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Quality Improvement In Professional Local Government Services: A Longitudinal Study

**Jennifer Bond
Doctor of Philosophy**

**Aston University
December 2001**

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This sustained longitudinal study, carried out in a single local authority, investigates the implementation of a Total Quality Management (TQM) philosophy in professional local government services.

At the start of this research, a large majority of what was written about TQM was polemical and based on limited empirical evidence. This thesis seeks to provide a significant and important piece of work, making a considerable contribution to the current state of knowledge in this area.

Teams from four professional services within a single local authority participated in this research, providing the main evidence on how the quality management agenda in a local authority can be successfully implemented. To supplement this rich source of data, various other sources and methods of data collection have been used:

- Interviews were carried out with senior managers from within the authority
- Customer focus groups and questionnaires were used
- Interviews were carried out with other organisations, all of which were proponents of a TQM philosophy

A number of tools have been developed to assist in gathering data:

- The CSFs (critical success factors) benchmarking tool
- Five Stages of Quality Improvement Model

A Best Practice Quality Improvement Model, arising from an analysis of the literature and the researcher's own experience is proposed and tested. From the results a number of significant conclusions have been drawn relating to:

- Triggers for change
- Resistance of local government professionals to change
- Critical success factors and barriers to quality improvement in professional local government services
- The problems associated with participant observation and other methodological issues used.

Key words:

Longitudinal Study, Total Quality Management, Process Management, Critical Success Factors, Benchmarking Tool, Best Practice, SERVQUAL, Focus Groups, Professional Public Services.

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Part One – Introduction

Chapter 1

Introduction

THE RESEARCH PROBLEM

This sustained longitudinal study, carried out in a single authority, investigates the implementation of a Total Quality Management (TQM) philosophy in professional local government services.

At the start of this research, much of the literature on TQM was found to be prescriptive and lacked any rigorous empirical basis. Little research carried out in the public sector on the applicability of TQM, with little evidence on which to make judgements about enhancing core professional processes. This research study provides a significant and important piece of work that fills a number of these gaps, with the rich data collected enabling more rigorous analysis of several important issues:

- Triggers for change in a local government context
- Resistance of local government professionals to change
- Barriers to quality improvement in local government
- Critical success factors for the successful implementation of TQM in a local government context

With the researcher acting as change agent and participant observer, this research shadows the developments in quality improvement and process change at a central level within a local authority, Authority X, and within specific professional services.

The research methodology in this study involves:

- An in-depth longitudinal comparative study of process change in four local government professional services.
- Benchmarking change over time by using a scale developed from the McKinsey's 7Ss – the "CSFs Benchmarking Tool"
- Interviews, over six years, with the senior management of the services and with the top management of the authority, in order to explore the results of these longitudinal study of the four teams from an alternative perspective.
- Comparison between local government and other types of organisation, with interviews conducted with organisations which are members of the Industrial Society's Midland Quality Club.
- Customer surveys in relation to the professional services chosen for the study, in order to offer some independent measure of the quality of the services provided by the teams.

The results of the longitudinal study of the adoption of process management at Authority X, including interviews with managers and customer surveys, provide both qualitative and quantitative data from which a model of best practice is tested and presented.

THE RESEARCH CONTEXT

The Local Government Context

There are standard texts on the structure and functions of local government (e.g. Elcock (1994), Byrne (1994)) which discuss the formal duties, administrative structures and relevant powers of local authorities. However, of more interest to this research are the day to day processes of managing change on a practical level.

Over the past decade, widespread changes have occurred in local government. It has been suggested that developments in the 1980s in the public sector were part of a process of restructuring of the state as part of the transformation from a 'Fordist' to a 'post-Fordist' society (Hoggett, 1987, Stoker, 1989). At this time, economic and technological systems of mass production and consumption dominated, coupled with standardised products and low levels of technological innovation. In line with the Weberian model of bureaucracies, the labour process was fragmented and unskilled workers carried out routinised work, with decision making the prerogative of

management. Fordist local government was seen to be characterised by large-scale production, standardisation and inflexibility.

The transition to a 'post-Fordist' society has provided the context for change (Hoggett, 1987, Stoker, 1989), although there is considerable debate about the extent of the change to a 'post-Fordist' society (Thompson and McHugh, 1990) and the implications for local government (Cochrane, 1991 & 1993). Cochrane (1993) argues that, while local authorities needed to respond to increasing differentiation, customer focus and a multiple stakeholder environment, these have been inherent in the local government movement from its inception rather than being specifically a post modern phenomenon. However, no one disputes that there has been significant change facing local government.

There have been a number of other factors that have contributed to pressures for change within local government. For example, financial planning has been considerably undermined by changes in the rules by which central government funds local government and by which local authorities are able to fund themselves. The introduction of Compulsory Competitive Tendering (CCT) in 1981 and more extensively in 1988, has resulted in an ever-increasing proportion of council services being transferred from public to private sector.

Duties and powers of the local authority have also been transferred to non-elected bodies, publicly funded but based on appointees rather than elected representatives. Wilson and Game (1994) point out that throughout the 1980s responsibility for various services was taken from local authorities and given to mainly single purpose Government-appointed agencies.

Local authorities have faced increasing demands on services resulting from demographic changes, in particular the increasing number of elderly people. A further important development has been the increasing awareness of consumers of their rights, which has required local authorities to become more responsive to their customers.

All of these changes have had an immediate impact on the running of the local authority. Not only are resources limited, but they are allocated on a basis which is highly uncertain. Competition is now present throughout the council, and local

authorities can no longer take their existence or the existence of particular public services, for granted.

It can be argued that this high degree of change and uncertainty is desirable, as it approximates to the market within which the private sector operates, and should therefore give rise to the efficient management of local government. Authors such as Shaw, Fenwick and Foreman, (1994), note that there has indeed been a shift in the importance of business awareness in local government.

Stewart's review (1994) of management within local authorities considers a number of changes in society that impact on local government – the scale of social change, including the decline of traditional industries, persistent mass unemployment, growth of the elderly population, growth in numbers of single-parent families, the reality of the multi-ethnic society, environmental concern, social division, and the extra-national nature of problems and solutions (1994, p3).

Stewart argues "it is commonplace to state that local government faces a rapidly changing society, yet it is not the rapidity of change that should be emphasised but the number of dimensions on which change is taking place (Stewart, 1994, p3).

The scale of change has brought with it significant organisational change, such as the development of flatter organisational structures, control by contract rather than control by hierarchy, the client-contractor split, independent inspection, decentralisation, the changing role of the centre and the decline of the traditional service committees.

The 'new public management' principles were summed up by Hood (1991) as follows:

- A focus on management not policy, and on performance appraisal and efficiency
- The disaggregating of public bureaucracies into agencies which deal with each other on a user-pay basis
- The use of quasi-markets and contracting out to foster competition
- Cost-cutting
- A style of management which emphasises, amongst other things, output targets, limited term contracts, monetary incentives and freedom to manage.

It is in this context that in the early 1990s 'quality', as a distinct concept, began to dominate discussion on the improvement of public services. It was at this time, with limited empirical evidence available to support the concept of 'quality' in public services, this research commenced.

Quality in public services has developed considerably since the start of this research and this development is discussed in some detail in Chapter 2 – the literature review. The most significant development has been the introduction of the Government's Modernising Agenda in which 'quality' has been addressed by the statutory requirements of Best Value.

The Best Value initiative was introduced by the Labour Government in 1997 and became a statutory requirement from 1st April 2000. Compulsory Competitive Tendering no longer applies and in its place authorities have a duty to "make arrangements to secure continuous improvement in the way in which they exercise their functions, having regard to a combination of economy, efficiency and effectiveness". In 2000, quality is clearly no longer an option within local authorities.

This research study chronicles and analyses the efforts of one local authority to implement quality management initiatives before this legislative backing was available. It is hoped it will therefore serve as a guide to many small local authorities on the many obstacles which have to be overcome in going down this route.

Authority X

This longitudinal study was undertaken at Authority X, a small district authority, with a population of approximately 91,500, situated close to the rim of the West Midlands.

In response to the pressures of reforms within local government, the authority underwent a significant restructuring in the early 1990's. KPMG Peat Marwick McLintock were commissioned to reappraise the council's structures and key processes and this resulted in a much leaner organisation, with the number of directorates reducing from seven to four. In 1991 a new strategic management team was appointed. Figure 1.1 illustrates the current organisational structure of

Authority X, which has largely persisted, though subject to small reviews, since the appointment of the new management team in 1991.

The new management team agreed that there was a need for a culture change within the authority and, as in many other authorities at the time, discussion focused around the concept of 'quality' as an important dimension in this change. An investigation into the status of TQM was carried out. It became clear to the management team that major lessons were to be learnt from the private sector and in particular that the experiences of the manufacturing industry should be exploited. To access TQM expertise, Authority X collaborated with the School of Engineering and Manufacture at De Montfort University. The researcher was appointed in April 1993 to coordinate the introduction of a TQM philosophy, supported by De Montfort University. In 1994, twelve months into the introduction of TQM, this research commenced.

STRUCTURE OF THESIS

The aim of this action research study was to investigate the problems associated with transferring what was originally a manufacturing based technique, in this case TQM, to professional services within Local Government and to draw on the research findings to develop a model of best practice.

To achieve this, the thesis is divided into four parts:

- Part One – Introduction
- Part Two – Results
- Part Three – Discussion
- Part Four – Conclusions and Recommendations

In Part One, Chapter 2 reviews the relevant literature on Total Quality Management. Drawing on the findings of this literature review, a model of best practice is proposed in Chapter 3. It is this model of best practice that will be tested in this research and the methodology adopted to test the model of best practice is discussed in Chapter 4.

