is in many instances less than corporate-wide (at least during the initiation phase).

The TQM initiative has in many cases (88%) identified specific corporate training requirements. The main types of training identified included customer service skills, and, the use of teams. Training averages 23 hours per employee per year and most (51%) provide TQM training to newly hired employees.

Recognition and support for TQM initiatives at the local government level in Canada is quite low particularly in the areas of staff (48% of respondents cite less than 69% support) and public support (76% of respondents cite less than 69% support). Further, the recognition of elected officials which is very important in terms of ongoing support of TQM and similar initiatives is also quite low with only 44% of respondents citing levels of support in excess of 70%. There is a statistically significant relationship between the recognition and support of both elected officials and staff with the length of time that a TQM program has been in place.

Key components of the TQM efforts in local government can be identified and these include a corporate strategic plan with quality goals; departmental or service area strategic plans; customer driven processes; committed staff involvement; and, continuous improvement.

Factors involved in the ongoing implementation or sustaining the TQM program include leadership by the city manager; and, leadership by senior staff.

Finally, most respondents (86%) stated that the TQM effort in their jurisdictions is successful and likely to continue to evolve. Indeed, statistical tests were used which confirm that a relationship exists between the length of time that a TQM initiative has been used and the success of the initiative. Further, a similar, positive relationship exists between the length of time that a TQM initiative is in place and the ability to achieve reduced costs.

Respondents cite improved performance; and, a corporate management perspective as tangible evidence of the success of their initiatives. These relationships were confirmed by statistical tests of significance. The major components of a successful TQM program identified by the research include: senior management support; a clear plan, which is linked to other corporate initiatives; understanding the concept of customer(s); involvement of employees; appropriate training and recognition of success; and, measurable results (see Figure 7.22).

In addition to the results of the survey; the research also included further work that dealt with specific selected cases or jurisdictions (Winnipeg, Manitoba; Calgary, Alberta; and Maple Ridge, British Columbia). Additional work with respect to these cases included the identification and review of pertinent TQM documentation; and, the use of semi-structured interviews with key stakeholders to build a more detailed base of information.

There were a number of similarities evident in the analysis of the case study data. In particular, each organisation has made a conscious attempt to establish a corporate-wide initiative that recognises the employee as a key component of the effort. Although all

of these efforts illustrate strong management and leadership support the program itself has been identified in a manner that provides a focus on issues such as customer service and improvement. The terminology is important as the phrase “Total Quality Management” at times evokes an image of a management technique of, by and for managers as opposed to all employees. Indeed, all of the cases use a term other than “Total Quality Management” to identify their efforts.

In both of the larger cities, the TQM initiative reflects a formal, documented effort that has been used for more than four years. In particular, both note that the exercise is aimed at structuring a strategic response to increased citizen and customer demands at a time of declining revenues. In the case of Maple Ridge, the program is more recent; and, although it is classified as formal (i.e. adopted by a resolution of Council) there remains considerable work required to more fully develop and document this initiative. The initiative in Maple Ridge is being pursued with enthusiasm as an important means to respond to the types of issues that were relevant in the Calgary and Winnipeg cases.

One of the distinguishing characteristics of the Calgary initiative is the level of involvement by members of Council. In Calgary, there are two formal standing committees of Council that deal with quality and customer service issues on a regular basis. These types of committees do not exist in either the Winnipeg or Maple Ridge examples. As a result, the level of recognition and support by elected officials in Calgary is cited as higher than in Maple Ridge and Winnipeg. Further, it does appear that the current status of the quality initiative in Calgary is viewed more positively than is the situation in Winnipeg. Calgary continues to look for ways to expand and enhance the TQM exercise – such as the recent use of ISO 9000 registration for one particular

service area as a pilot; whereas, Winnipeg seems to be in a less active mode. Again, as a newer initiative Maple Ridge is somewhat more difficult to compare; however, there does appear to be a lot of energy around the project at this time. This may be partially as a result of the recent award received from the Quality Council of British Columbia and the level of internal awareness about the program that results from this type of recognition.

All of the cases noted a requirement to communicate the rationale behind this type of TQM program to all levels of the organisation. The initiative must be seen as an integral component of the business of the local government and not simply an “add-on” program. On balance, there were few noticeable significant barriers to implementation; however, each identifies the necessity for sufficient and ongoing communication to all parts of the organisation about the goals, objectives and outcomes of the TQM initiative. Indeed, stakeholder interviews within each of the cases suggest some internal concern about the rationale and application of TQM. This issue of employee buy-in is particularly important as the “moment of truth” in a service transaction is generally one-on-one and each employee must recognize their contribution to the TQM system.[2] The case studies suggest the issues of “buy-in” and keeping TQM “fresh” are ongoing challenges.

Finally, all of the case studies cited the necessity of the program to be flexible to the extent that specific projects or programs identified on an annual basis reflected the resources available and the needs of that particular time frame.

This issue of sustaining the TQM initiative and “keeping it fresh” within the organisation was seen by all of the cases as a challenge and a very important part of the long-term success of the initiative. In particular, senior management support was seen as very important to the ongoing efforts to sustain TQM as a viable function. Also, the use of recognition events, activities or the pursuit of awards such as the Canadian Awards of Excellence or similar local award programs were seen to be of value in terms of providing visibility and support for the TQM initiative.

10.4 The Future of Quality

The research conducted for this study suggests that quality and TQM will likely remain important in the context of local government in Canada as a method to structure a response to a rapidly changing environment. It is, however, useful to briefly consider the future of quality from a broader perspective. Clearly, “quality” and “total quality management” are currently topical issues within the private and public sector. However, some critics [3] argue that quality is simply one technique in a long list of organisational techniques destined to be replaced by another “management fad” in the future.

On the other hand, quality advocates [4] suggest that the quality revolution will continue to evolve and expand as the fundamental reasons for the importance of quality remain applicable. Witcher (1995) argues that quality and in particular “...TQM, means different things to different people.”[5] As a result of these differences in perspective, Witcher (1995) suggest that TQM remains a flexible concept capable of evolving as a model or paradigm to suit different organisational circumstances and environments.

Many commentators suggest that any discussion of the future of quality must appreciate and understand the history and evolution of the quality movement. Earlier chapters explored the impact of the industrial era on organisations, organisational behaviour, and the linkages to current quality initiatives. Indeed, some suggest that "...business in the 20th century has been dominated by the introduction and acceptance of the concept of scientific management which was a response to the industrial revolution ... both can be said to have created the need for a quality function.”[6]

Initially, the quality function included the use of statistical methods to quantify production processes and to measure variation. These developments were the precursor to quality inspectors or separate entities with functional responsibility for quality. These types of methods were followed by the establishment of standards and similar documentation including the more recent ISO 9000 registration series.

A more recent trend has been the one towards the organisation behaviour component of quality through the concept of total quality management. In essence, “TQM introduced a system by which quantity and quality could be improved continuously while increasing employee’s morale.”[7] Juran (1995) confirms that by the 1980’s “it was becoming clear that quality leadership could not be achieved by pecking away – by bringing in this tool or that technique. Instead it was necessary to apply the entire array of quality know-how (the “quality disciplines”) throughout the entire company – to all functions at all levels – and to do so in a co-ordinated way through Total Quality Management.”[8]

The research conducted for this study has identified both strong supporters and cautious sceptics of TQM. Supporters of TQM suggest that it will liberate and empower employees to actively participate as a team member of their organisations. Everyone is seen as having a role on the production of a good or service to ensure that customer requirements are met. In many respects, this type of organisation is diametrically opposed to the industrial era, top-down, bureaucratic organisation which some identify as “Fordist” in perspective. The move to TQM and a more employee-driven system has been seen as “post-Fordist” as it implies a type of collegial approach unavailable within industrial era models. Sceptics of TQM are less enthusiastic. In their view, TQM is simply a means to move from a top-down, command-and-control orientation to one in which control is more peer-driven with employees increasingly required to monitor one another. Further, the use of performance measures may be seen by some as simply a mechanism to establish quotas very similar to those advocated by Taylor in the industrial era system. As a result, critics suggest that rather than a “post-Fordist” methodology, TQM (and similar NPM types of initiatives within the public sector) is in reality a neo-Fordist model. In this model, organisational control remains intact but it is moved from a vertical to a horizontal orientation.

The literature research phase for this study suggests that the foregoing debate between supporters and critics of TQM continues unabated. Further, one of the contributions of the survey and case study research for this thesis suggests that this philosophical debate about organisational control is evident, to some extent, at the local government level in Canada. Survey respondents and case study interviews illustrate concerns about the applied level of employee involvement; and, cynicism among individual employees and

unions related to the use of TQM at times when local governments are significantly reducing expenditures.

On balance, the prognosis for the future of quality and total quality management does appear to be optimistic.[9] There are, however, a number of areas in the quest for quality that would benefit from additional research. These areas are:

- “Achieving revolutionary rates of improvement, including cloning and technology transfer;
- Expansion of managing for quality to all functions and industries;
- Improving product and process development, especially through concurrent engineering, reduction of cycle time, and use of robust designs;
- Improving training through analysis of results achieved by alternative approaches;
- Improving information systems through closing the loops and through discarding unused loops;
- Learning to make use of self-directed teams;
- Extending partnering between suppliers and customers;
- Applying self assessment and benchmarking;
- Making customer focus effective throughout the entire company;
- Applying strategic quality planning and the associated deployment of quality goals.”[10]

Although some research has been completed in these areas the key area for “...conceptual research is in how to deal with the applications of quality that are blocked by cultural resistance.”[11] This specific issue in the context of local

government in Canada has been identified to some extent within the research conducted as part of this study; particularly, through the case studies.

Also, it is important to note that during the recent past, there has been considerable interest in quality and total quality management as documented by this research study. In large measure, the basic approach of that movement has been “improve quality and overall performance will follow.”[12] However, there has been an increasing “...disenchantment in the business (and the public sector) community with this axiom.”[13]

To achieve the results most equate with the concept of quality and total quality management requires “...an assessment of individual management practices on profitability, productivity and quality; and, a more theoretical perspective of organisations to develop a casual model to help us understand the interaction of practices that create the critical path for improvement.”[14] Further, it is important to recognise that the challenge “...for continuous improvement is a movement that transcends all national boundaries.”[15]

Finally, in terms of the future of quality in public sector applications Sensenbrenner (1995) suggests quality will continue to expand. In his view, “...‘best practices’ seems to more accurately describe what is actually involved in TQM (it consists of a number of good management practices and tools). Because these practices can and do accelerate improving government operations, their deployment may well amount to what I call a “fourth revolution” in the improvement of government service.”[16] This “fourth revolution” is a more customer and citizen-oriented approach to enable the

rejuvenation of democratic institutions. The need to balance citizen and customer interests remains a challenge unique to the public sector requiring attention in the future.

In summary, the literature research and data generated for this study suggest that “quality” and “TQM” will continue to evolve and play an important role in the future.

10.5 Conclusions

The summary of the key research findings outlined in this chapter leads to a series of conclusions that may be drawn from these data. In terms of outlining those conclusions it is important to note that the research study was designed to provide a preliminary assessment of the current status and evolving role of total quality management at the local government level in Canada. The research parameters are seen to be important for a number of fundamental reasons.

First, the National Quality Institute in Canada has been established to provide a focus and impetus for the systematic application of quality principles and techniques in Canadian industry, and more recently, government. To date, the role of the NQI has been limited and this research identifies a broader role that this (or perhaps other) agencies could undertake particularly within the public sector.

Second, there are clearly strong international trends towards the continued use and expansion of TQM in both the private and public sectors. These applications can provide useful information and practical examples relevant to the applied use of TQM.

In particular, other countries (notably the United States and the United Kingdom) appear to have adapted and adopted TQM at the local government level in part as a means to address the unique challenges and uncertainty faced by these organisations. Indeed, one of the contributions of this study has been the identification and discussion of quality initiatives at the local government level in the US and the UK. These empirical studies provide a framework for Canadian (or other) local government initiatives. Some commentators [17] suggest that "...there is an increasing need to integrate studies of public administration to include a more comparative international and global perspective...as learning more about public administration from a comparative perspective broadens our world outlook and assists in making better administrators in a global village.[18]

Local government does differ significantly from one country to another; however, there are many similarities and "best practices" could be readily identified and used as a model by other organisations.