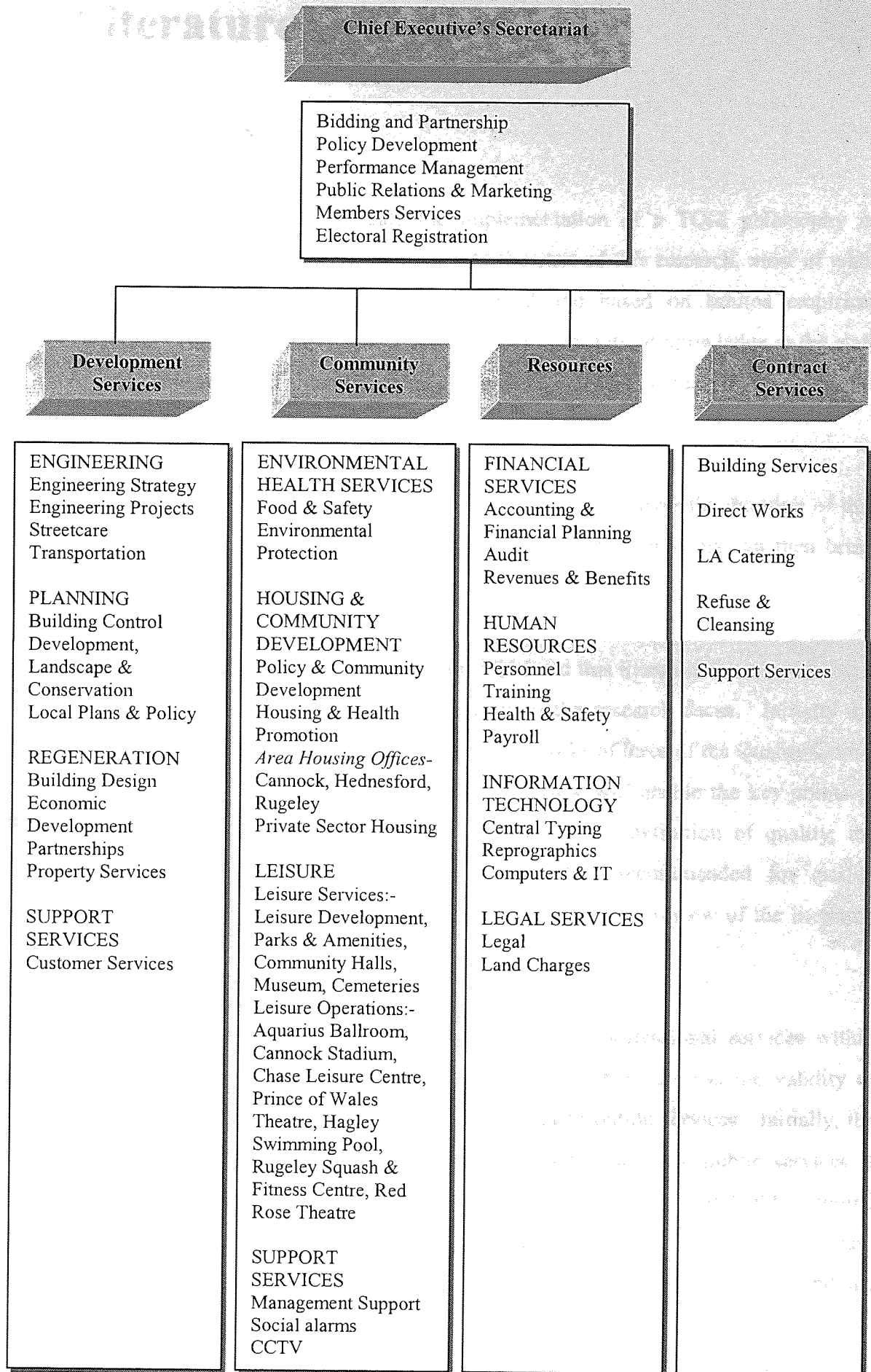
The methodology gave rise to a considerable amount of rich data and these results are presented in Part Two of this thesis. Chapter 5 provides an introduction to this part of the thesis, providing a background to the four teams that participated in this research. The following chapters, 6,7,8, and 9 illustrate the results of each of the four teams:

- Engineering Services
- Housing Services
- Legal Services
- Accountancy Services

The last chapter in Part Two, Chapter 10, describes the results of the interviews carried out with the Quality Club Members and provide a basis for comparison with the results from Authority X.

In Part Three these results are discussed in some detail. This discussion leads to a number of conclusions being drawn and these are presented in Part Four, along with recommendations for future research.

Figure 1.1
Authority X Organisation Chart



Chapter 2

Literature Review

INTRODUCTION

This research aims to investigate the implementation of a TQM philosophy in professional local government services. At the start of this research, most of what had been written about TQM was polemical and based on limited empirical evidence. This literature review seeks to discuss the state of knowledge at the start of the research and identify areas where this research makes a significant contribution to the state of knowledge.

The review will also track developments in the literature, over the duration of this longitudinal study, and it is the intention that these developments can then bring greater richness to the discussion of the results in later chapters.

There is a considerable amount written on TQM and this literature review will focus only on those areas believed to be pertinent to the research focus. Initially the evolution of TQM will be discussed through the works of three of the Quality Gurus: Deming, Crosby and Juran. This part of the review will enable the key points in each of the approaches to be identified, such as their definition of quality, the general approach they advocated and the structure recommended for quality improvement. The critical success factors identified in the review of the literature will also be discussed.

As this research focuses on quality improvement in professional services within local government, the literature review then moves on to discuss the validity of transferring TQM from the manufacturing industry to public services. Initially, the development of a body of knowledge in relation to quality in public services is outlined. This is followed by a consideration of the applicability of TQM including the barriers faced by public services in implementing TQM. Finally, some case studies on the implementation of TQM in public services are reviewed and the salient points noted.

Throughout the review, the contributions this research will make to the current body of knowledge are highlighted, and these are developed further in Chapters 3 and 4, when a model of best practice for quality improvement is proposed and the research methodology discussed.

THE EVOLUTION OF QUALITY MANAGEMENT PRACTICES

Introduction

From an historical perspective quality has most often been associated with gaining control over the production process (Garvin, 1987). Quality management began as a quite simple inspection-based technique (Kanji; 1994) where organisations would traditionally employ a number of inspectors to test a product and make comparisons with a product standard. This system of inspection would be applied at all stages of the process, covering goods inward, work in progress and despatch. The basis of this approach was that goods of poor quality discovered through inspection would be segregated from those of good quality.

In the post World War II period this developed into statistical quality control. Statistical control was aimed at containing the number of defects produced by setting tolerances and inspecting samples of end products for non-conformance (Wilkinson & Witcher, 1992). Kanji believes the actual benefits of such a technique were questionable, as inspectors would fail to find every item of poor quality. It also became clear that this inspection-based approach was costly as the company was paying one person to look for errors and another to correct them. This approach to quality management was proving to be very inefficient, as it often simply did not work.

With increasing resource costs and the increasing complexity of technology, reliance on inspection-based systems became unacceptable to many organisations. In the 1960s and 1970s quality management followed a process-oriented approach. At first this concentrated on the prevention of defects through the use of root cause analysis and related data. Under this system of quality control, product testing and documentation control were used to ensure greater process control and a reduction in errors. However, final inspection still played an important part in the process.

Over time, further change resulted in a shift from product quality to a greater emphasis on systems quality. Organisations would develop systems to enable them to control what was done and the system would then be audited to ensure it was adequate in both design and use. The emphasis of this quality assurance approach was on prevention compared to previous quality control approaches, which were inspection based.

For all of these approaches the emphasis was on product quality and the process of manufacturing, little if any attention was paid to service departments or the 'soft' areas of quality. The role of people in the process of production became increasingly recognised and with it the 1970s saw the rise of quality circles and other efforts designed to train and educate workers.

In the early 1980s a fundamental shift took place in quality management. It was no longer centred exclusively on production processes but rather included an entire company wide effort (Ishikawa, 1985; Juran & Gryna, 1980; Imai, 1986 and Oakland, 1989).

The fundamental principles of TQM had been developed: everyone in the organisation has a customer, internal or external; improvement comes from understanding and improving business processes; quality has to be seen to be led from the most senior level in the organisation.

Total Quality Management was seen to be concerned with managing a set of relationships, which span through an organisation from external supplier to end customer. TQM philosophy is therefore multi-functional in its approach and spans the whole organisation's complex networks.

The key difference between this TQM approach and the old paradigm is the belief that every employee in the organisation has a role to play in improvement, through the elimination of error, whereas previously responsibility was not seen to be the concern of the majority of employees.

An Introduction to the Quality Gurus

TQM is commonly associated with Japan, for it was there that the ideas and practices, which are associated with this term, were first applied in a comprehensive

way, even though its theoretical foundations were principally American. TQM can therefore be seen to come from particular national and occupational cultures.

Much has been written in the literature on TQM and how it should be managed by an organisation. There are numerous case studies, which describe the successful private sector companies and the quality improvement programmes adopted. Many of these programmes are based on the teachings of the quality gurus, Deming, Juran and Crosby. The approaches to quality proposed by these quality gurus are now considered and the similarities and differences of their approaches discussed.

Crosby's Approach. Crosby's definition of quality is "conformance to requirements". He argues quality can only be measured by the costs of non-conformance and describes quality in terms of conformance and non-conformance rather than low and high quality. It is this view that has led to his concept of 'zero defects' as the only standard of performance, as he believes there is no room for error.

In Crosby's view TQM is about prevention, and should therefore replace the more traditional approach where quality was achieved through inspection, testing and checking. He offers 14 steps to quality improvement (Crosby: 1979):

- (i) "make it clear that management is committed to quality;
- (ii) form quality improvement teams with representatives from each department;
- (iii) determine where current and potential quality problems lie;
- (iv) evaluate the cost of quality and explain its use as a management tool;
- (v) raise the quality awareness and personal concern of all employees;
- (vi) take actions to correct problems identified;
- (vii) establish a committee for the zero defects programme;
- (viii) train supervisors to carry out their part of the quality improvement programme;
- (ix) hold a zero defects day to let all employees know there has been a change;
- (x) encourage individuals to establish improvement goals for themselves and their groups;
- (xi) encourage employees to communicate to management the obstacles they face in attaining their improvement goals;
- (xii) recognise and appreciate those who participate;

- (xiii) establish quality councils to communicate on a regular basis; and
- (xiv) do it all over again to emphasise that the quality improvement programme never ends.”

Deming’s Approach. With his background in statistics, Deming gained fame by helping the Japanese companies after the Second World War, through his teachings on statistical quality control. In his definition of quality “a predictable degree of uniformity and dependability, at low cost and suited to the market” he recognised that quality has many aspects, and that a product may score highly on one aspect and yet have a low score on another aspect. This view of Deming’s clearly matches the belief that quality is determined by the customer’s requirements.

Deming believed that statistical methods of quality control should be used to control variability, since quality and productivity increase as variability decreases. He identified two types of variability – chance and assignable causes, and argued that many organisations waste time in looking for the causes of chance variation in an attempt to solve their quality problems, and do not use statistical methods. Deming believed that statistics could be used to measure performance in all areas, not just conformance to specifications.

Like Crosby, Deming believed in the importance of employee participation and argued that the first steps to improve quality should be taken by management and should be to dismantle the barriers that prevent employees from doing a good job. However, in contrast to Crosby, he was critical of motivational programmes, including zero defects, as he argued that employees simply doing their best is not sufficient, as they need to know what to do.

Deming identified 14 rules for management, (Deming; 1986):

- (i) "create constancy of purpose towards improvement of product and service;
- (ii) adopt the new philosophy;
- (iii) cease dependence on mass inspection;
- (iv) end the practice of awarding business on the basis of the price tag;
- (v) find problems. It is management’s job to work continually on the system;
- (vi) institute modern methods of training on the job;
- (vii) institute modern methods of supervision of production workers;

- (viii) drive out fear, so everyone may work effectively for the company;
- (ix) break down barriers between departments;
- (x) eliminate numerical goals, posters and slogans for the workforce asking for new levels of productivity without providing the methods;
- (xi) eliminate work standards that prescribe numerical quotas;
- (xii) remove barriers that stand between the hourly worker and his right to pride of workmanship;
- (xiii) institute a rigorous programme of education and retraining; and
- (xiv) create a structure in top management that will push every day on the above 13 points.”

Juran’s Approach. Juran, along with Deming, is credited with part of the success of Japanese companies. His definition of quality is “fitness for purpose”, and he distinguishes this from the other common definition of “conformance to specification” by saying that a product could meet all the specifications, and yet not be fit for use.

In his work on quality management he identified problems which relate to human elements, whereas previously the technical aspects of quality control had been the focus of quality approaches. He believes that “an understanding of the human situations associated with the job will go far to solve the technical problems, in fact such an understanding may be a prerequisite of a solution”.

Juran believes that less than 20% of quality problems are caused by workers, with the remainder due to management. In agreement with Crosby and Deming, Juran is adamant that top management should be involved because he believes that all major quality problems are interdepartmental and he believes by focusing on departmental goals the company’s quality mission can be undermined.

Juran agrees with Deming’s view that companies should avoid motivational campaigns, because such an approach fails to set specific goals, establish specific plans to meet these goals, or provide the needed resources. Instead, Juran favours the concept of quality circles because he believes they improve communications between management and employees.

Juran identifies ten steps to quality improvement (Juran; 1979):

- (i) "build awareness of the need and opportunity for improvement;
- (ii) set goals for improvement;
- (iii) organise to reach the goals;
- (iv) provide training;
- (v) carry out projects to solve problems;
- (vi) report progress;
- (vii) give recognition;
- (viii) communicate results;
- (ix) keep score; and
- (x) maintain momentum by making annual improvement part of the regular systems and processes of the company."

Juran does not believe that 'quality is free' because of the law of diminishing returns which generates an optimum point of quality, beyond which conformance is more costly than the value of the quality obtained. This is in some conflict with the continuous improvement approaches of Deming and Crosby.

Summary of the Approaches to Quality Management.

A comparison of the gurus' approaches to quality is illustrated in figure 2.1. In reviewing these approaches Ghobadian and Speller (1994) provide a useful summary of the common themes:

- the importance of controlling the process and not the product;
- the control of the human process is vital, possibly more so than the control of the technical process;
- quality is the responsibility of senior management;
- workforce participation is essential in the development of a quality culture;
- training is important;
- an emphasis is placed on prevention not inspection;
- quality improvement is not a quick fix and can only be achieved over time; and
- quality is a company wide activity.

Figure 2.1 Three of the Quality Gurus Compared

	<i>Crosby</i>	<i>Deming</i>	<i>Juran</i>
<i>Definition of quality</i>	Conformance to requirements	A predictable degree of uniformity and dependability at low cost and suited to the market	Fitness for purpose
<i>Customer focus</i>	Implicit in customer requirements	Surprise, delight customers; anticipate customer needs	Integral to quality definition
<i>Degree of senior management responsibility</i>	Responsible for quality	Responsible for 94% of quality problems Top management commitment essential	Less than 20% of quality problems are due to workers Top management commitment essential
<i>Performance standard/motivation</i>	Zero defects	Quality has many scales, use statistics to measure performance in all areas; critical of zero defects	Avoid campaigns to 'do perfect work'
<i>General approach</i>	Prevention, not inspection	Reduce variability by continuous improvement	General management approach to quality, especially human elements
<i>Structure</i>	14 steps to quality improvement	14 points for management	10 steps to quality improvement

Figure 2.1 Three of the Quality Gurus Compared

	<i>Crosby</i>	<i>Deming</i>	<i>Juran</i>
<i>Statistical process control</i>	Rejects statistically acceptable levels of quality	Statistical methods must be used	Recommends statistical methods but warns against a tool driven approach
<i>Improvement basis</i>	Gradual sequential change	Gradual change – implementing 14 points. Continuous improvement philosophy	Step by step gradual change based on project successes
<i>Team work</i>	Quality improvement teams	Employee participation in decision making, break down barriers between departments	Team and quality circle approach
<i>Cost of quality</i>	Cost of non conformance; quality is free	Reduce total costs	Quality is not free, there is an optimum

These authors highlight the importance of contextual factors in the implementation of a quality approach. They argue that the gurus provide guidance that in itself is of little relevance to an organisation as it does not align the general concepts to the specific circumstances of an organisation. Deming, Juran and Crosby are all aware of this problem. For instance, Deming stressed that his 14 steps are not 'tablets of stone', but guidelines to be adopted as appropriate to the needs of the organisation developing a quality approach. Further consideration of the literature was carried out to determine what other authors had written on factors relating to the successful implementation of TQM.

CRITICAL SUCCESS FACTORS

This review of the literature highlighted that, following the work of the quality gurus described above, much has been written on quality and how it should be managed by an organisation. For example, there are numerous case studies that describe the successful companies and the quality improvement programmes adopted by them (see Barker 1991; Cook 1991; Dempsey & Hesketh 1988; Houghton, 1991; Porter & Hird, 1989; Rees & Rigby, 1988; Sugden & Parker, 1989). However, the majority of this literature is prescriptive, it advocates TQM as a template for change, and much of the prescription is at a high level of generality and lacks any rigorous empirical basis.

At the outset of this research, Saraph et al (1989), Porter and Parker (1993) and Mann and Kehoe (1995) were identified within the literature as having not only reviewed the theoretical literature on quality in order to identify the critical success factors for TQM, but as having also developed a methodology to test these factors empirically. They also translated the results of their findings into a set of practical implications for organisations seeking to introduce a TQM philosophy.

Although much has been written on TQM since the start of this research there is no evidence to support changes to the critical success factors proposed by the above authors. It is the intention of this research to build on the limited empirical evidence on the factors critical for the successful implementation of TQM in a local government context.

A summary of the methodology adopted by these authors in determining their critical success factors is illustrated in Figure 2.2.

Figure 2.2 Methodology Used to Identify Critical Success Factors

Author	Methodology
Saraph et al	<p>A literature review identified those factors prescribed by eminent quality practitioners and academics.</p> <p>Operational measures of the critical success factors were developed and these were tested for reliability and validity using perceptual data collected from a sample of 162 general managers and quality managers of various business units in service and manufacturing firms.</p>
Porter & Parker	<p>An extensive literature survey was carried out to identify the critical success factors. The writings of the quality gurus were considered as were several implementation case studies.</p> <p>Structured interviews were carried out with the 'board member responsible for quality' in ten organisations that had a known awareness of TQM. The organisations included: 3 distribution organisations, 5 manufacturers, 1 brewer and 1 packaging company.</p>
Mann & Kehoe	<p>Initial research involved over 200 manufacturing companies participating in a questionnaire to determine the extent to which quality had been implemented. Of these companies further structured interviews were undertaken with at 21 leading TQM organisations. These interviews primarily involved directors or managing directors.</p>

Saraph et al (1995) identified eight critical factors:

- the role of management leadership and quality policy
- the role of the quality department
- training of employees
- product/service design
- supplier quality management
- process management
- quality data and recording
- employee relations.

Porter and Parker (1993) also identified eight critical success factors as a result of their research:

- necessary management behaviour
- a strategy for TQM implementation
- organisation for TQM
- communication for TQM
- training and education
- employee involvement
- process management and systems
- quality technologies.

Mann & Kehoe (1993) identified seven primary critical factors:

- process factors
- type of employees
- shared values
- management style
- organisational structure
- number of employees
- industrial relations.

A comparison of these factors is presented in Figure 2.3.

It is clear from this review of the literature that there is consistency about what the critical success factors for TQM are, although there is limited empirical basis in support of the factors. There is also some discussion about the inter-relationship between these factors, with some limited evidence supporting a hierarchy of importance. In Chapter 3 a model of critical success factors is proposed and this is further developed in Chapter 4 as a benchmarking tool is proposed – “the CSFs benchmarking tool”. The CSFs benchmarking tool has then been used in this research to provide rich data to explore the links between the different critical success factors.