The key results from this research provide for a number of conclusions as follows:

- i. There is very little in the way of empirical work that has been undertaken in Canada to identify the level of use and understanding of TQM at the local government level. Notwithstanding this lack of documentation there does appear to be a considerable interest in TQM as a management philosophy and quality initiatives particularly as a means to manage change in an increasingly uncertain environment.
- ii. It is of interest to note that institutional support for TQM programs at the local government level from organisations such as the Federation of Canadian

- Municipalities, the National Quality Institute, the Canadian Association of Municipal Administrators or similar professional associations is minimal.
- iii. There does appear to be a number of TQM elements that are used by individual municipalities in a less than formal or systematic manner. In some cases these ad hoc approaches may be a precursor to a more corporate-wide initiative; however, this type of usage does reflect the need to tailor a TQM system (including the methodology of introduction) to the unique circumstances of each organisation. The actual application of TQM should be monitored on an ongoing basis and local government organisations⁸ should be prepared to evaluate and refine the program to ensure that it is effective in meeting stated objectives.
 - iv. A local government considering introduction of TQM should carefully assess its own circumstances and ensure that the initiative is properly aligned with the strategic goals of the organisation. Senior staff and Council leadership and commitment are important at this point.
 - v. The recognition and support of elected officials of council varies from jurisdiction to jurisdiction. It does appear that the positive support and acknowledgement of the Mayor and Council is a factor that is helpful in the implementation and ongoing success of a TQM initiative.
 - vi. It is important to ensure that the goals, objectives and implementation methodology are established and communicated broadly throughout the organisation. This type of commitment to consultation and employee involvement is particularly important as the program is initiated to assist in developing a time frame and process that is tailored to the circumstances of the local government. In many respects TQM reflects an organisational culture

which is different than the paradigm that emanated from the industrial era. As a result, it is very important to have understanding, support and “buy-in” from all levels of the organisation and by as many individuals as possible. As illustrated by the research, this element does remain an area of weakness in Canadian applications. Strategic alignment of TQM with other corporate efforts ensures a more consistent approach to the implementation of an exercise that can not simply be an “add-on.”

vii. There are a number of key components to a successful TQM program that are consistently evident through the research. These elements are:

- Senior Staff Support
- Clear Understandable TQM Plan
- Focus on Customer
- Involvement of Employees
- Employee Training
- Recognise Success
- Measure/Improve Performance

The specific application of these elements does vary to reflect local circumstances and timing; however, a number of models do exist for consideration in other jurisdictions.

viii. For those jurisdictions that did not have a TQM program in place at the time of the survey it is clear that there is an interest in this type of system. Indeed, many respondents noted the use of individual quality-related parts of a TQM system; however, these were often too unstructured or too new to be considered either an existing or evolving TQM program. There were a number of respondents that

did request information about TQM including the survey results which reflects continued interest in this type of program and perhaps the opportunity for further research through agencies such as the National Quality Institute or the Canadian Association of Municipal Administrators.

- ix. Finally, a large majority of respondents using TQM report that the program has been successful. This level of satisfaction and support for existing efforts to use TQM at the local government level should translate into a positive future for TQM initiatives. Certainly, if those using TQM as a means to adapt to change perceive benefits to the use of this type of organisational tool there are likely to be others prepared to consider it positively. Again, one of the constraints is the lack of available published material that deals with the introduction and use of TQM particularly from the perspective of costs and benefits to local governments.

In summary, TQM as a system to manage change in a structured manner has a long history in the private sector particularly in manufacturing and industrial applications. More recently, TQM has evolved to include service industry applications and governments worldwide have increasingly used it. There is currently considerable interest in TQM at the local government level in the United Kingdom and the United States as outlined in recent empirical research. This research confirms similar levels of interest are apparent and evolving in Canada.

Although there is no specific blueprint that can be used to assist in the effective introduction and implementation of TQM in a local government context, there are common elements. This research study identifies those common elements that can be

tailored to match the unique circumstances and context of a local government organisation. It is important that TQM be applied in a systematic manner to achieve corporate objectives. This should include alignment with other corporate initiatives: broad understanding, and commitment by stakeholders within the organisation; and, an appreciation of the concept of the customer as integral to the success of the initiative.

Finally, the research illustrates a high level of satisfaction with respect to existing TQM efforts in local government in Canada. Existing efforts would be better co-ordinated and improved if there was an institutional “champion” which supported and promoted TQM at the local government level. In the US this type of role has been filled, in part, by the International City/County Management Association. In the UK, the Audit Commission and a series of quality networks fills this type of role.

10.6 Recommendations

There are a number of recommendations that may be drawn from the research and data generated by this study. Broadly, these recommendations can be categorised into four areas: Institutional Support Systems; Directed Research and Publication; Quality Networks; and, Organisational Application of TQM: Case Studies.

10.6.1 Institutional Support Systems

In Canada, the current legal system reflects the fact that local governments are “creatures of the province.” As a result, there are subtle differences in mandate and authority from one province to another. Although the Federation of Canadian

Municipalities and similar types of professional organisations do provide a national forum for many issues they simply do not have adequate resources to undertake the range and depth of research and assistance required for projects such as the adoption of a TQM system.

An agency with this type of mandate is the National Quality Institute (NQI). Although the National Quality Institute was established to provide a focus for the use of quality in both private and public sector organisations there has been relatively slow progress in the public sector particularly at the local government level.

To improve the record in this area it is recommended that some form of institutional support system would be useful to undertake “how to” manuals; and, provide a forum for networking. An example of this type of agency is the Audit Commission in the UK. It is suggested that either the Federation of Canadian Municipalities; or, more likely, the National Quality Institute could undertake this type of role.

10.6.2 Directed Research and Publication

Currently, there is limited research in Canada directed towards the local government level. This is particularly the case with respect to the application of quality and TQM initiatives. A program of research and publication of that research could be a useful and important component of identifying and disseminating “best practices” information. The question of research in public administration in Canada is a particularly important issue. Recently, the Institute of Public Administration of Canada (IPAC) produced a document entitled, Research in Public Administration: Preparing for the Next Century.^[19] The document contained a number of important recommendations related

to the need for increased research generally in the public sector and; some of those recommendations parallel the thrust of findings identified by this research study. In part, the IPAC report stated:

- “Research in public administration has not adapted to current and future needs of public administration;
- More applied research is required to document current changes;
- Little research of a strategic nature is being undertaken in Canada;
- Most research is “too academic” and efforts should be made to be more “practical” or practice-oriented.”[20]

Broadly, the research completed with respect to the use of TQM at the local government level in Canada confirms some of the issues raised by the IPAC report to the extent that many of the current trends are not well-documented. Also, most research is not practice-oriented; and, this particular study has purposefully retained a practical approach.

In terms of recommendations for further research additional work in the area of TQM at an applied level within local government would be beneficial. This type of research should consider the costs and benefits of TQM programs as important in a time of declining resources. To ensure public support of TQM type initiatives these data on costs and benefits would be useful. Also, additional research aimed at intra-organisational issues such as employee involvement; the role of unions; and, the role of elected officials would be of value.

10.6.3 Quality Networks

Another useful method in promoting quality principles and sharing information is the development of quality networks. These would permit local governments to discuss in an informal or perhaps more formal way issues of concern related to TQM and TQM application. This type of network could be particularly applicable in a country as large as Canada if it included an “on-line” format. The current level of interest in TQM at the local government level could be monitored, improved and directed if some form of quality network was established. Again, there are similar examples of the successful application of these types of networks in other countries. For example, in the United Kingdom the Local Government Management Board is active in promoting this type of network.

10.6.4 Organisational Application of TQM: Case Studies

Finally, it is important to undertake research that adequately considers the context of individual organisations or local governments. In many respects this recommendation is similar to the previously discussed suggestions related to directed research. However, this recommendation deals with research on an individual (case) level. The research for this study identifies a number of intra-organisation issues that can be best addressed through this type of recommendation. The intention is to highlight the “cultural change” nature of TQM and the need for case study research on that (the individual unit) basis.

The current level of interest in TQM as a means to improve organisational performance within local government in Canada makes it likely that many initiatives will be undertaken simply to “keep up” with competitors or peers. This type of blind

application of TQM without the appropriate level of understanding and commitment is likely to lead to failure. The main elements of a TQM system must be adapted to the unique characteristics of an organisation including local governments – to ensure the TQM program builds and evolves within that organisation. Indeed, one commentator notes that “the beginning of administrative wisdom is the awareness that there is no one optimum type of management system.”[21] Alternatively, if TQM is seen as a panacea it may simply be another “flavour of the month” management fad in some organisations.

To ensure the continued relevance of TQM local governments must strive to continually improve the delivery of service and ensure “best value” [22] for customers and citizens. This type of approach will require that key performance indicators [23] are identified and monitored on an on-going basis.

10.7 Summary

These conclusions and recommendations do not, of course, address all of the issues related to the evolution and use of Total Quality Management at the local government level in Canada. Unfortunately, “the big questions of public management will not be answered with a shout of ‘Eureka’ – one sudden insight, one clever experiment, one brilliant paper ...no single piece of public management research will offer the kind of breakthrough that wins a Nobel Prize; the big questions of public management do not have a single answer.”[24]

The research generated primary data through a national survey. Case studies, including semi-structured interviews with key stakeholders, add further primary data. In part,

these data are assessed using statistical methods to test for relationships between key variables. Also, a number of secondary sources (documents and reports) are used to describe the evolution and status of TQM and quality within local governments in Canada. These data are compared with similar empirical data from the US and UK to identify a series of “best practices.” The results have been reported in a number of articles [25] and presented at a variety of workshops [26] and conferences.[27]

This research study does add to the existing level of knowledge and understanding of TQM as an organisational management philosophy currently generating considerable interest at the local government level in this country. It is hoped that these research efforts will provide the impetus for further work in this area as all local governments strive to improve in an ever-changing environment.

10.8 Endnotes

- [1] M.R. Easterby-Smith, R. Thorpe, and A. Lowe, Management Research: An Introduction, Sage Pub., London, UK 1991 p. 32.
- [2] The internal implementation of TQM is an area that has not been well documented. However, one recent article, which provides an empirical assessment of quality management from the perspectives of front-line employees in the financial services sector provides an interesting and timely contribution to this issue. For more information on this topic, see B. Lewis and G. Gabrielsen, "Intra-Organisational Aspects of Service Quality Management: The Employee's Perspective," The Service Industries Journal, Frank Cass Pub., London, UK Volume 18 No. 2 April 1998 pp. 64-89.
- [3] See, for example, A. Kieser, "Rhetoric and Myth in Management Fashion," Organisation Studies, Sage Pub., London, UK Volume 4(1) 1997 pp. 49-74.
- [4] See, for example, C. Skelcher, "Improving the Quality of Local Public Services," The Service Industries Journal, Frank Cass Pub., London, UK Volume 12 No. 4 October 1992 pp. 463-477.
- [5] B. Witcher, "The Changing Scale of Total Quality Management," Quality Management Journal, ASQ, Milwaukee, WI Volume 2 No. 7 Summer 1995 p. 9.
- [6] M. Gershon, "A Look at the Past to Predict the Future," Quality Progress, ASQ Milwaukee, WI Volume 29 No. 7 July 1996 p. 29.
- [7] *Ibid.*, p. 30.
- [8] J.M. Juran, ed., A History of Managing for Quality: The Evolution, Trends, and Future Directions of Managing for Quality, ASQ, Milwaukee, WI 1995 p. 649.
- [9] For example, B. Stratton, "The Future of the Quality Profession," Quality Progress, ASQ, Milwaukee, WI Volume 29 No. 7 July 1996 pp. 26-29; or, C. Argyris, "The Next Challenge for TQM – Taking the Offensive on Defensive Reasoning," The Journal for Quality and Participation, AQP, Cincinnati, OH Volume 22 No. 6 November/December 1999 pp. 41-46.
- [10] Juran, p. 642.
- [11] *Ibid.*, p. 643.
- [12] Ernst and Young and American Quality Foundation, Best Practices Report: An Analysis of Management Practices that Impact Performance, Ernst and Young, New York, NY 1993 p. ii.
- [13] *Ibid.*, p. iii.
- [14] *Ibid.*, p. 1.

- [15] Ibid., p. 2.
- [16] J. Sensenbrenner, "The Fourth Revolution in Government Change," The Journal for Quality and Participation, Association for Quality and Participation, Cincinnati, OH Volume 18 No. 7 December 1995 p. 90.
- [17] A. Farazmand, "Globalisation and Public Administration," Public Administration Review, American Society for Public Administration, Washington, DC Volume 59 No. 6 November/December 1999 pp. 509-522.
- [18] Ibid., p. 518.
- [19] M. Charih and K. Kernaghan, "Research in Public Administration: Preparing For the Next Century," Public Sector Management, IPAC, Toronto, ON Volume 7 No. 3 1996 pp. 22 –24.
- [20] Ibid., p. 23.
- [21] R.H. Behn, "The Big Questions of Public Management," Public Administration Review, ASPA, Washington, DC Volume 55 No. 4 1995 p. 315.
- [22] One particularly relevant and recent discussion of the concept of "best value" and continuous improvement at the local government level in the United Kingdom is contained in Department of the Environment, Transport and the Regions, Modern Local Government: In Touch with the People, Queen's Printer, London, UK 1998.
- [23] For more information on the evolving role of performance indicators in local government see, for example, R. Ball, Performance Review in Local Government, Ashgate Pub., Aldershot, UK 1998.
- [24] Behn, p. 317.
- [25] R.W. Robertson, "Total Quality Management and Local Government: Part I, Municipal World, Municipal World Inc., St. Thomas, ON July 1997 pp. 23-28; and, R. Robertson, "Total Quality Management and Local Government: Part II, Municipal World, Municipal World Inc., St. Thomas, ON August 1997 pp. 20-25.
- [26] R.W. Robertson, "The Role of Quality in Managing for Performance – A Local Government Perspective," Quality Workshop, Quality Council of British Columbia, Victoria, BC February 3, 2000.
- [27] R.W. Robertson and P. Gill, "Linking Quality to Business Planning and Performance Goals in Local Government," 54th Annual Quality Congress AOC, Indianapolis, IN May 2000.