Figure 2.3**A Comparison of the Critical Factors for TQM**

Saraph et al	Porter and Parker	Mann and Kehoe
Role of top management and acceptance of quality responsibility	Communication for TQM Systems in place reinforcing TQM message	Shared values through effective communication
Specificity of quality goals and comprehensive quality planning	Strategy for TQM Statement of TQM objectives incorporated into Business Plans	Management planning and development of long term plan Allocation of resources
(No explicit reference)	Organisation for TQM Clear lines of authority	Organisational structure TQM tailored to physical structure
Employee relations Involvement and participation in quality decisions	Employee involvement in quality improvement	Number of employees and Industrial relations Employee participation
Process management and use of quality data	Process management and systems Consistent management of process	Process factors Improvement dependent upon method of manufacture
Training Quality related training for all employees	Training and education Quality technologies Ongoing training including quality tools.	Type of employees Need for comprehensive education and training programme

Further studies, carried out after the start of this research (Thiagarajan & Zairi, 1997; Dewhurst, Martinez-Lorente and Dale, 1999), confirm the findings of this initial literature review and add greater validity to the benchmarking tool developed in Chapter 4. However, there still appears to be no further empirical evidence to support the proposed critical success factors. The works of these supplementary authors comprised comprehensive reviews of the literature. Even so, they raise a number of issues that this research cannot ignore and will need to address in both the discussions of the results and the conclusions drawn, Chapters 11 and 12, respectively.

In particular, Thiagarajan and Zairi (1997) who carried out a comprehensive review of the literature identify three critical success factors that have not been explicitly addressed in the proposed model.

Two of these factors, (communication and supervisors, unit heads and divisional managers assume active new roles) are contained within the model developed in Chapters 3 and 4, but are not as explicit as those proposed by these authors. Discussion of the results will therefore have to give consideration to these factors in order to determine the emphasis that needs to be placed on them for the successful implementation of TQM.

The third factor, supplier and customer management is not included at all. A review of the literature on the development of quality in local government emphasises the importance of the 'customer' and there is a whole field of debate surrounding this issue. This will be covered later in this chapter. However, at this point it can only be highlighted that the CSFs benchmarking tool developed at the start of the research did not include customer management and empirical evidence arising from this research will be used to determine the criticality of this factor.

QUALITY IN LOCAL GOVERNMENT

The concepts of quality as discussed by the quality gurus were developed, to a large extent, in manufacturing and there is evidence that TQM had become an holistic management approach in the manufacturing industry by the 1990s. It wasn't until the early 1990s that discussion on 'Quality' entered the local government arena and so at the start of this research there had been little systematic empirical research carried out. Therefore, there was limited evidence to support the success of an authority's efforts in quality improvement and even less indication of the impact of these efforts on the public they serve.

A lot of the early literature about quality was simply a reinterpretation of private sector practice to public services and there was clearly a whole field of debate about the general applicability of TQM (Mortiboys and Oakland; 1991). It was being heralded as a suitable philosophy for adoption within the public sector and there was some evidence of implementation in health, education and government contexts.

However, as Morgan and Murgatroyd (1994) point out in these contexts it was being taken on without any debate as to its appropriateness.

At this time, the literature highlights that there was clearly disagreement about the definitions of quality and the approaches that could be used or how success could be measured. The literature also identifies a preoccupation in the early stages about how to measure quality.

By the mid-1990s there had been some development in the awareness of quality within local authorities. However, the approach adopted by many authorities was still fragmented. Gaster confirmed this in her research carried out for the Local Government Management Board in 1996-7. An analysis of case studies of corporate approaches to quality highlighted the fragmented approaches of most councils. She identified that it was difficult to find any that were in reality taking an across-the-board approach. However, where such an approach did exist it was clear that a trained and supported workforce and management were key to the authority's success.

By the late 1990s the picture had changed and there was a plethora of thinking about quality in public services, particularly in the health service. This was accompanied by a greater awareness of the need to tackle quality within local government. This was seen to be linked to other changes that had happened within local government, in particular the shift toward 'New Public Management' and the new Government's introduction of their modernising agenda.

This shift was characterised by:

- a clear focus on results, in terms of efficiency, effectiveness and quality of services;
- the replacement of a highly centralised hierarchical organisational structure by decentralised management environments;
- the exploration of alternatives to direct public provision and regulation ('enabling', partnerships, contracts and privatisation);
- the establishment of productivity targets and the creation of competitive environments within and among organisations;

- the strengthening of the state's capacity at the centre to guide the evolution of the reform process (PUMA, 1995).

These factors had influenced thinking in local government, in particular the focus on results and the fact that clear targets and performance measures are essential in establishing clear goals and accountability.

The Applicability of TQM in a Public Sector Context.

There has been considerable debate about the applicability of TQM in a public sector context. Swiss (1992) and Radin and Coffee (1993) noted that there are good reasons to be sceptical about the suitability of TQM for public services. According to Swiss (1992, p356), "enthusiastic endorsements often suggest that TQM can be transferred from the private sector to the public sector with very little modification. These suggestions are mistaken. TQM can indeed have a useful role to play in government, but only if it substantially modified to fit the public sector unique characteristics". Durant and Wilson (1993) also reach a similar conclusion after examining the applicability of TQM in public services.

Pollitt and Bouckaert (1995) also questioned how easy it would be to transplant the success of TQM to a quite different culture, and from manufacturing to services, and from for-profit business settings to public services which already possess their own strong and distinctive organisational cultures. They identify how at least one early evaluation indicates that there are major problems, and has recommended significant modifications to TQM ideas to make them more appropriate for use in the context of a public health service.

Worral et al (1998) argue local authorities have striven to become more efficient, to improve the quality of their services, to become more market orientated and customer centred. It is their view that local government is qualitatively different from the private sector and that attempts to import private sector models are fundamentally misplaced. This is a view supported by Warwick (1975), who among others, sets out convincing arguments as to why public service organisations need to be considered in their own right:

"Public organisations should be taken seriously by students of bureaucracy, organisational theory and organisation change, and studied on their own terms ... It

is not enough to pack a brief case with concepts and measures developed in other settings, unload them in a public agency, and expect them to encompass all of the worthwhile reality to which they are exposed" (1975, p204).

Many authors highlight the individual characteristics of public services that need to be given consideration. Morgan and Murgatroyd (1994) identified a number of issues that impact on the application of a TQM philosophy within the public sector, which can be grouped into five categories:

- (i) the nature of TQM;
- (ii) the nature of the public sector;
- (iii) the work cultures of professional groups;
- (iv) the problematic concept of the 'customer'; and
- (v) the complexity of public sector provisions.

The views of Morgan and Murgatroyd are also reinforced by other authors writing on the applicability of TQM within the public sector. For example, Rago (1994) argues that the important issues are:

- Government culture;
- The fact that additional customers do not mean additional revenue; and
- Quality versus quantity.

Other authors focus on the differences between service provision and the manufacture of products. However all of these issues can be seen to fall into the five categories of Morgan and Murgatroyd. These will now be discussed in more detail, primarily to determine how far the literature has gone in determining the differences between the private and public sectors and the impact of these differences on the applicability of a TQM philosophy.

The Nature of TQM. Within the public sector a common objection to the applicability of TQM is that it is a management tool developed in the manufacturing industry and therefore relates to physical products and success in the market place. These features are not evident within the public sector, which deals generally with the provision of services to a fixed market.

In manufacturing, TQM has been used to achieve consistency of product quality. "Right first time, every time" has become a slogan for TQM within manufacturing. Success has been achieved by reducing waste, eliminating bureaucracy, eliminating duplication, and reducing the need for inspection, which in turn reduces the cost of production and improves the quality. "Right first time, every time" has clearly been more than a slogan and is a reality for many of the most successful manufacturing organisations throughout the world.

However, doing the same thing right first time every time is not the aim of public services. Different customers have different needs and priorities and these need to be catered for. So, in the case of public services TQM is not about doing the same thing right first time every time, but is about ensuring the "right choice of response every time". Morgan and Murgatroyd (1994) argue, in the manufacturing industry quality is achieved by eliminating variance, whereas quality in public services is about increasing the variances to meet a wide variation in demand. However, as they continue to highlight, this does not mean that "right first time every time" is not applicable to the provision of services as customers do require consistency and the elimination of error.

Morgan and Murgatroyd (1994) argue that although there are very apparent differences between the provision of public services and the manufacture of goods, the underlying concept of TQM, that of process assurance, is equally applicable to both. They suggest the key issue to be addressed is that the processes, whether delivering a service or a manufactured product, have consistent quality.

This leads us on to another area of debate – what does quality mean within the public sector. Does the key issue identified by Morgan and Murgatroyd address the complexities of what TQM means in the public sector?

The definition of quality in public services is clearly a difficult matter. Gaster (1995) argues that "conformance to specification" and "fitness for purpose" do not capture the essence of what public service quality is all about. She believes that none of the definitions of the quality gurus take the manager trying to improve the quality of the service a great deal further. Gaster continues to argue that quality definitions are not particularly appropriate for public services, particularly as they were developed in manufacturing where costs of quality can be identified and where

products are manufactured in large enough quantities for standardisation to be a key requirement around which the notion of quality revolves.

Pollitt and Bouckaert (1995) also question the applicability of quality definitions used in the manufacture of goods for public services. They argue that quality in public services is clearly far from being just some technical characteristic, inherent in the service. They suggest that the notion of quality needs to embrace the values, which those producing the service, consuming it or otherwise affected by it attribute to these characteristics. Since different individuals and groups may choose different characteristics as the most important ones for them, they therefore argue that quality is inescapably political and social as well as technical.

Any definition of quality will also need to consider whose values are to be counted, and will have to allow for the fact that quality is likely to be a matter of degree, not simply the presence or absence of a single factor.

Gaster (1995) argues that "systematic attention to detail, within a strategic framework of policies and values is possibly the key to quality".

Later in this literature review a number of case studies are discussed and the approaches to quality highlighted. This longitudinal study follows the adoption of a quality approach within a local authority and tracks the approach that has been adopted by the organisation and by the various professional groups within the organisation. This interpretation of quality will then be discussed in Chapters 11 and 12.

The Nature of Public Services. The unique problems of public sector organisations have been a topic of study for some time (Levine et al., 1976, Allison 1984; Bozeman, 1987; Neustadt, 1989; and Rainey, 1989) and a number of arguments are put forward which state that it is in fact certain features of the public sector that limit the application of TQM:

- The public sector is more resistant to change;
- Budget allocation is not connected to performance;
- There are no rewards for achievement of objectives or target; and
- Public service managers do not have the same freedoms to manage.