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Appendices

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Appendix A

Quality Related Worldwide Web Sites

There are an increasing number of excellent "quality related" sites on the World Wide Web. The following sites are particularly useful and informative:

1. Michigan Quality Council
www.michiganquality.org

The Michigan Quality Council was formally created by business leaders and supported by Governor John Engler in November 1993 to promote the adoption of Total Quality Management practices defined by the criteria established by the Malcolm Baldrige National Quality Award.

2. Australian Quality Council
www.aqc.org.au

The Australian Quality Council Limited, with an active membership base of more than 1,500 organisations, transfers knowledge to Australian organisations through an integrated set of products and services. The AQC supports an on-line "best practice" site.

3. National Quality Institute
www.nqi.ca

This is the site of the National (Canadian) Quality Institute including information on the Canada Awards for Excellence Program; and, a self-assessment framework for organisations.

4. Quality Council of Alberta
www.qca.org

This is the site of the Quality Council of Alberta. Good references to quality work within Province and a member's forum for on-line networking.

5. American Society for Quality
www.asq.org

This is the site of the American Society for Quality, which is one of the better quality sites on the web. The Public Sector Network is a division of the ASQ. It has an independent site at deming.eng.clemson.edu/pub/psci/psn

This site aims to provide an international network to improve the quality of government systems. Excellent links and updated regularly.

6. American National Standards Institute
www.ansi.org

The American National Standards Institute promotes the use of U.S. standards internationally, advocates U.S. policy and encourages the adoption of international standards such as ISO standards.

7. International Organisation for Standardisation
www.iso.ch

This is the site for the International Organisation for Standardisation. It contains details on the ISO standards and is a very helpful site.

8. National Performance Review
www.npr.gov

The National Performance Review site of the U.S. Federal Government regarding reinvention and quality initiatives. It details the Clinton/Gore administration's initiative to reform the way the federal government works. Its goal is to create a government that "works better and costs less."

9. American Society for Public Administration
www.aspanet.org

The American Society for Public Administration (ASPA), established in 1939, is the largest and most prominent, professional association in the field of public administration. Good links to other sites.

10. London Borough of Brent
www.brent.gov.uk

The London Borough of Brent in the United Kingdom is a leader in quality applications at the local government level and a quality award winner.

11. Quality Council of Prince George
www.dm-ad.com/quality/

The web site of the Prince George Quality Council from Prince George, BC. The site illustrates strong business/government partnerships in Prince George to promote quality.

12. City of Grande Prairie
www.city.grande-prairie.ab.ca

City of Grande Prairie site. It is an award-winning site that contains their business plan including quality components.

13. District of Maple Ridge
www.mapleridge.org

District of Maple Ridge web site. It includes many items on an evolving quality program and also their business plan and corporate strategic plan, both of which include quality as a goal. Maple Ridge has earned a Bronze Level Award (1997) for quality from the Quality Council of British Columbia.

14. City of Winnipeg
www.city.winnipeg.mb.ca

The City of Winnipeg's web site contains good information on quality initiatives. Winnipeg won the Manitoba Quality Award 1993.

15. City of Calgary
www.gov.calgary.ab.ca

The City of Calgary's web site is a good local government site with information on quality initiatives. Calgary has been a leader in innovative practice at the local government level in Canada.

16. International City/County Management Association
www.icma.org

The International City/County Management Association site contains excellent local government materials. Also, the site has good references to other sites and sources of information.

17. American Management Association
www.amanet.org

The site of the American Management Association. Good business oriented information on quality.

18. Town of Ajax
www.town.ajax.on.ca/

The Town of Ajax is "Ontario's First 9001 Quality Community." This site provides information on their quality certification process and the use of quality as a tool to promote their community.

19. European Foundation for Quality
www.efqm.org/

The EFQM was founded in 1988 to promote improvement activities and accelerate the use of TQM to achieve a global competitive advantage for European organisations.

20. Canadian Centre for Management Development: Citizen-Centred Service Network
www.ccmd-ccg.gc.ca/ccsd/networks

The Canadian Centre for Management Development is a network of more than two hundred academics; and, senior government officials from local, provincial and federal governments. The network aims to accelerate the modernisation of public sector service delivery in Canada. The website includes recent research and publications.

Appendix B

Total Quality Management and Local Government in Canada: Survey Instrument

Total Quality Management – Definition of Relevant Terms*

Customer	Groups or individuals who rely on the organisation's products and/or services.
Investor	An individual or group who has injected their resources into the organisation (includes shareholders and funding bodies).
Key Processes	Those processes that have a major impact on customer satisfaction and are critical to the success of the organisation; they are usually cross-functional and require constant attention.
Mission Statement	Declaration of the fundamental purpose and aim of the organisation; the fundamental reason for the existence of the organisation.
Process	A set of activities, which occurs repeatedly and is organized to achieve a desired outcome.
Total Quality Management	A comprehensive, customer-focused system to improve the "quality" of products and services by involving employees at all levels throughout the organisation.
Values	Principles followed to guide behaviour in the future (desired state).
Vision	What an organisation intends to be in the future, its desired state.

Instructions

1. Please print your answers.
2. Please call Mr. Robert Robertson at (604) 463-5221 if you have any questions.
3. Please return the survey in the self-addressed envelope provided.

The survey will be mailed to City Managers/City Administrators who are members of CAMA and followed up by fax/telephone as required.

Questionnaire

Section A - Background

Respondent Information

1. Name of Respondent _____
2. Title _____
3. Name/Address of Municipality

4. Population of Municipality _____
5. Please provide a name and telephone number of a contact person in the event that further information or clarification is necessary.

Section B - Leadership/Strategic Direction

1. (a) Does your organisation have a defined and documented formal total quality management (TQM) program?
 YES NO
- (b) Is your organisation involved in quality initiatives in an informal manner?
 YES NO
2. If your answer to Question 1(a) or (b) is NO, are you exploring total quality management initiatives?
 YES NO

Note: If your answer to Question 2 is NO, thank you for your participation, the survey is complete. If your answer to Question 1(a) or (b) is YES, please proceed.

3. How long has the total quality management program been in place?

- < 12 months
- 12 - 24 months
- 25 - 36 months
- > 36 months

4. (a) Does the total quality management system operate in all departments?

- YES NO

(b) If NO, which departments or services use quality programs and why?

5. (a) Is the total quality management system linked to the strategic planning/policy planning efforts of your municipality?

- YES NO

(b) If YES, how?

6. (a) Is the total quality management system linked to the budgetary process?

- YES NO

(b) If YES, how?

7. (a) Is there a mechanism(s) for communicating knowledge of the total quality management program or specific quality improvements including process and performance targets to municipal staff at all levels?

YES NO

If YES, please rank those mechanism(s):

(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Presentations to Employee Groups				
Special Award Celebrations				
Reports to Council on Specific Projects				
Annual Report				
Other (please elaborate)				

- (b) Is there a mechanism(s) for communicating knowledge of the total quality management program or specific quality improvements to Council?

YES NO

- (c) Is there a mechanism for communicating knowledge of the program(s) to the public?

YES NO

If YES, please rank those mechanism(s):

(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Presentations to Community Groups				
Special Award Celebrations				
Reports to Council on Specific Projects				
Annual Report				
Other (please elaborate)				

Section C - Customer Focus

8. Is customer satisfaction a part of the total quality management system?

YES NO

9. If YES, how was "customer satisfaction" defined/measured? Please rank as appropriate.
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Customer satisfaction survey				
Complaint management system (Stakeholder)				
Focus groups				
Other (Please describe)				

Section D - Planning for Improvement

10. (a) Were you the City Administrator when the total quality management initiative was set up?

YES NO

- (b) If YES, were you supportive of its introduction?

YES NO

- (c) If NO, would you have been supportive of its introduction?

YES NO

11. (a) Please rate the importance of the following reasons for the introduction of the total quality management initiative.

(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

External Factors

	0	1	2	3
Citizen Complaints				
Community Planning Activities				
Voter Demands				
Success Stories in Business				
Local Capabilities (i.e. College)				
Media Coverage				
Professional Associations				
Use by Other Nearby Local Government				
Demands by Other Levels of Government				

- (b) Please rate the importance of the following reasons for the introduction of the total quality management initiative.
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

Internal Factors

	0	1	2	3
City Manager Interest				
Increasing Employee Productivity				
Budget Pressures				
City Strategic Planning				
Public Relations				
Initiatives of Senior Managers				
Employee Interest				
Mayor's Interest				
Council's Interest				
Pilot Program Success				

12. (a) Were there performance goals and targets formally established as part of the introduction of the total quality management system?

YES NO

- (b) If YES, please rank the following stakeholders by importance in establishing these targets?
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Elected Officials				
Staff				
Business Community				
Public				
Others (please identify)				

13. (a) Are you aware of the Canada Awards for Excellence program to recognise quality, sponsored by the National Quality Institute?

YES NO

- (b) If YES, have you applied for recognition?

YES NO

- (c) If NO, would you consider applying in the future?

YES NO

14. (a) Have you applied for ISO 9000 Series registration as part of your quality efforts?
- YES NO
- (b) If NO, would you consider applying for ISO 9000 Series registration?
- YES NO

Section E - People Focus

15. Did the process of establishing a total quality management system require that the municipality focus on the objectives of service and service delivery?
- YES NO
- If YES, did this lead to:
- (a) A reappraisal of the service?
- YES NO
- (b) An assessment of whether the municipality should be in this business?
- YES NO
- (c) A reappraisal of the level of service?
- YES NO
- (d) A redefinition of the customer?
- YES NO
16. How many employees, as a percentage of total employees, are actively involved in the total quality management program?
- > 90%
- 70 - 90%
- 50 - 69%
- < 50%

17. (a) Has quality identified any specific corporate training requirements?

YES NO

(b) If YES, please identify.

18. How many hours training per year are available per employee?

_____ Hours

19. Is there an emphasis on providing employee training related to the total quality management program?

YES NO

20. What percentage of total employee training is related to the total quality management initiative?

- > 90%
- 70 - 90%
- 50 - 69%
- < 50%

21. Is there any training provided to new employees related to the total quality management program?

YES NO

22. (a) Is individual performance appraisal linked to the total quality management initiative?

YES NO

(b) Is performance pay available and related to the total quality management improvement initiatives?

YES NO

23. (a) In your estimation, what percentage of elected officials in your municipality recognise and support your total quality management program?

- > 90%
- 70 - 90%
- 50 - 69%
- < 50%

(b) In your estimation, what percentage of your staff recognise the effects of your total quality management program?

- > 90%
- 70 - 90%
- 50 - 69%
- < 50%

(c) In your estimation, what percentage of the public recognises the effects of your total quality management program?

- > 90%
- 70 - 90%
- 50 - 69%
- < 50%

Section F - Process Optimisation

24. Rate the following as part of your total quality management program.
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Corporate Strategic Plan with Quality Goals				
Departmental (service area) Strategic Plan with Quality Goals				
Performance Measures				
Customer (citizen) Surveys				
Employee Surveys				
Directed Training				
Other (please describe)				

25. Structurally, how is the total quality management system organized in your organisation?
- specific individuals
 - separate department
 - part of an existing department - which department?
 - cross departmental team(s)
 - quality circles
 - other (please identify)
-
-

26. What are the costs of the total quality management program?

27. (a) Please rate the importance of the following factors in the ongoing implementation of the total quality management initiative.
(O = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

Factors

	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>
Leadership by City Manager				
Leadership by Senior Staff				
Leadership by Elected Officials				
Customer (User) Involvement				
Use of Consultants				
Staff Quality Training				
Teamwork				
Cost Reductions (do more with less)				
Performance Measurement				
Employee Involvement				

(b) In the future, do you anticipate the ranking will change?

YES NO

(c) If YES, which factor(s) do you believe will change (please identify)?
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

Factors

	0	1	2	3
Leadership by City Manager				
Leadership by Senior Staff				
Leadership by Elected Officials				
Customer (User) Involvement				
Use of Consultants				
Staff Quality Training				
Teamwork				
Cost Reductions (do more with less)				
Performance Measurement				
Employee Involvement				

28. Does the total quality management system establish the practice of competitive benchmarking either internally (between departments) or externally to other municipalities or the private sector?

YES NO

29. Have there been any changes made to the total quality management initiative since its introduction?

YES NO

30. In your opinion has the total quality management initiative contributed towards achieving:
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Reduced Costs				
Improved Performance				
Higher Level of Customer Satisfaction				
A Corporate Management Perspective				
Corporate Goals				

31. (a) On balance, do you consider the total quality management initiative successful?

YES

NO

(b) Please provide a brief explanation of why?

32. In your view, what are key elements of success in a total quality management initiative at the municipal government level?

33. What do you see as the future of total quality management in your organisation?

Appendix C

Total Quality Management and Local Government in Canada: Introduction Letter



Corporation of the District of Maple Ridge
11995 Haney Place, Maple Ridge, B.C. V2X 6A9
Telephone: (604) 463-5221 Fax: (604) 467-7331
E-Mail: enquires@district.maple-ridge.bc.ca

October 17, 1996

Mr. Jack Willis
1202 - 325 Maitland Street
Victoria, British Columbia
V8Y 1V6

Dear Mr. Willis,

RE: Total Quality Management Survey

I would appreciate your assistance in the completion of a survey (attached) designed to ascertain the level of understanding and use of Total Quality Management at the local government level in Canada.

This research work is supported by the Canadian Association of Municipal Administrators and data generated will be used as part of my doctoral program.