Research carried out by Stewart (1992) provides empirical evidence to support the belief that the public sector is more resistant to change than organisations in the private sector, for the reasons which include:

- the driving forces for change are less apparent;
- there is a greater emphasis on being a professional than on being a manager; and
- there is a reluctance to take risks due to the political nature of the organisation.

Warwick (1972) views public sector organisations as bureaucracies, which are very resistant to change. In his study of the US State Department 1966-73, he focuses on this resilience and the resistance of bureaucracies to change. Bureaucracies exist in the private sector as well, but he argues the distinctive features of public sector bureaucracies include:

- Goal ambiguity and the absence of firm performance criteria which favour the development of rules and fixed operating procedures (1975, p85)
- High accountability at the top and low risk-taking at the bottom (1975, p99)

Dopson and Stewart in their comparative study of public and private sector managers found that:

“managers in the public sector appeared to be less enthusiastic than their counterparts in the private sector about both the possibility and desirability of change” (1990, p38).

Metcalfe and Richards (1990) refer to this lack of enthusiasm as the “disbelief system”. Fry (1981) comments upon the way earlier attempts at administrative reform in Whitehall led to disillusionment and disbelief. A number of authors have focused on this.

Hoggett agrees that inertia may well be the norm, he refers to the existence of an assumption “that real change is possible without real pain” (1987, p157). Hoggett argues there is a number of consequences of such an assumption:

- the “buying off” of resistance which has produced accommodation to change and not commitment;
- senior and specialist staff tending to introduce forms of change which leave them untouched; and
- changing structures and procedures but largely leaving attitudes and values untouched.

He goes on to describe how some organisations “cope with the threat of change by a process of marginalisation and isolation” (1987, p158).

Another difference is that, in general, public service organisations do not operate in the market place, and hence do not have the same feedback loop (in terms of financial performance figures) if they are out of line with the demands of their environment. They are not then in the same fight for survival which characterise private sector organisations, and therefore do not have the same incentive for change. Many parts of the public sector, by and large, controlled by elected bodies (although other parts –for example, the Health Service – are not controlled by directly elected bodies) and regular elections can mean frequent changes in executive control.

In summary, there are a number of factors that differentiate public sector organisations from their counterparts in the private sector:

- Public sector organisations are characterised by goal ambiguity, diffused authority and centralised accountability mechanisms. Professionals, in addition, have dominated local government. These characteristics and their bureaucratic structure have made public sector organisations resistant to change. Since the mid 1970s there has been an increasing need for public sector organisations to change. Different demands are being made of public sector organisations due to economic, social and political changes.
- For local government, legislative changes are seen to be important in triggering the need for internal reorganisation.
- In responding to the perceived need for change, public sector organisations tend to focus on structural reorganisations.
- Resistance to change can be expected.

- Incremental processes may be apparent, but the increased pace of change can mean that within a relatively short period of time the organisation may become significantly different.
- There is likely to be a tendency to look for ready-made solutions to problems.
- Change may be more lasting when it starts in narrowly defined areas and then grows outwards. The chance of success is heightened if the change is championed from the top of the organisation over an extended period.
- Emergent change - bottom up, counter-cultural against policy presumptions but in line with needs of users and their key stakeholders - only surfaces when the environment is favourable.

These distinctive features of the public sector have been emphasised by Flynn et al. (1988). The empirical evidence to support these factors is limited and even though other authors also argue that these differences do exist, they can be overstated. Recent changes have seen public sector organisations required to publish performance measures and under the modernising agenda, central government is proposing to give financial incentives to public sector organisations that can demonstrate excellence in service provision. There is also a requirement for public services to be able to demonstrate their competitiveness.

Resistance to change and the triggers for change are clearly issues that need to be considered in this research. Comparisons will be drawn between the local authority and other organisations, some in the public sector and others in the private sector in order to provide empirical evidence to support, or otherwise, the reality of resistance to change and triggers for change within the public sector.

The Work Cultures of Professional Groups. In the sociological literature ‘professionals’ are defined as occupational groups who, by merit of their expert knowledge, are able to achieve a monopoly over the certification of expertise (Larson, 1990). In an organisational context, this may allow them to distance themselves from managerial or administrative concerns and obtain high levels of autonomy. Such specialised expertise has been seen to result in an aura of indeterminacy surrounding professional tasks, which are difficult to evaluate from both the managers’ and consumers’ point of view (Boreham, 1983). In this way, professional experts can define both the “needs of the consumer and the manner in

which those needs are catered for” (Johnson, 1972, p48). The strongest occupations in possession of a highly indeterminate knowledge base often achieve complete strategic and operational autonomy over their work process (Raelin, 1985).

During the 1980s the power and autonomy of professionals came under close scrutiny. Increasingly, there was a realisation that “management” could no longer be divorced from the role of the professional. In the public sector this resulted in a new management which has asserted itself and moved the frontier of control away from the once powerful professional expert (Hood, 1990; Stewart and Walsh, 1992).

Reed (1992) argues there has been a “splintering and blurring of the occupational divisions and boundaries on which ‘experts’ or ‘professionals’ depend to construct and defend a viable power base within organisations” (p3). As a result, these professions have become incorporated into corporate entities and their monopoly power drastically reduced. Professional services have become increasingly deregulated and exposed to market forces. Moreover, the content of expert knowledge itself has changed as a result of new information technologies and more flexible modes of organisation (Abbott, 1988).

This post-professional future is evident within the private sector where managerial interests are dominant. Clearly the professionals have lacked the institutional resources to resist change. Moreover, where an organisation has faced a highly competitive environment, professional interest groups generally are less able to contest the managerial prerogative of determining corporate goals and objectives (Raelin, 1991).

There is some debate as to whether this is also the case within the public sector. On the one hand it is argued that the process of transformation is slower in the public sector, simply because professional power is more entrenched and more able to resist change (Reed, 1992). On the other hand, recent government interventions may be responsible for professional change in the public sector being even more wide reaching than in the private sector (Crompton, 1990). By aiming the focus of this research at professional groups within the public sector it is the intention that empirical evidence will strengthen our understanding of the changing role of the professional.

The role of the professional in TQM. Empirical evidence will also be gathered to support the debate on the role of professionals in TQM. Within the public sector, it can be argued that the nature of professional specialism poses a problem to achieving the necessary collaborative working arrangements. Historically, strong professional demarcations exist, although there is no reason (Morgan and Murgatroyd; 1994) why such demarcations cannot be broken down in an organisation committed to TQM. However, it is possibly the nature of professional services, which could be argued to pose the greatest barrier to the application of TQM. The professional transaction can be described as individualistic and there is little empirical evidence from which the benefits of improving professional processes can be determined.

Ritsema van Eck-van Peet and Broekhuis (1992) reviewed the problems associated with managing quality in public service organisations, particularly focusing on the nature of professionals. They argue that the characteristics of professionals, particularly their individuality and independence pose some potential problems for the application of TQM. They state that professionals often have or assume the undeniable right to decide what is wrong, what needs to be done and how to do it. In this context their results highlight that TQM will work in professional service organisations and cause some changes, but a number of things are needed for it to be successful:

- There must be a genuine reason for using TQM;
- The partners must accept, preferably “own” the philosophy;
- The firm’s leaders must sell the professionals the idea, not tell them;
- Terminology relating to a manufacturing environment should not be used; and
- There must be a process to reward and recognise TQM success.

In summary, there are clearly two issues arising from this part of the literature review of interest for this research:

- To what extent have government interventions reduced the power and autonomy of professionals within local government?
- To what extent does professional autonomy impact on the successful implementation of a TQM approach?

The Customer is a Problematic Concept. Skelcher (1992) argues that local authorities need to be aware of the values and tensions that underlie the problems of a customer focus in the private sector. He suggests that local authorities will need to base their initiatives on a public service ethos. Stewart and Clarke (1987; p170) identify a number of key differences facing the 'customer' in the private sector and the 'customer' in the public sector.

- "The customer does not necessarily buy the service.
- The customer may have a right to receive the service.
- The customer may be compelled to receive the service.
- Customers may be refused a service because their needs may not meet the criteria laid down.
- The conditions of service are not only determined by the resources available but by the political process.
- Issues about rationing can arise and criteria may have to be laid down not based on decisions subject to the market but subject to the political process.
- The customer influences that process as a citizen."

In trying to manage quality, public managers are faced with the dilemma of needing to reconcile at least three different perceptions of quality: that of the provider, that of the consumer of the services and that of other groups, such as citizens tax-payers who may not belong to either one of the first two groups. Within the public sector, the perceptions of the services by members of groups that do not use or benefit from a given service are also very important for determining whether the assumed quality is right, too high or too low.

Pollitt (1988) identifies four groups of stakeholders: people receiving the service; people waiting for it; people who are entitled to it but do not seek it; and people who may need it in the future. Gaster (1991) adds those who, because of rationing, have been refused the service, relatives and dependants of receivers, referrers and taxpayers and citizens.

Swiss (1992) argues that the concept of the customer within the public sector is therefore problematic for the application of TQM concepts and practices. The TQM principle adopted in manufacturing industry of "delighting the customer" may not be a useful goal in specific parts of the public sector where government agencies are

required to deliver services which reflect an uneasy compromise, in an attempt to satisfy a wide variety of needs.

Morgan and Murgatroyd (1994) argue that, although it may not be possible to satisfy the needs of every customer, the principle of identifying their needs and then meeting some of them still exists, although, in the past, customers of some public services have had little chance to express their needs and expectations.

As Walsh (1991; p508) states: "for many years professionals have jealously guarded their claimed special right to make judgements about the proper character of service". However, recent changes in government provision have seen the consumer playing a greater role in decisions concerning service provision.

Clearly, there is considerable debate about the role of the customer and the impact this has on the success of TQM within the public sector, and this is an area of discussion that will be investigated in this research.