Please take a few minutes to complete the survey and return it in the self-addressed envelope. Instructions and definitions are included with the survey; however, if you have any questions please do not hesitate to call me.

Thank you for your assistance.

Yours sincerely,

Robert W. Robertson, AICP, MCIP
Chief Administrative Officer

RWR:jmc

encl.

"Promoting a Safe and Livable Community for our Present and Future Citizens"

Appendix D

Canadian Association of Municipal Administrators: Letter of Support



Association canadienne des administrateurs municipaux
Canadian Association of Municipal Administrators

September 17, 1996

Mr. Jack Willis
1202 - 325 Maitland Street
Victoria, British Columbia
V8Y 1V6

Dear Mr. Willis:

The Canadian Association of Municipal Administrators (CAMA) is supporting a directed research project to assess the understanding and level of use of Total Quality Management (TQM) within local government in Canada.

The study will be conducted by Mr. Robert W. Robertson, Chief Administrative Officer for the District of Maple Ridge, British Columbia as part of his doctoral work. Similar research has been carried out in the United Kingdom and the United States. The results of the Canadian study will enable a comparative analysis from which we can glean insights for our application.

As part of the study, you will find enclosed a survey and a letter from Mr. Robertson. On behalf of the Board of Directors, I ask and encourage you to take a few minutes to complete this survey.

We will strive to share with you the results of this study. In the meantime, we thank you for your assistance.

Sincerely yours,

D.A. Lychak
President

Encl.



Appendix E

Total Quality Management and Local Government in Canada: Survey Follow-Up Letter



Corporation of the District of Maple Ridge
11995 Haney Place, Maple Ridge, B.C. V2X 6A9
Telephone: (604) 463-5221 Fax: (604) 467-7331
E-Mail: enquires@district.maple-ridge.bc.ca

November 14, 1996

Mr. Jack Willis
1202 - 325 Maitland Street
Victoria, British Columbia
V8Y 1V6

Dear Mr. Willis,

RE: Total Quality Management Survey

Recently, a survey related to Total Quality Management (TQM) in local government in Canada was forwarded to your attention. The survey is supported by the Canadian Association of Municipal Administrators and is aimed at establishing baseline information about the use of TQM in local government.

If you have not already done so, please take a few minutes to complete the survey and return it as soon as possible. If you have any questions about the survey, please do not hesitate to contact me [phone: (604) 463-5221].

My thanks for your assistance.

Sincerely,

Robert W. Robertson, AICP, MCIP
Chief Administrative Officer

RWR:jmc

"Promoting a Safe and Livable Community for our Present and Future Citizens"

Appendix F

Case Study: Chief Administrative Officer Interview Questions

1. What was the situation – in terms of morale, performance, and organisational culture – in your organisation prior to your becoming interested in TQM?
2. What prompted (motivated) your organisation to begin the search for what ultimately became the TQM program? (note: discuss internal and external factors)
3. Describe, in detail, the initial process used to implement TQM (i.e. use of consultants, key events or activities in start-up phase).
4. What level(s) or other segments of the organisation most strongly supported the decision to undertake the TQM initiative? (i.e. top management, Mayor or other elected officials, staff, unionized staff)
5. What level(s) was most resistant?
6. What was the major impediment or hurdle to be overcome in implementing the TQM program?
7. Discuss the current status of the TQM initiative (i.e. what does it look like, what are successes/failures).
8. What are the future directions? (quality awards, certification, other)
9. Are there any written documents or other materials that provide an historical record and current status of the TQM program?
10. Background – person interviewed, title, role in organisation, involvement in TQM program.

Appendix G

The Canada Campaign for Excellence

- The expansion and transformation of the Canada Awards for Business Excellence to now recognise and inspire excellence in four key sectors of our economy. Starting in fall 1995, the awards will be renamed the Canada Awards for Excellence and will reward achievement by leaders in our business, education, health care and government sectors.
- The development, for the first time anywhere, of national Total Quality criteria to guide and inspire excellence in all our institutions. These multi-sectoral guidelines for learning about, applying and implementing Total Quality will be made widely available, and will serve as the guidelines for adjudicating the new Canada Awards for Excellence.
- A national communications program, including advertising, media relations, quality panels, a speakers bureau and direct-to-user initiatives which will build awareness of Total Quality and facilitate its application in private and public sector organisations.
- Organisation of major International Quality Summit to be held in Canada.
- An annual report on quality in Canada will be published to further raise awareness and understanding of the current state of quality in Canadian business, health care, education and government sectors.
- The NQI will also serve as a resource and clearing house for individuals and organisations seeking assistance in their quality initiative. The resource centre will include the National Quality Directory - an annual directory of not-for-profit organisations offering services in the area of Quality, such as the members of the National Quality Network.
- The NQI will work in partnership with other leading quality organisations such as the Standards Council of Canada and will join in promoting other key standards of quality such as ISO 9000 and the standards of the Canadian Council on Health Facilities Accreditation.

Source: National Quality Institute, The Total Quality Future: The Canada Campaign for Excellence, Ottawa, ON 1995 p. 7.

Appendix H

National Quality Institute – Quality Principles

These Quality Principles form the foundation for long-term quality improvement and permeate the Quality Criteria.

1. Co-operation, teamwork and partnering

Teamwork, in a spirit of co-operation rather than competition for individual gain, is nurtured and recognised. Co-operation, within and between organisations and inside and outside sector borders, is a cornerstone for the development of win-win relationships.

2. Leadership through involvement and by example

Developing a quality approach involves a transformation in management thinking and behaviours, at all levels. This can only be achieved by the active involvement of senior management to facilitate, reinforce and lead the changes necessary for improvement.

3. Primary focus on customers

In order to achieve its goals, the primary aim of everyone in the organisation must be to fully understand, meet and strive to exceed the needs of customers.

4. Respect for the individual and encouragement for people to develop their full potential

Critical for quality improvement are the values that impact the development of mutual respect between people that work in the organisation; communications and personal development are directly related to these values.

5. Contribution of each and every individual

The aim is to give everyone, at all levels of the organisation, the opportunity to use their creativity and make a positive contribution to the organisation's pursuit of excellence.

6. Process-oriented and a prevention-based strategy

An organisation is a network of interdependent value-adding processes, and improvement is achieved through changing these processes to improve the total system. Managing by focusing on results alone is fruitless, since results are determined by the system in use; if the system is not changed in a fundamental way, the results will not improve. To facilitate long-term improvements, a mind-set of prevention as against correction must be applied to eliminate the root causes of errors and waste.

7. Continuous improvement of methods and outcomes

No matter how much improvement has been accomplished, there are always practical ways of doing even better, and of providing improved service or products to the customer.

8. Factual approach to decision making

Decisions are made based upon measured data and an understanding of the cause and effect mechanisms at work, not simply on the basis of instinct, authority or anecdotal data.

9. Obligations to, and expectations of stakeholders, including an exemplary concern for responsibility to society

An organisation is seen as part of society, with important responsibilities to satisfy the expectations of its people, customers, suppliers and all other stakeholders.

Appendix I

National Quality Institute – Quality Criteria

1.0 Leadership

This section focuses on those who have primary responsibility and accountability for the organisation's performance, usually referred to as senior management. This section also examines organisational achievement.

1.1 Strategic direction

- (a) How the mission statement was developed and communicated to all levels in the organisation.
- (b) How the strategic plan, reflecting quality principles and incorporating ambitious improvement objectives, was developed and communicated to all levels in the organisation.
- (c) How priorities, success factors, and key issues are determined in the organisation and linked to strategic direction.
- (d) How implementation of the strategic plan is monitored and reviewed.

1.2 Leadership involvement

- (a) How senior management demonstrates a commitment to quality improvement, for example through direct involvement in improvement initiatives.
- (b) How the senior management team works together to reduce barriers between functions, promoting teamwork and open communications.
- (c) How an environment is developed that fosters a dedication to quality principles, at all levels.
- (d) How a continuous learning environment is created that fosters innovation and encourages people to reach their full potential.
- (e) How responsibility, accountability and leadership for improvement are shared throughout the organisation.
- (f) How reward and recognition for senior management are linked to the quality principles; note - 4.4(b) in the people focus section has a similar statement for other levels.
- (g) How responsibility to society in general is considered in the decision-making process.
- (h) How ideas and practices on quality improvement are shared with other organisations and sectors.

1.3 Outcomes

This part examines the direct outcomes of senior management leadership as well as the overall operating performance of the organisation.

- (a) Indicators of senior management effectiveness in setting strategic direction and demonstrating leadership in the quality principles.
- (b) Indicators of the level of understanding by all levels in the organisation, of the mission, improvement plan and quality principles.
- (c) Levels and trends in key measures of overall organisational operating performance, that meet stakeholder expectations and link to the strategic plan.
- (d) Levels and trends of outcomes compared with sector leaders and other organisations.
- (e) How the approach to leadership, by senior management, is reviewed and improved.

2.0 Customer focus

This section examines the organisation's focus on customer driven innovation and achieving customer delight.

2.1 Voice of the customer

- (a) How the organisation defines its customers groups.
- (b) How information is gathered, analysed and evaluated to determine customers needs.
- (c) How customer needs are converted into product and/or service requirements.
- (d) How the future needs of current and potential customers are gathered and used.

2.2 Management of customer relationships

- (a) How the organisation ensures full alignment on the importance of customer satisfaction.
- (b) How the organisation makes it easy for customers to provide input on their needs, seek assistance and complain.
- (c) How the organisation responds to customers inquiries and complaints.
- (d) How the organisation creates long-term customer confidence in services and/or products provided.

2.3 Measurement

- (a) How the organisation measures customer satisfaction to gain information for improvement.

2.4 Outcomes

- (a) Levels and trends in customer satisfaction; including comparisons with other organisations and/or competitors.
- (b) Levels and trends in customer confidence and loyalty.

- (c) How the organisation's focus on customer satisfaction is reviewed and improved.

3.0 Planning for improvement

This section examines the improvement planning process, the linkage of improvement planning to strategic direction, and the measurements established to assess progress.

3.1 Development and content of improvement plan

- (a) How information relevant to key issues impacting the organisation is identified, gathered and used.
- (b) How improvement planning is derived from overall strategic direction.
- (c) How quality principles are reflected in the improvement plan.
- (d) How innovative solutions are encouraged to address improvement goals.
- (e) How issues are identified, prioritised, measured and improvement goals set.
- (f) How the improvement plan is communicated inside and outside the organisation.

3.2 Assessment

- (a) How formal assessments are conducted using criteria that reflect quality principles.
- (b) How assessment findings are analysed to determine actions for improvement.

3.3 Outcomes

- (a) Indicators of effective deployment of the improvement plan.
- (b) How the improvement planning process is evaluated and improved.

4.0 People focus

This section examines the development of human resource planning and implementation and operation of a strategy for achievement of excellence through people. Also examined are the organisation's efforts to foster and support an environment that encourages and enables people to reach their full potential.

4.1 Human resource planning

- (a) How human resource planning supports the organisation's goals and objectives, and reflects the quality principles.
- (b) How the organisation selects, recognises, develops, assesses and re-deploys its people, also steps taken to minimise the effects of restructuring.

4.2 Participatory environment

- (a) How the organisation ensures that people, at all levels, understand the strategic direction and the improvement plan and are committed to achieving its goals and purposes.
- (b) How people are involved in improvement initiatives.
- (c) How people's suggestions and ideas are encouraged and implemented.
- (d) How the organisation encourages its people to innovate and take risks in order to achieve goals.
- (e) How the organisation involves its people in addressing issues related to well being and societal issues, for example, health, safety and environment concerns.
- (f) How the organisation identifies and removes barriers that prevent people from doing their best work.

4.3 Continuous learning environment

- (a) How the organisation determines training and development needs to meet goals in the improvement plan, and how it responds to these needs.
- (b) How the organisation trains its people in quality improvement principles and methods.

4.4 Employee satisfaction

- (a) How the organisation identifies the contribution of its people, measures people satisfaction and links the feedback to future improvement opportunities.
- (b) How the organisation links recognition and rewards to the quality values and quality improvement objectives.

4.5 Outcomes

- (a) Levels and trends in employee satisfaction and morale.
- (b) Indicators of the effectiveness of training and education, in particular in the area of quality improvement principles and methods.
- (c) Indicators of involvement levels in improvement activities that link directly to the goals and objectives of the organisations.
- (d) Indicators of the effectiveness of awareness and involvement in addressing well being and societal issues; for example health, safety and environmental concerns.
- (e) How the organisation reviews and improves human resource planning.

5.0 Process optimisation

This section examines how work is organized to support the organisation's strategic direction, and how processes, particularly those that are critical for success, are analysed to ensure they add value to customers and to the organisation. Process improvement priorities are derived from goals established

within the improvement plan, referred to in other Sections, notably Section 2.0 (Customer Focus) and 3.0 (Planning for Improvement).

5.1 Process definition

- (a) How processes, capable of delivering products and services that meet customer requirements, are designed, described and documented.

5.2 Process control

- (a) How processes are monitored to ensure consistency in products and services provided.
- (b) How problems are analysed, root causes identified, and actions taken to prevent recurrence and provide a basis for future process improvement.

5.3 Process improvement

- (a) How processes are analysed to determine opportunities for continuous improvement, through incremental refinement and/or fundamental redesign.
- (b) How process improvements are implemented and monitored, and how changes are embedded to ensure consistency.
- (c) How customers and suppliers are involved in continuous improvement activity, for example in problem solving and improvement teams.
- (d) How external information is gathered and used to compare performance and to identify opportunities for improvement.

5.4 Outcomes

- (a) Levels and trends in product and/or service quality.
- (b) Levels and trends in process efficiency and effectiveness.
- (c) How the approach to process optimisation is reviewed and improved.

6.0 Partnering

This section examines the organisation's external relationships and other organisations, institutions and/or alliances that are critical for it to meet strategic objectives. These external organisations are referred to as suppliers.

6.1 Partnering

- (a) How the organisation selects capable suppliers through the use of appropriate information and criteria.

- (b) How the organisation establishes co-operative working relationships with suppliers, and encourages innovation to assure and improve the quality of products and services.
- (c) How the organisation shares information with its suppliers to help them improve.
- (d) How the organisation involves its suppliers in the development of new products and/or services.

6.2 Outcomes

- (a) Levels and trends in continuous improvement in quality of supplier products and/or service.
- (b) Indicators of the effectiveness of partnering with suppliers based on a relationship that promotes continuous improvement.
- (c) How the approach to supplier focus is reviewed and improved.

For adjudication purposes, points are awarded for each section as follows:

1.0	Leadership	170
2.0	Customer focus	200
3.0	Planning for improvement	130
4.0	People focus	200
5.0	Process optimisation	200
6.0	Supplier focus	100
	Total	1,000

Source: National Quality Institute, A Road Map to Quality, Ottawa, ON 1995 pp. 2-5.

Appendix J

Total Quality Management and Local Government in Canada: Survey Results

Total Quality Management – Definition of Relevant Terms*

Customer	Groups or individuals who rely on the organisation's products and/or services.
Investor	An individual or group who has injected their resources into the organisation (includes shareholders and funding bodies).
Key Processes	Those processes that have a major impact on customer satisfaction and are critical to the success of the organisation; they are usually cross functional and require constant attention.
Mission Statement	Declaration of the fundamental purpose and aim of the organisation; the fundamental reason for the existence of the organisation.
Process	A set of activities that occurs repeatedly and is organized to achieve a desired outcome.
Total Quality Management	A comprehensive, customer-focused system to improve the "quality" of products and services by involving employees at all levels throughout the organisation.
Values	Principles followed to guide behaviour in the future (desired state).
Vision	What an organisation intends to be in the future, its desired state.

Instructions

1. Please print your answers.
2. Please call Mr. Robert Robertson at (604) 463-5221 if you have any questions.
3. Please return the survey in the self-addressed envelope provided.

The survey will be mailed to City Managers/City Administrators who are members of CAMA and followed up by fax/telephone as required.

Source: National Quality Institute, Entry Guide for the Canada Awards for Excellence, Ottawa, ON 1995.

Questionnaire

Section A - Background

Respondent Information

1. Name of Respondent
2. Title
3. Name/Address of Municipality
4. Population of Municipality: **MEAN RESPONSE: 113,659**
5. Please provide a name and telephone number of a contact person in the event that further information or clarification is necessary.

Section B - Leadership/Strategic Direction

1. (a) Does your organisation have a defined and documented formal total quality management (TQM) program?
28 YES 24 NO n = 52
- (b) Is your organisation involved in quality initiatives in an informal manner?
67 YES 0 NO n = 67
2. If your answer to Question 1(a) or (b) is **NO**, are you exploring total quality management initiatives?
12 YES 0 NO n = 12

NOTE: If your answer to Question 2 is **NO**, thank you for your participation, the survey is complete. If your answer to Question 1(a) or (b) is **YES**, please proceed.

3. How long has the total quality management program been in place?

37	< 12 months
19	12 - 24 months
11	25 - 36 months
28	> 36 months
N=95	

4. (a) Does the total quality management system operate in all departments?

60	<u>YES</u>	32	<u>NO</u>	n =	92
----	------------	----	-----------	-----	----

(b) If NO, which departments or services use quality programs and why?

Police; Leisure Services; Public Works

5. (a) Is the total quality management system linked to the strategic planning/policy planning efforts of your municipality?

Strategic planning:

66	<u>YES</u>	21	<u>NO</u>	n =	87
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Policy planning:

64	<u>YES</u>	25	<u>NO</u>	n =	89
----	------------	----	-----------	-----	----

(b) If YES, how?

Corporate Planning; budget and other guidelines

6. (a) Is the total quality management system linked to the budgetary process?

64	<u>YES</u>	25	<u>NO</u>	n =	89
----	------------	----	-----------	-----	----

(b) If YES, how?

Budget guidelines; training allocation

7. (a) Is there a mechanism(s) for communicating knowledge of the total quality management program or specific quality improvements including process and performance targets to municipal staff at all levels?

71	<u>YES</u>	14	<u>NO</u>	n =	85
----	------------	----	-----------	-----	----

If **YES**, please rank those mechanism(s):

(**O** = Not Important, **1** = Fairly Important, **2** = Important, **3** = Very Important)

	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>
Presentations to Employee Groups	0	9	19	44
Special Award Celebrations	17	13	26	14
Reports to Council on Specific Projects	5	8	29	30
Annual Report	18	14	25	15
Other (please elaborate)	2	1	7	16

- (b) Is there a mechanism(s) for communicating knowledge of the total quality management program or specific quality improvements to Council?

69 **YES** 16 **NO** n = 85

- (c) Is there a mechanism for communicating knowledge of the program(s) to the public?

45 **YES** 40 **NO** n = 85

If **YES**, please rank those mechanism(s):

(**O** = Not Important, **1** = Fairly Important, **2** = Important, **3** = Very Important)

	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>
Presentations to Community Groups	6	8	19	12
Special Award Celebrations	12	9	18	5
Reports to Council on Specific Projects	0	0	30	16
Annual Report	5	16	14	10
Other (please elaborate)	0	0	5	16

Section C - Customer Focus

8. Is customer satisfaction a part of the total quality management system?

85 **YES** 7 **NO** n = 92

9. If **YES**, how was “customer satisfaction” defined/measured? Please rank as appropriate.

(**O** = Not Important, **1** = Fairly Important, **2** = Important, **3** = Very Important)

	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>
Customer satisfaction survey	0	6	22	57
Complaint management system (Stakeholder)	5	11	40	29
Focus groups	15	27	24	19
Other (Please describe)	8	4	9	12

Section D - Planning for Improvement

10. (a) Were you the City Administrator when the total quality management initiative was set up?

65 YES 26 NO n = 91

(b) If YES, were you supportive of its introduction?

65 YES 0 NO n = 65

(c) If NO, would you have been supportive of its introduction?

26 YES 0 NO n = 26

11. (a) Please rate the importance of the following reasons for the introduction of the total quality management initiative.

(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

External Factors

	<i>0</i>	<i>1</i>	<i>2</i>	<i>3</i>
Citizen Complaints	16	22	27	20
Community Planning Activities	20	21	24	20
Voter Demands	25	25	17	18
Success Stories in Business	14	26	28	17
Local Capabilities (i.e. College)	55	23	6	1
Media Coverage	54	22	8	1
Professional Associations	28	32	16	9
Use by Other Nearby Local Government	47	20	15	3
Demands by Other Levels of Government	48	19	12	6

- (b) Please rate the importance of the following reasons for the introduction of the total quality management initiative.
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

Internal Factors

	0	1	2	3
City Manager Interest	4	4	34	43
Increasing Employee Productivity	0	7	29	49
Budget Pressures	1	12	33	39
City Strategic Planning	2	12	32	39
Public Relations	10	23	23	29
Initiatives of Senior Managers	8	19	29	29
Employee Interest	12	31	33	9
Mayor's Interest	15	24	24	22
Council's Interest	14	22	28	21
Pilot Program Success	6	16	12	11

12. (a) Were there performance goals and targets formally established as part of the introduction of the total quality management system?

37 YES 48 NO n = 85

- (b) If YES, please rank the following stakeholders by importance in establishing these targets?
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Elected Officials	10	3	9	15
Staff	0	4	6	27
Business Community	8	14	15	0
Public	10	2	15	10
Others (please identify)	6	0	15	5

13. (a) Are you aware of the Canada Awards for Excellence program to recognise quality, sponsored by the National Quality Institute?

60 YES 25 NO n = 85

- (b) If YES, have you applied for recognition?

6 YES 54 NO n = 60

- (c) If NO, would you consider applying in the future?

42 YES 12 NO n = 54

14. (a) Have you applied for ISO 9000 Series registration as part of your quality efforts?
- | | | | | |
|---|------------|----|-----------|--------|
| 6 | <u>YES</u> | 73 | <u>NO</u> | n = 79 |
|---|------------|----|-----------|--------|
- (b) If NO, would you consider applying for ISO 9000 Series registration?
- | | | | | |
|----|------------|----|-----------|--------|
| 46 | <u>YES</u> | 27 | <u>NO</u> | n = 73 |
|----|------------|----|-----------|--------|

Section E - People Focus

15. Did the process of establishing a total quality management system require that the municipality focus on the objectives of service and service delivery?
- | | | | | |
|----|------------|---|-----------|--------|
| 77 | <u>YES</u> | 8 | <u>NO</u> | n = 85 |
|----|------------|---|-----------|--------|
- If YES, did this lead to:
- (a) A reappraisal of the service?
- | | | | | |
|----|------------|---|-----------|--------|
| 79 | <u>YES</u> | 6 | <u>NO</u> | n = 85 |
|----|------------|---|-----------|--------|
- (b) An assessment of whether the municipality should be in this business?
- | | | | | |
|----|------------|---|-----------|--------|
| 79 | <u>YES</u> | 6 | <u>NO</u> | n = 85 |
|----|------------|---|-----------|--------|
- (c) A reappraisal of the level of service?
- | | | | | |
|----|------------|---|-----------|--------|
| 78 | <u>YES</u> | 7 | <u>NO</u> | n = 85 |
|----|------------|---|-----------|--------|
- (d) A redefinition of the customer?
- | | | | | |
|----|------------|---|-----------|--------|
| 77 | <u>YES</u> | 8 | <u>NO</u> | n = 85 |
|----|------------|---|-----------|--------|
16. How many employees, as a percentage of total employees, are actively involved in the total quality management program?
- | | |
|------|----------|
| 18 | > 90% |
| 11 | 70 - 90% |
| 16 | 50 - 69% |
| 40 | < 50% |
| N=85 | |

17. (a) Has quality identified any specific corporate training requirements?

73 YES 10 NO n = 83

(b) If YES, please identify.

Customer service; teams; supervisory and management; business planning/continuous improvement (40%); TQM (40%)

18. How many hours training per year are available per employee?

MEAN: 23 hours
RANGE: 10 - 65 hours
Reporting hours: N=44

Respondents stating "not calculated": 10
Respondents stating "as required": 4
Total respondents: 58

19. Is there an emphasis on providing employee training related to the total quality management program?

40 YES 20 NO n = 60

20. What percentage of total employee training is related to the total quality management initiative?

4	> 90%
9	70 - 90%
23	50 - 69%
47	< 50%
N=83	

21. Is there any training provided to new employees related to the total quality management program?

42 YES 41 NO n = 83

22. (a) Is individual performance appraisal linked to the total quality management initiative?

43 YES 40 NO n = 83

(b) Is performance pay available and related to the total quality management improvement initiatives?

23 YES 60 NO n = 83

23. (a) In your estimation, what percentage of elected officials in your municipality recognise and support your total quality management program?

28 > 90%
16 70 - 90%
13 50 - 69%
23 < 50%
N=80

(b) In your estimation, what percentage of your staff recognises the effects of your total quality management program?

11 > 90%
21 70 - 90%
24 50 - 69%
24 < 50%
N=80

(c) In your estimation, what percentage of the public recognises the effects of your total quality management program?

2 > 90%
2 70 - 90%
14 50 - 69%
62 < 50%
N=80

Section F - Process Optimisation

24. Rate the following as part of your total quality management program.
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Corporate Strategic Plan with Quality Goals	2	8	22	49
Departmental (service area) Strategic Plan with Quality Goals	2	13	24	42
Performance Measures	4	12	36	29
Customer (citizen) Surveys	1	15	26	39
Employee Surveys	5	22	27	27
Directed Training	1	16	39	25
Other (please describe)	0	0	0	9

25. Structurally, how is the total quality management system organized in your organisation?

- 27 specific individuals
- 10 separate department
- CAO – 15 part of an existing department - which department?
- HR – 10
- 50 cross departmental team(s)
- 2 quality circles/process review
- 12 other (please identify)
- N=126*

Limited to a few departments only (2);
incorporated in all departments (10).

*Note: some respondents selected more than one response. Total respondents: 126

26. What are the costs of the total quality management program?

Mean: \$140,000
Range: \$5,000 - \$1,000,000
Respondents: 21/83 (25%)

27. (a) Please rate the importance of the following factors in the ongoing implementation of the total quality management initiative.
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

Factors

	0	1	2	3
Leadership by City Manager	0	3	8	74
Leadership by Senior Staff	0	2	15	68
Leadership by Elected Officials	9	19	25	33
Customer (User) Involvement	2	23	33	27
Use of Consultants	32	39	11	3
Staff Quality Training	6	15	31	33
Teamwork	2	8	21	54
Cost Reductions (do more with less)	6	18	28	33
Performance Measurement	8	16	33	28
Employee Involvement	2	4	19	60

- (b) In the future, do you anticipate the ranking will change?