Public Service Provisions are More Complex. Milakovich (1990a, 1990b, 1991) argues that it is more difficult to improve service quality within the public sector without increasing costs due to, for example, the political process, the need to meet many diverse customer expectations and the degree of freedom managers are given to manage. These are all barriers facing the public sector manager attempting to implement a TQM philosophy which are experienced by their counterparts in the private sector to a much lesser degree.

Pollitt and Bouckaert (1995) also argue that there are distinctions to be made between public services and private sector services. Private sector services operate in a commercial market where the links between the provider and user of the services are direct, and provide a constant reminder to the provider of the importance of meeting the customers' requirements. If sales decline it is usually an indication that there is something wrong, and, as a decline in sales will have an impact on revenue, the provider cannot ignore the problem.

Feedback on quality within the public sector is much less forceful. For instance, the service is often provided free at the point of use, or at least at a charge which bears only a weak link to the cost. Many public services are faced with the problem of

limiting demand, and a reduction in demand can actually be a relief to hard-pressed staff. An increase in demand, on the other hand, can cause problems as it creates more demand on staff and facilities, with usually no increase in budget.

Pollitt & Bouckaert (1995) argue that the phenomenon of 'excess' demand, which leads to queues and rationing, decreases the motivation to look at improvements in quality. Large-scale desertion is unlikely because the public provider occupies a monopolistic or oligopolistic position. They argue that this restriction results in consumers often forming low expectations for service quality they get used to low standards, and so do the service providers.

Another difference between public and private services is that some public services are actually supplied against the wishes of the user. Stewart (1992) refers to these services as social-ordering services because they are concerned with maintaining general social order. These services affect millions of citizens and yet there is no parallel in the literature on quality in the private sector.

It is argued that the complexity of the public sector pose significant problems for the successful implementation of a TQM philosophy. The development and implementation of a vision is fraught with obstacles. These obstacles arise from political exposure and the need to be accountable to many groups. The problems are made worse by the fact that leaders are in post for only a short period of time.

Implications for this research. There are clearly a number of differentiating factors highlighted within the literature that may or may not affect the successful implementation of TQM in the public sector, though there is limited empirical evidence to support these suggestions. The aim of this research is to identify what barriers exist in the transfer of TQM from the manufacturing industry to local government and to provide some empirical evidence in support of the conclusions drawn. To assist in this research, the next section of this literature review will consider the implementation of TQM in public services, identifying the reasons for success and the barriers to improvement, based on empirical evidence.

Has TQM worked in Public Services?

This section contains a review of a number of case studies of TQM implementation in the public sector. This review is by no means exhaustive, but it is hoped that by choosing a selection of case studies that span a variety of public services a number of key themes will emerge. The work of Gaster (1995), Bovaird and Hughes (1994), Davies and Kirkpatrick (1995), Fitzgeorge-Butler and Williams (1995), Shaw (1995), Morgan and Potter (1995), Kitchener and Whipp (1995), Davies and Hinton (1993), Pendleton (1995), Martinez Lucio (1995), and Sinclair, Seifert and Ironside (1995) are reviewed, covering research in local authorities, education, social services, national health service, social housing, British Rail and Royal Mail. The findings of these studies will add to the context within which the discussion of the results of this research will take place, clearly strengthening the connection between the results of this study and the wider academic debate on quality.

Triggers for 'Quality'. The majority of the cases highlight that central government intervention tends to be the main trigger for public services adopting a 'quality' approach, with the exception of Davies and Hinton (1993). They identified that five out of the twelve health service organisations studied launched their quality programmes, not as a reaction to government requirements, but more as a logical next step in a train of developments.

Definition of 'Quality'. The language of 'quality' appears to be manifold, covering such terms as: cost-effectiveness, service user satisfaction, empowerment, commercial modes of quality management, monitoring and evaluation, service contracts, partnerships, staff supervision, financial decentralisation, outcome assessment. The cases explored highlight that the emphasis on measuring quality using performance indicators was an integral part of these organisations' approaches to quality.

The emphasis on performance indicators and targets was found, for example, within social housing (Fitzgeorge-Butler and Williams). There were a number of examples where social housing organisations sought to approach quality issues by other means, through a comprehensive quality training programme and the introduction of the quality standard BS5750. However, it is clear from the case studies that in both of these approaches opportunities to make lasting change were missed.

In many of the case studies it was also clear that 'quality' was used to legitimate internal organisational changes in management structures, working practices and employees terms and conditions. In British Rail (Pendleton, 1995) and the Royal Mail (Martinez Lucio, 1995), 'quality' was used to legitimise changes in industrial relations and human resource management. In secondary education (Sinclair et al, 1995), performance related pay was introduced under the rhetoric of quality improvement. In all three of these cases, the interests of the external consumer were invoked in order to justify the internal organisational changes.

The Royal Mail (Martinez Lucio, 1995) introduced its quality approach with the aim of transforming internal organisational autonomy which had managed to resist previous initiatives. 'Quality' was about addressing commercialisation and decentralisation.

In higher education (Davies and Kirkpatrick, 1995) the government was seen to be the most powerful force in defining 'quality'. Their main concern has been how quality, defined in terms of efficiency and value for money, could be measured and controlled using performance indicators.

Consumerist approaches have also featured in some organisations, using the language of responsiveness. The majority of cases talk of how responding to customer needs has had more to do with collecting performance indicators and demonstrating cost effectiveness than with real cultural or structural change.

Within the health service (Morgan and Potter, 1995), case studies suggest that the idea that anybody other than members of the specific profession should be able to comment on quality was anathema to professionals. There were numerous examples of doctors refusing to join Quality Circles with other staff; senior grades of nurses meeting separately from juniors; ancillary staff being ignored; and ideas from juniors and support staff ridiculed, trivialised or ignored by senior professions.

It was evident, within this context, that professional attitudes played a role in the determination of the types of quality model that have become dominant. Quality for the professionals was predominantly concerned with issues of structure and process, which clearly reinforce the power of the professions, whereas hospital managers

tended to support TQM, which emphasises radical cultural change. Local conflict arose because of these competing approaches to quality improvement.

Approaches that seek to empower clients, to draw on the insight of co-workers, or to accept the need to package services in ways which maximise client satisfaction were clearly less compatible with professional aspirations.

Private sector practices influenced the approach to quality adopted within schools where LEAs were forced to adopt teacher appraisal, annualised hours contracts, flexible payments and performance related pay.

Harlow District Council (Gaster, 1995) adopted a more participative approach to quality, where local users and citizens can become involved in defining and monitoring quality.

Success Factors. The Royal Mail (Martinez Lucio, 1995) drew on what they considered to be proven private sector experience for their approach to quality:

- A management structure was constructed with the aim of developing and implementing a quality programme;
- Comprehensive training was carried out;
- Quality improvement projects were undertaken;
- Clear communication was seen as important;
- Clear objectives of the quality programme were developed;
- The customer was important;
- Quality was defined in terms of time and efficiency, with little reference made to the public nature of the service; and
- The internal customer concept was adopted.

There were a number of factors associated with the success at Kirklees Metropolitan Council (Bovaird and Hughes, 1994):

- A new political leader who identified the need for an entirely new way of working;
- A new Chief Executive who insisted the new way of working should hold all parts of the administration to account for its performance; and

- The Leader and Chief Executive were able to form a core strategic management group that then developed, articulated and promulgated a strong set of shared values, which informed all its decisions.

The erosion of professional autonomy. In these cases, quality has clearly been associated with greater managerial control over the activities of professionals. The degree of control appears to be influenced by the strength of the professional groups affected. Shaw (1995) talks about how quality was specifically used within social services to enable increasing managerial control to be exerted over professionals.

The work of Davies and Kirkpatrick (1995) highlighted how intervention posed a direct challenge to the workplace autonomy of certain professional groups, including academics, but it was in fact the weaker, quasi-professional occupations, in this case the academic librarians, who were most affected. 'Quality' clearly resulted in a marked reduction in their workplace autonomy.

These cases demonstrate how the use of performance indicators led to greater transparency of professional work, which facilitated greater managerial control. It was the introduction of performance indicators that was seen to steadily erode the traditional role of the professional librarians (Davies and Kirkpatrick, 1995), giving rise to more rigid forms of bureaucratic control. In social services (Shaw, 1995) the introduction of quality measures also contributed to a strengthening of management which was also able to exert a considerable degree of control over the professionals.

There was also evidence that the 'quality' initiatives resulted in a greater incorporation of professional work with managerial concerns, which heralded further reductions in the traditional modes of professional autonomy.

Any quality initiative relies on the co-operation of employees. However, as Sinclair et al (1995) point out, in schools, not only did the reforms impact on teachers' workload and terms and conditions but on their professional autonomy, so that securing co-operation in light of these was clearly a difficult task.

Member Involvement. The work of Davies and Hinton (1993) highlighted that interest in quality was mainly the outcome of officer-led initiatives, although in some health and local authorities senior members had encouraged the development.

Members were generally not prominent in considering the detail of quality programmes, but were supportive of broad policy. There was variation in how far organisations had taken a central, corporate approach to managing quality as against departments or sections acting on their own.

Barriers to 'Quality'. Entrenched attitudes of certain officers at Harlow District Council (Gaster, 1995) made it difficult to implement the local approach to quality as it was impossible to involve neighbourhoods constructively. Some clients and contractor departments also had bureaucratic attitudes which posed a barrier to this new way of working.

TQM requires an understanding of quality which includes the 'customer'. In the health service this was clearly an issue amongst some of the professions, who tended to be dismissive of patients' concerns, pointing out that the requirement to treat patients as 'customers' demonstrated a complete misunderstanding of the professional doctor-patient relationship. Moreover, doctors maintain that patients know too little about the technicalities of treatment for them to be able to judge properly the quality of the service offered.

Results of the 'quality' initiatives. In a number of the cases, the approach to quality adopted appears to have resulted in the traditional characteristics of public sector organisations being intensified, rather than marginalised. Bureaucratisation was increased. Conflicts emerged which included directly or indirectly the issues of public interest and customer satisfaction.

Sinclair et al argue that the school system was potentially destabilised by the uncertainties generated by the reforms and it was the reforms that were responsible for fuelling discontent.