38 YES 47 NO n = 38

- (c) If YES, which factor(s) do you believe will change (please identify)?
(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

Factors

	0	1	2	3
Leadership by City Manager	3	0	11	24
Leadership by Senior Staff	1	2	9	26
Leadership by Elected Officials	0	0	15	23
Customer (User) Involvement	0	2	16	20
Use of Consultants	13	10	10	5
Staff Quality Training	0	1	18	19
Teamwork	3	3	16	16
Cost Reductions (do more with less)	0	6	7	29
Performance Measurement	0	5	10	23
Employee Involvement	2	2	9	23

28. Does the total quality management system establish the practice of competitive benchmarking either internally (between departments) or externally to other municipalities or the private sector?

50 YES 34 NO n = 84

29. Have there been any changes made to the total quality management initiative since its introduction?

49 YES 35 NO n = 84

30. In your opinion has the total quality management initiative contributed towards achieving:

(0 = Not Important, 1 = Fairly Important, 2 = Important, 3 = Very Important)

	0	1	2	3
Reduced Costs	2	22	31	29
Improved Performance	3	5	43	33
Higher Level of Customer Satisfaction	4	11	40	29
A Corporate Management Perspective	2	13	42	26
Corporate Goals	3	16	37	28

31. (a) On balance, do you consider the total quality management initiative successful?

71 YES 12 NO n = 83

(b) Please provide a brief explanation of why?

Yes

- Increased our understanding of customers and allows us to be more customer focused(14)
- Assists in cost containment(6)
- Provides a structure to do more with less(4)
- Very positive and achieving results(2)
- Reduced costs(10)
- Saved more than one million dollars so far(1)
- Moved from departmental to corporate focus(11)

No

- Too early to tell(6)
- Little elected official support or understanding(7)
- Staff resistance at both exempt and union levels(5)
- Not sufficient commitment(2)
- Too many other things to do (3)

- Employee cynical of TQM as we continue to reduce staff and try to improve quality

32. In your view, what are key elements of success in a total quality management initiative at the municipal government level?

- Commitment by all staff(16)
- Senior level (Council/Staff) support(18)
- Communication of objectives/goals (clear purpose)(19)
- Celebrate success(20)
- Ensure vision/values are identified, understood, used(23)
- Training in key components is important(14)
- Must establish the concept of "customer" and address customer needs(29)
- Performance improvements should be measured and compared both internally and externally(20)

33. What do you see as the future of total quality management in your organisation?

- More use of performance indicators/benchmarking(14)
- Submit for quality (recognition) awards(6)
- Move to clear core competencies(1)
- Develop more public/private partnerships(2)
- Ensure quality is brought into the corporate culture and is not simply a program(4)
- Pursue ISO registration(10)
- Continuous improvement to enhance service level improvements(20)
- Continuous improvement is key(6)
- Terminology of program is unimportant; key is to know the customer(2)
- Continue to do more for less(14)
- Be more customer-driven(20)
- Program is here to stay and will evolve (continuous improvement)(3)

Appendix K

Total Quality Management Documents Submitted in Response to Survey

1. City of Airdrie, Corporate and Quality Service Plans, 1993.
2. City of Airdrie, One Community's Quest for Quality, 1993.
3. City of Burlington, Strategic Action Plans, 1997.
4. City of Burlington and Angus Reid, Making Burlington Better: A Quality Survey of City Services, 1994.
5. City of Burnaby, Customer Service and Inspection Services, 1996.
6. City of Edmonton and Ernst and Young, City '97 ... Preparing for the Future: A Report on City of Edmonton Corporate Reorganisation, 1997.
7. City of Edmonton, Quality Performance: User Guide, 1991.
8. City of Edmonton, Quality Link, 1996.
9. City of Edmonton, Tools for Teamwork #1, 1996.
10. City of Edmonton, Tools for Teamwork #2, 1996.
11. City of Edmonton, The Project Process, 1996.
12. City of Edmonton, City '97 ... Preparing for the Future: A Report on City of Edmonton Corporate Reorganisation, 1996.
13. City of Fredericton, Corporate Strategic Plan (1996).
14. City of Fredericton, Citizen Attitude Survey (1996).
15. City of Gloucester, Performance Improvement, 1996.
16. City of Grande Prairie, Business and Service Plans 1993 – 1996.
17. City of Grande Prairie, Citizen Attitude Survey 1994.
18. City of Grande Prairie, Annual Report (1995).
19. City of Hamilton, Continuous Improvement Program, 1991.
20. City of Kanata, Customer Service, 1995.

21. City of Nepean, Nepean Administrative Strategic Management Plan, 1994.
22. City of Nepean, Service, 1995.
23. City of Ottawa, Corporate Renewal Process, 1994.
24. City of Regina, Service Quality: Our Way of Doing Business, 1992.
25. City of Richmond, Annual Report, 1996.
26. City of Saskatoon, Municipal Manual, 1996.
27. City of St. Albert, Strategic Plan, 1996.
28. City of St. Albert, A Community Survey, 1995.
29. City of St. Albert, Complaint Management Process, 1994.
30. City of Surrey, Performance-Based Pay Plan, 1996.
31. City of Vancouver, Better City Government, Vancouver, BC December 8, 1994.
32. City of Vancouver, Progress Report: Better City Government, November 27, 1995.
33. City of Vancouver, Better City Government Information Package, June 25, 1996.
34. City of Waterloo, Business Planning Guide, 1996.
35. District of West Vancouver and G. Cuff, District of West Vancouver: Corporate Review, 1997.
36. Greater Vancouver Regional District, Municipal Benchmarking Survey, 1994.
37. IMS Consultants, Greater Vancouver Building Departments Benchmarking Project, GVRD, Richmond, BC 1996.
38. KPMG, Measuring Performance in Alberta's Municipalities: 1995 AUMA Survey, Alberta Urban Municipalities Association, Edmonton, AB 1995.
39. Municipal District of Mission, Corporate Strategic Plan, 1993.
40. Regional Municipality of Hamilton-Wentworth, Mastering the Challenge: A Management Action Plan, 1996.
41. Regional Municipality of Niagara, Strategic Plan, 1996.
42. Town of Ajax, STAR\$ Program, 1994.

Appendix L

Case Study Data: Comparisons

Figure L-1

Communicating Knowledge of TQM Program To Staff: Winnipeg (W); Calgary (C) and Maple Ridge (MR)

Factors	0	1	2	3
Presentation to Employee Groups				C/W/MR
Special Awards Celebrations			C/W/MR	
Report to Council on specific projects		W	C/MR	
Annual Report			C/MR	W
Other				C/W/MR

Note: 0 – not important / 3 – very important

Figure L-2

Communicating Knowledge of the TQM Program to Council and the Public: Winnipeg (W); Calgary (C); and Maple Ridge (MR)

Factors	0	1	2	3
Presentations to Community Groups				W
Special Award Celebrations		W	C/MR	
Reports to Council on Specific Issues		W	MR	
Annual Report		W	C/MR	
Other			W/C	

Note: 0 – not important / 3 – very important

Figure L-3

Defining and Measuring Customer Satisfaction in Winnipeg (W); Calgary (C); and, Maple Ridge (MR)

Factors	0	1	2	3
Customer Satisfaction Survey			C/MR	W
Complaint Management System				C/W/MR
Focus Groups			C	W/MR
Others			C	W

Note: 0 – not important / 3 – very important

Figure L-4

External Factors (Reasons) for the Introduction of the TQM Initiative: Winnipeg (W); Calgary (C); and Maple Ridge (MR)

Factors	0	1	2	3
Citizen complaint		C	MR	W
Community Planning Activities			C/W/MR	
Voter Demands		C/MR		W
Success stories in business		C	W	MR
Local Capabilities (i.e. College)	C/MR		W	
Media coverage	C		MR	W
Professional Associations		C/MR		W
Use by other nearby local government	C/W/MR			
Demands by other levels of government		W/MR	C	

Note: 0 – not important / 3 – very important

Figure L-5

Internal Factors (Reasons) for the Introduction of the TQM Initiative: Winnipeg (W); Calgary (C); and, Maple Ridge (MR)

Factors	0	1	2	3
City Manager Interest			C/MR	W
Increasing Employee Productivity			C/MR	W
Budget Pressures			C/MR	W
City Strategic Plan		C	MR	W
Public Relations		C		W/MR
Initiatives of Senior Managers		C	W/MR	
Employee Interest		W/C/MR		
Mayor's Interest		W/C/MR		
Council's Interest		W/C	MR	
Pilot Program Success	W/C/MR			

Note: 0 – not important / 3 – very important

Figure L-6

Recognise the Effects of the TQM Program: Winnipeg (W); Calgary (C); and, Maple Ridge (MR)

Factors	>90%	70-90%	50-69%	<50%
Elected Officials	C		MR	W
Staff	C			W/MR
Public		C		W/MR

Figure L-7
TQM Program Components: Winnipeg (W); Calgary (C); and, Maple Ridge (MR)

Factors	0	1	2	3
Corporate Strategic Plan (with quality goals)			C	W/MR
Departmental Plans (with quality goals)			C	W/MR
Performance Measures			C/MR	W
Customer (Citizen) Surveys			C	W/MR
Directed Training			C/MR	W
Other		C	W	

Note: 0 – not important / 3 – very important

Figure L-8
Importance of Factors in the Ongoing Implementation of the TQM Program: Winnipeg (W); Calgary (C); and, Maple Ridge (MR)

Factors	0	1	2	3
Leadership by City Manager			C	W/MR
Leadership by senior staff			C	W/MR
Leadership by elected officials			C/MR	W
Customer Involvement			C/MR	W
Use of consultants		C/W/MR		
Staff quality training			C	W/MR
Teamwork			C/MR	W
Cost reductions (do more with less)			C/MR	W
Employee involvement			C	W/MR

Note: 0 – not important / 3 – very important

Figure L-9
Achievements of TQM Program: Winnipeg (W); Calgary (C); and, Maple Ridge (MR)

Factors	0	1	2	3
Reduced costs			MR	C/W
Improved performance			W/MR	C
High level of customer service			C/MR	W
Corporate Management Perspective			C/W/MR	
Corporate goals			C/W/MR	

Note: 0 – not important / 3 – very important

Appendix M

Stakeholder Interview Questionnaire

1. Briefly describe your position in the organisation.
2. What was your involvement in the quality program?
3. In your view, what was the situation – in terms of morale, performance, and organisational culture – in your organisation prior to quality program?
4. What, in your view, were the motivating factors (internal and external) that drove the quality program?
5. Describe the introduction of the quality program. How did it start?
6. What level(s) of the organisation most strongly supported the quality initiative?
7. What level(s) were most resistant?
8. What was the major hurdle or impediment to implementing the quality initiative?
9. What does the program look like now? How does it function?
10. What does the future look like for the program? Do you have any thoughts or observations on how the program will look in five years?
11. Do you have any other comments or observations?

Appendix N

Crosstabulation Tests

Case Process Summary
 Question: Population Size
 Is TQM Applicable?

Cases					
<i>Valid</i>		<i>Missing</i>		<i>Total</i>	
<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>
119	100%	0	0	119	100%

Crosstabulation
 Is TQM Applicable?

Population		Yes	No	Total
<25,000	Count	35	19	54
	% within population size	64.8%	35.2%	100%
	% within is TQM applicable	36.8%	79.2%	45.4%
	% of total	29.4%	16.0%	45.4%

Population		Yes	No	Total
25,000 - 99,999	Count	29	3	32
	% within population size	90.6%	9.4%	100%
	% within is TQM applicable	30.5%	12.5%	26.9%
	% of total	24.4%	2.5%	26.9%

Population		Yes	No	Total
100,000 - 250,000	Count	15	1	16
	% within population size	93.8%	6.3%	100%
	% within is TQM applicable	15.8%	4.2%	13.4%
	% of total	12.6%	0.8%	13.4%

Population		Yes	No	Total
>250,000	Count	16	1	17
	% within population size	94.1%	5.9%	100%
	% within is TQM applicable	16.8%	4.2%	14.3%
	% of total	13.4%	0.8%	14.3%

Population		Yes	No	Total
Total	Count	95	24	119
	% within population size	79.8%	20.2%	100%
	% within is TQM applicable	100%	100%	100%
	% of total	79.8%	20.2%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	13.959	3	0.003
Likelihood Ratio	14.601	3	0.002
Linear-by-Linear Association	10.312	1	0.001
N of valid cases = 119			

Question: Population Size
Length of Time of TQM Use

Cases					
Valid		Missing		Total	
N	Percent	N	Percent	N	Percent
95	79.8%	24	20.2%	119	100%

Crosstabulation: Length of Time of Use

Population		<12 months	12-24 months	24-36 months	>36 months	Total
<25,000	Count	22	9	3	1	35
	% within population size	62.9%	25.7%	8.6%	2.9%	100%
	% within length of time	59.5%	47.4%	27.3%	3.6%	36.8%
	% of total	23.2%	9.5%	3.2%	1.1%	36.8%

Population		<12 months	12-24 months	24-36 months	>36 months	Total
25,000 - 99,999	Count	12	6	4	7	29
	% within population size	41.4%	20.7%	13.8%	24.1%	100%
	% within length of time	32.4%	31.6%	36.4%	25.0%	30.5%
	% of total	12.6%	6.3%	4.2%	7.4%	30.5%

Population		<12 months	12-24 months	24-36 months	>36 months	Total
100,000 - 250,000	Count	2	2	2	9	15
	% within population size	13.3%	13.3%	13.3%	60.0%	100%
	% within length of time	5.4%	10.5%	18.2%	32.1%	15.8%
	% of total	2.1%	2.1%	2.1%	9.5%	15.8%

Population		<12 months	12-24 months	24-36 months	>36 months	Total
>250,000	Count	1	2	2	11	16
	% within population size	6.3%	12.5%	12.5%	68.8%	100%
	% within length of time	2.7%	10.5%	18.2%	39.3%	16.8%
	% of total	1.1%	2.1%	2.1%	11.6%	16.8%

Population		<12 months	12-24 months	24-36 months	>36 months	Total
Total	Count	37	19	11	28	95
	% within population size	38.9%	20%	11.6%	29.5%	100%
	% within length of time	100%	100%	100%	100%	100%
	% of total	38.9%	20%	11.6%	29.5%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	35.719*	9	0.000
Likelihood Ratio	40.427	9	0.000
Linear-by-Linear Association	33.096	1	0.000
N of valid cases = 95			

*Eight cells (50%) have expected count less than 5. The minimum expected count is 1.74

Question: Length of Time of Use
TQM in All Departments

Cases					
<i>Valid</i>		<i>Missing</i>		<i>Total</i>	
<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>
95	79.8%	24	20.2%	119	100%

Crosstabulation
TQM in All Departments

Length of Time		Yes	No	Total
< 12 months	Count	18	19	37
	% within length of time	48.6%	51.4%	100.0%
	% TQM in all departments	30.0%	54.3%	38.9%
	% of total	18.9%	20.0%	38.9%

Length of Time		Yes	No	Total
12 - 24 months	Count	12	7	19
	% within length of time	63.2%	36.8%	100%
	% TQM in all departments	20.0%	20.0%	20%
	% of total	12.6%	7.4%	20%

Length of Time		Yes	No	Total
25 - 36 months	Count	8	3	11
	% within length of time	72.7%	27.3%	100.0%
	% TQM in all departments	13.3%	8.6%	11.6%
	% of total	8.4%	3.2%	11.6%

Length of Time		Yes	No	Total
> 36 months	Count	22	6	28
	% within length of time	78.6%	21.4%	100.0%
	% TQM in all departments	36.7%	17.1%	29.5%
	% of total	23.2%	6.3%	29.5%

Length of Time		Yes	No	Total
Total	Count	60	35	95
	% within length of time	63.2%	36.8%	100%
	% TQM in all departments	100%	100%	100%
	% of total	63.2%	36.8%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	6.639*	3	0.084
Likelihood Ratio	6.779	3	0.079
Linear-by-Linear Association	6.401	1	0.011
N of valid cases = 95			

*1 cell (12.5%) has expected count less than 5. The minimum expected count is 4.05

Question: Length of Time TQM Use
TQM Success

Cases					
<i>Valid</i>		<i>Missing</i>		<i>Total</i>	
<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>	<i>N</i>	<i>Percent</i>
95	79.8%	24	20.2%	119	100%

Crosstabulation
TQM Success

Length of Time		Yes	No	Total
< 12 months	Count	16	21	37
	% within length of time	43.2%	56.8%	100%
	% within success	22.5%	87.5%	38.9%
	% of total	16.8%	22.1%	38.9%

Length of Time		Yes	No	Total
12 - 24 months	Count	18	1	19
	% within length of time	94.7%	5.3%	100%
	% within success	25.4%	4.2%	20%
	% of total	18.9%	1.1%	20%

Length of Time		Yes	No	Total
25 - 36 months	Count	9	2	11
	% within length of time	81.8%	18.2%	100.0%
	% within success	12.7%	8.3%	11.6%
	% of total	9.5%	2.1%	11.6%

Length of Time		Yes	No	Total
> 36 months	Count	28		28
	% within length of time	100.0%		100.0%
	% within success	39.4%		39.4%
	% of total	29.5%		29.5%

Length of Time		Yes	No	Total
Total	Count	71	24	95
	% within length of time	74.7%	25.3%	100%
	% within success	100.0%	100.0%	100%
	% of total	74.7%	25.3%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	33.219*	3	0.000
Likelihood Ratio	38.508	3	0.000
Linear-by-Linear Association	24.595	1	0.000
N of valid cases = 95			

*Two cells have expected counts less than 5. The minimum expected count is 2.78

Question: Population Size
Employee Involvement

Cases					
Valid		Missing		Total	
N	Percent	N	Percent	N	Percent
85	71.4%	34	28.6%	119	100%

Crosstabulation
Employee Involvement

Population		> 90%	70-90%	50-69%	<50%	Total
<25,000	Count	1	1	1	30	33
	% within population size	3.0%	3.0%	3.0%	90.9%	100.0%
	% within ee involvement	5.6%	9.1%	6.3%	75.0%	38.8%
	% of total	1.2%	1.2%	1.2%	35.3%	38.8%

Population		> 90%	70-90%	50-69%	<50%	Total
25,000 - 99,999	Count	4	2	6	10	22
	% within population size	18.2%	9.1%	27.3%	45.5%	100.0%
	% within ee involvement	22.2%	18.2%	37.5%	25.0%	25.9%
	% of total	4.7%	2.4%	7.1%	11.8%	25.9%

Population		> 90%	70-90%	50-69%	<50%	Total
100,00 - 250,000	Count	5	4	5		14
	% within population size	35.7%	28.6%	35.7%		100.0%
	% within ee involvement	27.8%	36.4%	31.3%		16.5%
	% of total	5.9%	4.7%	5.9%		16.5%

Population		> 90%	70-90%	50-69%	<50%	Total
>250,000	Count	8	4	4		16
	% within population size	50.0%	25.0%	25.0%		100.0%
	% within ee involvement	44.4%	36.4%	25.0%		18.8%
	% of total	9.4%	4.7%	4.7%		18.8%

Population		> 90%	70-90%	50-69%	<50%	Total
Total	Count	18	11	16	40	85
	% within population size	21.2%	12.9%	18.8%	47.1%	100%
	% within ee involvement	100.0%	100.0%	100.0%	100.0%	100%
	% of total	21.2%	12.9%	18.8%	47.1%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	55.363*	9	0.000
Likelihood Ratio	69.437	9	0.000
Linear-by-Linear Association	40.212	1	0.000
N of valid cases = 85			
* 10 cells (62.5%) have expected count less than 5. The minimum expected count is 1.81			

Question: Length of Use of TQM*

- Importance of reduced costs
- Improved performance
- Higher customer satisfaction
- Corporate management perspective
- Importance of corporate goals

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Length of time use* Importance of reduced costs	95	79.8%	24	20.2%	119	100.0%
Length of time use* Importance of improved performance	95	79.8%	24	20.2%	119	100.0%
Length of time use* Importance of higher customer satisfaction	95	79.8%	24	20.2%	119	100.0%
Length of time use* Importance of corporate management perspective	95	79.8%	24	20.2%	119	100.0%
Length of time use* Importance of corporate goals	95	79.8%	24	20.2%	119	100.0%

Crosstabulation
Length of time use

Length of time		Importance of reduced costs		Total
		Important	Not Imp.	
< 12 months	Count	8	29	37
	% within length of time use	21.6%	78.4%	100.0%
	% within importance of reduced costs	13.3%	82.9%	38.9%
	% of total	8.4%	30.5%	38.9%

Length of time		Importance of reduced costs		Total
		Important	Not Imp.	
12 - 24 months	Count	16	3	19
	% within length of time use	84.2%	15.8%	100.0%
	% within importance of reduced costs	26.7%	8.6%	20.0%
	% of total	16.8%	3.2%	20.0%

Length of time		Importance of reduced costs		Total
		Important	Not Imp.	
25 - 36 months	Count	10	1	11
	% within length of time use	90.9%	9.1%	100.0%
	% within importance of reduced costs	16.7%	2.9%	11.6%
	% of total	10.5%	1.1%	11.6%

Length of time		Importance of reduced costs		Total
		Important	Not Imp.	
> 36 months	Count	26	2	28
	% within length of time use	92.9%	7.1%	100%
	% within importance of reduced costs	43.3%	5.7%	29.5%
	% of total	27.4%	2.1%	29.5%

Length of time		Importance of reduced costs		Total
		Important	Not Imp.	
Total	Count	60	35	95
	% within length of time use	63.2%	36.8%	100.0%
	% within importance of reduced costs	100.0%	100.0%	100.0%
	% of total	63.2%	36.8%	100.0%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	45.307*	3	0.000
Likelihood Ratio	48.721	3	0.000
Linear-by-Linear Association	34.711	1	0.000
N of valid cases = 95			
* 1 cell (12.5%) has expected count less than 5. The minimum expected count is 4.05.			

Question: Length of time use
Importance of improved performance

Crosstabulation

Length of time		Importance of improved performance		Total
		Important	Not Imp.	
<12 months	Count	22	15	37
	% within length of time use	59.5%	40.5%	100.0%
	% within importance of improved performance	28.9%	78.9%	38.9%
	% of total	23.2%	15.8%	38.9%

Length of time		Importance of improved performance		Total
		Important	Not Imp.	
12 - 24 months	Count	17	2	19
	% within length of time use	89.5%	10.5%	100.0%
	% within importance of improved performance	22.4%	10.5%	20.0%
	% of total	17.9%	2.1%	20.0%

Length of time		Importance of improved performance		Total
		Important	Not Imp.	
25 - 36 months	Count	10	1	11
	% within length of time use	90.9%	9.1%	100.0%
	% within importance of improved performance	13.2%	5.3%	11.6%
	% of total	10.5%	1.1%	11.6%

Length of time		Importance of improved performance		Total
		Important	Not Imp.	
>36 months	Count	27	1	28
	% within length of time use	96.4%	3.6%	100.0%
	% within importance of improved performance	35.5%	5.3%	29.5%
	% of total	28.4%	1.1%	29.5%

Length of time		Importance of improved performance		Total
		Important	Not Imp.	
Total	Count	76	19	95
	% within length of time use	80%	20%	100%
	% within importance of improved performance	100%	100%	100%
	% of total	80%	20%	100%

Chi Square Test

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	16.364*	3	0.001
Likelihood Ratio	16.999	3	0.001
Linear-by-Linear Association	13.311	1	0.001
N of valid cases = 95			
* 2 cells (25%) have expected count less than 5. The minimum expected count is 2.20.			

Length of use
Importance of higher customer satisfaction

Length of time		Importance of higher customer satisfaction		Total
		Important	Not Imp.	
<12 months	Count	19	18	37
	% within length of time use	51.4%	48.6%	100.0%
	% within importance of higher customer satisfaction	27.5%	69.2%	38.9%
	% of total	20.0%	18.9%	38.9%

Length of time		Importance of higher customer satisfaction		Total
		Important	Not Imp.	
12 - 24 months	Count	16	3	19
	% within length of time use	84.2%	15.8%	100%
	% within importance of higher customer satisfaction	23.2%	11.5%	20%
	% of total	16.8%	3.2%	20%

Length of time		Importance of higher customer satisfaction		Total
		Important	Not Imp.	
25 - 36 months	Count	9	2	11
	% within length of time use	81.8%	18.2%	100.0%
	% within importance of higher customer satisfaction	13.0%	7.7%	11.6%
	% of total	9.5%	2.1%	11.6%

Length of time		Importance of higher customer satisfaction		Total
		Important	Not Imp.	
>36 months	Count	25	3	28
	% within length of time use	89.3%	10.7%	100.0%
	% within importance of higher customer satisfaction	36.2%	11.5%	29.5%
	% of total	26.3%	3.2%	29.5%

Length of time		Importance of higher customer satisfaction		Total
		Important	Not Imp.	
Total	Count	69	26	95
	% within length of time use	72.6%	27.4%	100%
	% within importance of higher customer satisfaction	100.0%	100.0%	100%
	% of total	72.6%	27.4%	100%

Chi Square Test

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	14.084*	3	0.003
Likelihood Ratio	14.170	3	0.003
Linear-by-Linear Association	10.966	1	0.001
N of valid cases = 95			

* 1 cell (12.5%) has expected count less than 5. The minimum expected count is 3.01.

Length of time
Importance of corporate management perspective

Length of time		Importance of corporate management perspective		Total
		Important	Not Imp.	
<12 months	Count	14	23	37
	% within length of time use	37.8%	62.2%	100.0%
	% within importance of corporate management perspective	20.6%	85.2%	38.9%
	% of total	14.7%	24.2%	38.9%

Length of time		Importance of corporate management perspective		Total
		Important	Not Imp.	
12 - 24 months	Count	17	2	19
	% within length of time use	89.5%	10.5%	100%
	% within importance of corporate management perspective	25.0%	7.4%	20%
	% of total	17.9%	2.1%	20%

Length of time		Importance of corporate management perspective		Total
		Important	Not Imp.	
25 - 36 months	Count	10	1	11
	% within length of time use	90.9%	9.1%	100.0%
	% within importance of corporate management perspective	14.7%	3.7%	11.6%
	% of total	10.5%	1.1%	11.6%

Length of time		Importance of corporate management perspective		Total
		Important	Not Imp.	
>36 months	Count	27	1	28
	% within length of time use	96.4%	3.6%	100.0%
	% within importance of corporate management perspective	39.7%	3.7%	29.5%
	% of total	28.4%	1.1%	29.5%

Length of time		Importance of corporate management perspective		Total
		Important	Not Imp.	
Total	Count	68	27	95
	% within length of time use	71.6%	28.4%	100%
	% within importance of corporate management perspective	100.0%	100.0%	100%
	% of total	71.6%	28.4%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	34.216*	3	0.000
Likelihood Ratio	36.210	3	0.000
Linear-by-Linear Association	26.294	1	0.000
N of valid cases = 95			
* 1 cell (12.5%) has expected count less than 5. The minimum expected count is 3.13.			