At Kirklees Metropolitan Authority (Bovaird and Hughes, 1994), it was argued that there were grounds for believing that the changes had helped in the empowerment of customers. An enhanced set of social policies were developed, in response to the radical approach to change, in partnership with a wider range of agencies than was formerly the case. It has also given residents and service users a louder voice in service planning and management. Another positive effect was on the extent and

quality of interactions between politicians, managers and professionals, without necessarily changing the balance of power between them very dramatically.

Recent Developments in Local Government

Since the introduction of 'quality' in the local government arena, there have been a number of major initiatives throughout the world to reform and modernise local government (Bovaird & Loffler, 2000). Bovaird and Loffler highlight that authorities have been involved in a fast pace of change in recent years and identify a number of changes that have occurred within local government:

- There has been a shift away from the 'new public management' approaches, where the emphasis is on control and accountability, to governance approaches, where the emphasis is on learning and partnership;
- There is an obvious trend towards greater public consultation and stakeholder involvement;
- There is considerable growth in the use of surveys and other methods to provide feedback in relation to service and financial planning; and
- Most authorities had a growing interest in the use of benchmarking.

The Labour Government introduced a new regime of Best Value, which became mandatory from 1st April 2000. Best Value, according to the Local Government Act 1999, is "the duty upon best value authorities to make arrangements to secure continuous improvement in the way in which they exercise their functions, having regard to a combination of economy, efficiency and effectiveness". Bovaird and Halachmi (2000) argue that Best Value is located in "the intersection between the new public management and 'community and local governance'", developing the 'contract culture' to encourage negotiated tendering and partnership arrangements and emphasising community involvement in the provision of services.

The Government plans to measure the success of Best Value in local authorities in a number of ways:

- by encouraging local authorities to publish their targets in an annual Best Value Performance Plan and then measure performance against these targets;

- through the requirement that all authorities, over a period of time, must meet the performance levels currently achieved by the top quartile of authorities; and
- through a regime of audit and inspection.

It is too soon to assess the extent to which Best Value can be deemed to be a success in introducing 'quality' into local authorities. However, it can be seen to address a number of the points highlighted within the earlier literature as posing barriers to the successful implementation of quality within the public sector. For example, the need to demonstrate the competitiveness of services, the emphasis on stakeholders and the requirements for performance improvements. 'Quality' can clearly no longer be seen as an option for local authorities.

SUMMARY

A review of the literature at the start of this research highlighted that although 'quality' had been in the local government arena for a number of years there was limited empirical evidence to support its success, or otherwise. It was with this in mind that the focus of this research was developed.

Consideration of the wider TQM literature identified a number of critical success factors proposed by several authors and there was some empirical support for these. These critical success factors have been further developed in this research and the criticality of these factors in a local government context will be explored.

The literature emphasises how TQM was originally developed for the manufacturing industry and there is considerable debate about its transferability to the public sector, though much of these appears to be polemical. The debate centres on a number of issues:

- the differences between the manufacture of goods and the delivery of service;
- the resistance of public services to change; and
- the complexity of public service provision, the customer and what is quality.

A number of case studies were reviewed in order to provide some empirical evidence in support of these issues. This review highlighted a number of points:

- The Government appear to be the main driver of quality;
- 'Quality' in the public sector takes on many guises and does not appear to resemble the holistic approach adopted within the manufacturing industry;
- Professional autonomy is attacked; and
- The focus of 'quality' efforts has mainly been on internal practices with an emphasis on performance indicators and limited customer involvement.

Recent developments have addressed a number of these issues, with Government putting an even greater emphasis on performance management, but also emphasising the importance of the 'customer'.

This research aims to provide further empirical evidence in support of these issues by focusing on:

- Triggers for change
- Resistance of local government professionals
- Barriers to quality improvement
- The critical success factors.

In the next chapter, the results of this literature review will be used, in conjunction with the experience of the researcher, to develop a best practice quality improvement model and in Chapter 4 the methodology for the research will be discussed.

In Part Three and Part Four the findings of the research will be discussed in light of the literature and areas where this research has added to the current state of knowledge will be identified.

Chapter 3

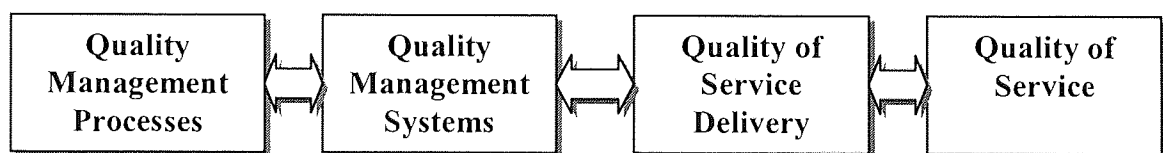
Developing a Model of Best Practice

THE PROPOSED BEST PRACTICE QUALITY IMPROVEMENT MODEL

An organisation, which is successful in implementing a quality management approach, should be able to demonstrate improvements in the quality of the services it provides. A model of best practice therefore needs to demonstrate how the quality of services can be improved. Drawing on the literature, a model is developed in this Chapter for investigation in this research. In the proposed model there are four interrelated levels that require investigation in order that a model of best practice can be confirmed (Figure 3.1).

The proposed model indicates links between Quality Management Processes, Quality Management Systems, Quality of Service Delivery and Quality of Service. These links will be explored in the course of this research (Figure 3.1).

Figure 3.1 - Best Practice Quality Improvement Model



Quality of Service (QoS) can be described as the total service experience a customer receives. For example, in the case of housing tenants the total experience would refer to the quality of the accommodation, its location, the standard of the décor and other fixtures and the quality of the service they receive from the local authority in dealing with their housing issues (Quality of Service Delivery). Quality of Service Delivery (QSD) is only one element of Quality of Service.

Two of the factors that determine Quality of Service Delivery are Quality Management Systems (QMS) and Quality Management Processes (QMP). The QMS element refers to the approach taken by an organisation in building organisation-wide policies, practices and data bases which support improvement of

QoS and QSD. The QMP element refers to the activities undertaken within an organisation at individual and team level in response to the organisation's quality policies and strategies. For example, at the QMP level the researcher will gather evidence of Quality Circle activity and process improvement and this data will highlight components of the QMS that prove to be problematic or inefficient and those that are supportive of QMP activity. The QMS relates to all quality systems whether informal or formal, tacit or explicit. The research will explore the two-way interaction between these two elements.

CRITICAL SUCCESS FACTORS

The authors reviewed in developing this framework are Saraph et al (1989), Porter and Parker (1993), Mann and Kehoe (1993) and their work has been discussed in Chapter 2. The work of Zairi (1994) on developing the McKinsey model is also to be used.

The McKinsey model is not concerned with TQM, but offers a framework for organisational analysis and is based upon empirical research. It was developed in 1979, following two years of research, to assess organisational effectiveness (Peters and Waterman, 1980; Zairi, 1994) and is being used in this research because it offers a conceptual model of organisational processes, which contribute to organisational effectiveness. It therefore provides a framework against which the different perspectives on TQM can be positioned.

The McKinsey 7Ss Model

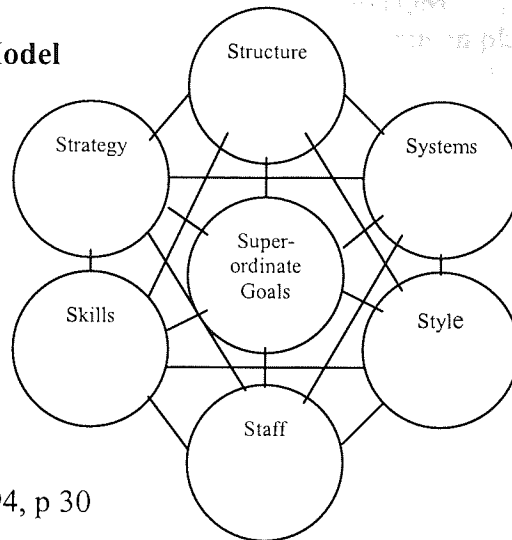
The model outlines the characteristics of organisational effectiveness against seven headings:

- (i) shared values;
- (ii) strategy;
- (iii) structure;
- (iv) systems;
- (v) staff;
- (vi) skills; and
- (vii) style.

These headings are not presented in any order of importance, although Shared Values, sometimes also referred to as Superordinate Goals, is assumed to be the most critical of the factors as it is placed in the centre of the model (Figure 3.2).

Figure 3.2

The McKinsey Model



Source: Zairi, 1994, p 30

The underlying theme of the McKinsey model is the belief that for organisations to function effectively they depend upon the interdependence of these seven variables (Zairi, 1994). The diagram of the McKinsey model (Figure 3.2) reflects how these factors, i.e. the 7Ss, all influence the organisation's functions. It indicates that the factors are all interconnected in such a way that progress towards improving organisational effectiveness can only be achieved by focusing on all areas.

This is also the view of Peters and Waterman (1980) who state "our assertion is that productive organisational change is not simply a matter of structure, although structure is important. It is not so simple as the interaction between strategy and structure, although strategy is critical too. Our claim is that effective organisational change is really the relationship between structure, strategy, systems, style, skills, staff and something we call superordinate goals".

All of the seven variables are seen to act as a driving force for the organisation (Zairi, 1994) and at any particular point in time one or more of the variables will prove to be the most critical. However, there is no evidence to support the criticality of the factors and this research tests the association between the factors, providing evidence for weak and strong links.