Length of time use
Importance of corporate goals

Length of time		Importance of corporate goals		Total
		Important	Not Imp.	
< 12 months	Count	14	23	37
	% within length of time use	37.8%	62.2%	100.0%
	% within importance of corporate goals	21.5%	76.7%	38.9%
	% of total	14.7%	24.2%	38.9%

Length of time		Importance of corporate goals		Total
		Important	Not Imp.	
12 - 24 months	Count	16	3	19
	% within length of time use	84.2%	15.8%	100%
	% within importance of corporate goals	24.6%	10.0%	20%
	% of total	16.8%	3.2%	20%

Length of time		Importance of corporate goals		Total
		Important	Not Imp.	
25 - 36 months	Count	10	1	11
	% within length of time use	90.9%	9.1%	100.0%
	% within importance of corporate goals	15.4%	3.3%	11.6%
	% of total	10.5%	1.1%	11.6%

Length of time		Importance of corporate goals		Total
		Important	Not Imp.	
>36 months	Count	25	3	28
	% within length of time use	89.3%	10.7%	100.0%
	% within importance of corporate goals	38.5%	10.0%	29.5%
	% of total	26.3%	3.2%	29.5%

Length of time		Importance of corporate goals		Total
		Important	Not Imp.	
Total	Count	65	30	95
	% within length of time use	68.4%	31.6%	100.0%
	% within importance of corporate goals	100.0%	100.0%	100.0%
	% of total	68.4%	31.6%	100.0%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	26.425*	3	0.000
Likelihood Ratio	27.069	3	0.000
Linear-by-Linear Association	19.742	1	0.000
N of valid cases = 95			
* 1 cell (12.5%) has expected count less than 5. The minimum expected count is 3.47.			

Length of time use
TQM linked to strategic planning

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Length of time use* TQM linked to strategic planning	95	79.8%	24	20.2%	119	100%

Crosstabulation

Length of time		TQM linked to strategic planning		Total
		Yes	No	
<12 months	Count	20	17	37
	% within length of time use	54.1%	45.9%	100.0%
	% within TQM linked to strat. planning	30.3%	58.6%	38.9%
	% of total	21.1%	17.9%	38.9%

Length of time		TQM linked to strategic planning		Total
		Yes	No	
12-24 months	Count	14	5	19
	% within length of time use	73.7%	26.3%	100%
	% within TQM linked to strat. planning	21.2%	17.2%	20%
	% of total	14.7%	5.3%	20%

Length of time		TQM linked to strategic planning		Total
		Yes	No	
25-36 months	Count	9	2	11
	% within length of time use	81.8%	18.2%	100.0%
	% within TQM linked to strat. planning	13.6%	6.9%	11.6%
	% of total	9.5%	2.1%	11.6%

Length of time		TQM linked to strategic planning		Total
		Yes	No	
>36 months	Count	23	5	28
	% within length of time use	82.1%	17.9%	100.0%
	% within TQM linked to strat. planning	34.8%	17.2%	29.5%
	% of total	24.2%	5.3%	29.5%

Length of time		TQM linked to strategic planning		Total
		Yes	No	
Total	Count	66	29	95
	% within length of time use	69.5%	30.5%	100%
	% within TQM linked to strat. planning	100.0%	100.0%	100%
	% of total	69.5%	30.5%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	7.217*	3	0.065
Likelihood Ratio	7.242	3	0.065
Linear-by-Linear Association	6.213	1	0.013
N of valid cases = 95			
* 1 cell (12.5%) has expected count less than 5. The minimum expected count is 3.36.			

Length of time use
Level of support from elected officials

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Length of time use * level of support from elected officials	80	67.2%	39	32.8%	119	100.0%
Length of time use * level of support from staff	80	67.2%	39	32.8%	119	100.0%
Length of time use * level of support from public	80	67.2%	39	32.8%	119	100.0%

Crosstabulations

Length of time		Level of support from elected officials				
		> 90%	70-90%	50-69%	<50%	Total
<12 months	Count	1		6	20	27
	% within length of time use	3.7%		22.2%	74.1%	100%
	% within level of support from elected officials	3.6%		46.2%	87.0%	33.8%
	% of total	1.3%		7.5%	25.0%	33.8%

Length of time		Level of support from elected officials				
		> 90%	70-90%	50-69%	<50%	Total
12 - 24 months	Count	3	4	6	2	15
	% within length of time use	20.0%	26.7%	40.0%	13.3%	100%
	% within level of support from elected officials	10.7%	25.0%	46.2%	8.7%	18.8%
	% of total	3.8%	5.0%	7.5%	2.5%	18.8%

Length of time		Level of support from elected officials				
		> 90%	70-90%	50-69%	<50%	Total
25 - 36 months	Count	2	8			10
	% within length of time use	20.0%	80%			100%
	% within level of support from elected officials	7.1%	50%			12.5%
	% of total	2.5%	10%			12.5%

Length of time		Level of support from elected officials				
		> 90%	70-90%	50-69%	<50%	Total
>36 months	Count	22	4	1	1	28
	% within length of time use	78.6%	14.3%	3.6%	3.6%	100%
	% within level of support from elected officials	78.6%	25.0%	7.7%	4.3%	35%
	% of total	27.5%	5.0%	1.3%	1.3%	35%

Length of time		Level of support from elected officials				
		> 90%	70-90%	50-69%	<50%	Total
Total	Count	28	16	13	23	80
	% within length of time use	35%	20%	16.3%	28.8%	100%
	% within level of support from elected officials	100%	100%	100%	100%	100%
	% of total	35%	20%	16.3%	28.8%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	88.317*	9	0.000
Likelihood Ratio	89.431	9	0.000
Linear-by-Linear Association	50.346	1	0.000
N of valid cases = 80			
* 9 cells (56.3%) have expected count less than 5. The minimum expected count is 1.63.			

Length of time use
Level of support from staff

Crosstabulation

		Level of support from staff				
Length of time		> 90%	70-90%	50-69%	<50%	Total
< 12 months	Count		2	9	16	27
	% within length of time use		7.4%	33.3%	59.3%	100%
	% within level of support from staff		9.5%	37.5%	66.7%	33.8%
	% of total		2.5%	11.3%	20.0%	33.8%

		Level of support from staff				
Length of time		> 90%	70-90%	50-69%	<50%	Total
12 - 24 months	Count	1	3	6	5	15
	% within length of time use	6.7%	20.0%	40.0%	33.3%	100%
	% within level of support from staff	9.1%	14.3%	25.0%	20.8%	18.8%
	% of total	1.3%	3.8%	7.5%	6.3%	18.8%

		Level of support from staff				
Length of time		> 90%	70-90%	50-69%	<50%	Total
25 - 36 months	Count	1	4	4	1	10
	% within length of time use	10.0%	40%	40.0%	10.0%	100%
	% within level of support from staff	9.1%	19%	16.7%	4.2%	12.5%
	% of total	1.3%	5%	5.0%	1.3%	12.5%

		Level of support from staff				
Length of time		> 90%	70-90%	50-69%	<50%	Total
>36 months	Count	9	12	5	2	28
	% within length of time use	32.1%	42.9%	17.9%	7.1%	100%
	% within level of support from staff	81.8%	57.1%	20.8%	8.3%	35%
	% of total	11.3%	15.0%	6.3%	2.5%	35%

		Level of support from staff				
Length of time		> 90%	70-90%	50-69%	<50%	Total
Total	Count	11	21	24	24	80
	% within length of time use	13.8%	26.3%	30%	30%	100%
	% within level of support from staff	100%	100%	100%	100%	100%
	% of total	13.8%	26.3%	30%	30%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	35.068*	9	0.000
Likelihood Ratio	39.004	9	0.000
Linear-by-Linear Association	31.086	1	0.000
N of valid cases = 80			

* 10 cells (62.5%) have expected count less than 5. The minimum expected count is 1.38.

Length of time use
Level of support from public

Crosstabulation

		Level of support from public				
Length of time		> 90%	70-90%	50-69%	<50%	Total
<12 months	Count		1	1	25	27
	% within length of time use		3.7%	3.7%	92.6%	100%
	% within level of support from public		50.0%	7.1%	40.3%	33.8%
	% of total		1.3%	1.3%	31.3%	33.8%

		Level of support from public				
Length of time		> 90%	70-90%	50-69%	<50%	Total
12 - 24 months	Count			2	13	15
	% within length of time use			13.3%	86.7%	100%
	% within level of support from public			14.3%	21.0%	18.8%
	% of total			2.5%	16.3%	18.8%

		Level of support from public				
Length of time		> 90%	70-90%	50-69%	<50%	Total
25 - 36 months	Count			2	8	10
	% within length of time use			20.0%	80.0%	100%
	% within level of support from public			14.3%	12.9%	12.5%
	% of total			2.5%	10.0%	12.5%

		Level of support from public				
Length of time		> 90%	70-90%	50-69%	<50%	Total
>36 months	Count	2	1	9	16	28
	% within length of time use	7.1%	3.6%	32.1%	57.1%	100%
	% within level of support from public	100%	50.0%	64.3%	25.8%	35%
	% of total	2.5%	1.3%	11.3%	20.0%	35%

		Level of support from public				
Length of time		> 90%	70-90%	50-69%	<50%	Total
Total	Count	2	2	14	62	80
	% within length of time use	2.5%	2.5%	17.5%	77.5%	100%
	% within level of support from public	100%	100%	100%	100%	100%
	% of total	2.5%	2.5%	17.5%	77.5%	100%

Chi Square Tests

	Value	df	Asymp. Sig. (2 sided)
Pearson Chi Square	13.638*	9	0.136
Likelihood Ratio	15.543	9	0.077
Linear-by-Linear Association	8.406	1	0.004
N of valid cases = 80			

* 12 cells (75%) have expected count less than 5. The minimum expected count is 0.25.

Reasons for TQM Success

Category	Responses
Focus on customers (14)	<ul style="list-style-type: none"> ▪ Increased our understanding of customers and allows us to be more customer-focused (14)
Cost control (21)	<ul style="list-style-type: none"> ▪ Assists in cost containment (6) ▪ Reduced costs (10) ▪ Provides a structure to do more with less (4) ▪ Saved more than one million dollars so far (1)
Met goals (2)	<ul style="list-style-type: none"> ▪ Very positive (1) ▪ Achieving results (1)
Shift to corporate focus (1)	<ul style="list-style-type: none"> ▪ Moved from departmental to more corporate oriented perspective (1)

Reasons for TQM Failure

Category	Responses
Too soon (6)	<ul style="list-style-type: none"> ▪ Too early to tell if successful (6)
Lack of support (15)	<ul style="list-style-type: none"> ▪ Little elected official support/understanding (7) ▪ Insufficient commitment (2) ▪ Staff resistance at management and union levels (5) ▪ Employees cynical as we continue to reduce staff and improve quality (1)
Other (3)	<ul style="list-style-type: none"> ▪ Too many things to do (3)

Key Elements of TQM Success

Category	Responses
Commitment (34)	<ul style="list-style-type: none"> ▪ Commitment by all staff (16) ▪ Senior level (Council and staff) support (18)
Corporate Perspective (42)	<ul style="list-style-type: none"> ▪ Communication of goals/objectives (19) ▪ Ensure visions/values are identified, understood and used (23)
Performance Measures (20)	<ul style="list-style-type: none"> ▪ Performance improvements should be measured and compared internally and externally (20)
Customer Focus (29)	<ul style="list-style-type: none"> ▪ Must establish the concept of "customer" and address customer needs (29)
Training (14)	<ul style="list-style-type: none"> ▪ Training in key TQM components is very important (14)
Rewards (20)	<ul style="list-style-type: none"> ▪ Celebrate success and acknowledge contributions (20)

Future of TQM

Category	Responses
Rewards/recognition (16)	<ul style="list-style-type: none"> ▪ Submit for quality recognition awards (6) ▪ Pursue ISO registration (10)
Performance Measures (14)	<ul style="list-style-type: none"> ▪ More use of performance indicators/benchmarking (14)
Customer focus (22)	<ul style="list-style-type: none"> ▪ Become more customer-driven (20) ▪ Terminology of program is unimportant; key is to focus on customer (2)
Continuous Improvement (29)	<ul style="list-style-type: none"> ▪ Continuous improvement to enhance service levels (20) ▪ Continuous improvement is key (6) ▪ Program is here to stay and will evolve (3)
Cost reductions (14)	<ul style="list-style-type: none"> ▪ Continue to do more with less (14)
Other (7)	<ul style="list-style-type: none"> ▪ Move to core competencies (1) ▪ Develop more public/private partnerships (2) ▪ Ensure quality is brought into the corporate culture and is not simply a program (4)