Figure 3.3 - Comparison of the Critical Factors for TQM with the McKinsey Model

McKinsey	Saraph et al	Porter and Parker	Mann and Kehoe
Shared values Strong belief and commitment to a clear vision	Role of top management and acceptance of quality responsibility	Communication for TQM Systems in place reinforcing TQM message	Shared values through effective communication
Strategy Statement of goals and allocation of resources	Specificity of quality goals and comprehensive quality planning	Strategy for TQM Statement of TQM objectives incorporated into Business Plans	Management planning and development of long term plan Allocation of resources
Structure Structure and responsibility to support strategy.	(No explicit reference)	Organisation for TQM Clear lines of authority	Organisational structure TQM tailored to physical structure
Staff Involvement	Employee relations Involvement and participation in quality decisions	Employee involvement in quality improvement	Number of employees and Industrial relations Employee participation
Style Management commitment and support	Role of top management and quality policy Participation of top management	Management behaviour Management commitment and involvement	Management style Support for TQM. Management commitment and involvement
Systems Written procedures	Process management and use of quality data	Process management and systems Consistent management of process	Process factors Improvement dependent upon method of manufacture
Skills Training - specialist knowledge, tools and techniques	Training Quality related training for all employees	Training and education and Quality technologies Ongoing training including quality tools.	Type of employees Need for comprehensive education and training programme

The McKinsey model has been used by others as a diagnostic tool for measuring organisational effectiveness with the emphasis placed on the critical factors for organisational success (Zairi, 1994) and in Figure 3.3 the seven characteristics of the McKinsey model have been compared with the critical success factors for TQM highlighted by the three other groups of authors.

Saraph et al. Saraph et al carried out a review and synthesis of the literature and identified eight critical factors for the effective management of quality within an organisation. They state that these critical factors were derived by a process of identifying and synthesising critical requirements for quality management prescribed by quality practitioners and academics.

Porter and Parker. Porter and Parker also identified eight critical factors. The critical factors identified by Porter and Parker, like those identified by Saraph et al, are also based on factors prescribed by practitioners and by academics.

Mann and Kehoe. Mann and Kehoe carried out investigations into the characteristics of an organisation which affect the implementation of TQM. As a result of their research they identified 7 primary critical factors which affect TQM implementation.

Discussion of the Critical Success Factors.

Arising from this review of the literature, descriptions for the critical success factors for the successful implementation of TQM have been determined against the McKinsey model (Figure 3.4).

Shared Values. It is clear from the literature that there is agreement amongst these authors that a critical factor for the success of TQM relates to “shared values”. In general they identify that the top management team need to identify their aims and aspirations for quality and communicate their commitment to quality throughout the organisation.

Strategy. These authors highlight that the successful implementation of TQM needs a plan, which outlines the strategic direction of the organisation. This plan should include the long-term objectives of the organisation, the allocation of resources and quality requirements.

However, the literature on strategy highlights that strategy is more than a written plan, (e.g., Mintzberg et al, 1976). He argues that the production of a plan may be irrelevant or even counter-productive but does not discount the importance of strategic direction. Subsequent discussions in this thesis on Strategy are therefore not limited to explicit plans.

Figure 3.4
McKinsey 7Ss in a TQM context

McKinsey Elements	Description of element as highlighted by the literature review
Shared Values	Communication of the organisation's vision in relation to quality and commitment to achieving it
Strategy	Statement of goals, allocation of resources and quality objectives
Structure	Responsibility for Quality. Empowerment
Staff	Involvement of employees in decision making on quality issues. Teamwork
Style	Commitment to quality improvement. Leadership.
Systems	Formal and explicit quality management procedures
Skills	Training of employees in Total Quality skills and techniques.

Structure. These authors suggest that the structure of the organisation should support a TQM philosophy. The McKinsey model and Porter and Parker's research highlight that everyone within the organisation must be aware of their own and other people's responsibilities and in particular responsibility for quality must be made clear. Saraph et al also emphasise the need for responsibility for quality improvement to be accepted by senior management. However, they advocate the role of a quality department to co-ordinate quality improvement.

Staff. There is agreement that employee involvement is a key to the success of TQM. They identify that the more successful organisations empower individuals to make decisions and encourage teamwork for quality improvement.

Style. The review of the work of these authors identifies that the common issue relating to style is the need for top management commitment to quality. Top

management should be viewed as “champions of quality”. It is also important that there is constant reinforcement of this commitment throughout the organisation. From the quality authors examined, it is clear that Style is seen to be the most critical of all the key factors for the successful implementation of TQM. This does not support the McKinsey model where it is assumed that Shared Values is the key success factor.

Systems. This critical success factor is identified by some of the authors as the need for the organisation to have a documented quality system. However there is agreement that process management is important in ensuring the achievement of the concept of continual improvement.

Skills. All of the authors examined highlight the need for training and education programmes and how these programmes should reinforce the TQ concept. They agree that training is an important part of a quality improvement programme and it should be an ongoing process. As Porter and Parker, and Saraph et al point out, organisations need to train employees in quality concepts, team building and tools and techniques for problem solving.

Summary

There appears to be consistency within the literature about what the critical success factors for TQM are, although there is limited empirical basis in support of the factors. There is also some discussion about the inter-relationship between these factors, with limited evidence supporting a hierarchy of importance, but management commitment is clearly identified as essential in the successful implementation of TQM.

Chapter 4 describes how McKinsey’s 7Ss in a TQM context have been developed into a benchmarking tool - “the CSFs benchmarking tool”. The CSFs benchmarking tool has then been used to provide rich data to test the Best Practice Quality Improvement Model, exploring the links between the different critical success factors.

FIVE STAGES OF QUALITY IMPROVEMENT MODEL

Drawing on the findings of the literature review a stages model has also been developed proposing the stages of quality development an organisation passes through on the path to continuous improvement. The work of Crosby (1979), one of the quality gurus, Dale and Lascelles (1991), and Cook and Baxter (1991) has been used to develop the five stages of quality improvement model. The works of Dale and Lascelles and Cook and Baxter are derived from the prescriptions of the quality gurus, Juran and Deming, respectively. These authors have been chosen because they have all carried out research in organisations to identify whether or not there are distinct stages which an organisation passes through in the development of a TQM philosophy. All of these authors have adopted a deductive approach in their work, carrying out surveys in a number of organisations, producing empirically based results.

The works of Crosby resulted in the identification of five distinct stages which relate to the development of a Total Quality philosophy. Dale and Lascelles research identifies six stages and Cook and Blaxter identify four stages to the continuous improvement journey.

Through a comparison of the descriptions given by these authors for each stage, five distinct stages have been identified, and it is in this format that the findings will be compared and discussed. The stages, as identified by the different authors, are outlined in Figure 3.5

The Five Stages.

Uncommitted. As identified by Crosby and Dale and Lascelles, this end of the scale describes an organisation that has yet to identify the value of quality management. Knowledge of quality management, of problem solving tools and techniques is non-existent. None of the necessary systems are in place to support the development of a culture of continuous improvement and a blame culture prevails throughout. The need for the organisation to improve has yet to be identified.

Quite clearly, at this stage the organisation does not have any quality champions. There is no evidence of any quality improvement activity taking place, and therefore the organisation cannot attribute any success to quality management.

Figure 3.5

Five Stages of Quality Improvement Model

Model	Crosby	Cook and Blaxter	Dale and Lascelles
Stage One Uncommitted	Uncertainty	(No explicit reference)	Uncommitted
Stage Two Aware	Awakening	Few quality champions bringing some awareness of quality management to the organisation	Drifters Tool pushers
Stage Three Improvers	Enlightenment	Widespread awareness, localised efforts to improve, lack of co-ordination prevents breakthrough	Improvers
Stage Four Winners	Wisdom	Breakthrough driven by shared vision	Award winners
Stage Five Excellers.	Certainty	Quality empowerment	World class

Aware. The second stage is identified as a raising of awareness of quality management. A number of people within the organisation believe in the value of a quality management approach. These quality champions will attempt to spread the general awareness of quality, not just by talking about the benefits of a quality management approach, but by actually implementing quality practices.

At this stage organisations will have evidence of the existence of at least two major players ('quality champions') involved in quality improvement activity, but improvement activity will be localised and limited.

Improvers. The next stage identifies the possible emergence of a quality improvement programme. Awareness of quality management is now evident throughout the organisation. Employees are usually encouraged to become involved

in problem solving and quality improvement projects. However, efforts to improve at this stage are often localised. There is likely to still be a lack of management support and poor leadership.

At this stage, the organisation will demonstrate some of the characteristics of breakthrough. Localised quality improvement activity will have resulted in a number of initial success stories. However, activity is not widespread, and is dependent upon commitment and support from management. Clear improvements are limited to a number of areas within the organisation. As a degree of quality activity has now been taking place for some time, it is at this stage that quality management is evidenced not just by the prospect of improvement but by actual results.

Winners. At this stage the organisation now recognises the importance of continuous improvement. In general there is commitment to quality management and this is supported by the actions of management.

Within the organisation there is greater involvement of employees. Motivation and enthusiasm will be high and decision making will have been passed down the organisation. Systems will have been developed and will be in place for quality management. In particular there will be a clear vision for the organisation and improvement efforts will be co-ordinated in the attempt to achieve these goals.

There is widespread commitment to quality management, with over half of the organisation involved in quality improvement activity. The organisation is able to demonstrate the benefits of localised activities from one or two major success stories. However, quality management has yet to become systemic throughout the whole organisation.

Excellers. At this stage quality improvement is seen to be deep rooted within the culture of the organisation. There is a strong belief that quality management plays an essential role in the management of the organisation. Quality is believed to be critical to the success of the organisation and it is not contested.

Quality improvement has become embedded within the organisation and is clearly supported by robust, adaptable systems. Everyone within the organisation is

involved in quality improvement activity. This widespread activity will have resulted in at least four to five major success stories from which the organisation can provide a template for best practice.

Chapter 4 describes how the proposed five stages of quality improvement model has been implemented, drawing on the literature to develop a number of criteria into different independent measures.

SUMMARY

From the literature review and experience of the researcher, the Best Practice Quality Improvement Model has been proposed for investigation in this research. The model highlights four interrelated elements:

- i) Quality Management Processes
- ii) Quality Management Systems
- iii) Quality of Service Delivery
- iv) Quality of Service

A framework of critical success factors underpins the model and the research findings will determine the criticality of these factors for successful quality improvement activities. Chapter 4 discusses the development of the CSFs benchmarking model and the five stages of quality improvement model and describes how these models have been used to explore the interrelationships between the elements of the best practice model. The sources and other methods of data collection that are used in exploring the best practice model are also discussed in Chapter 4.

Chapter 4

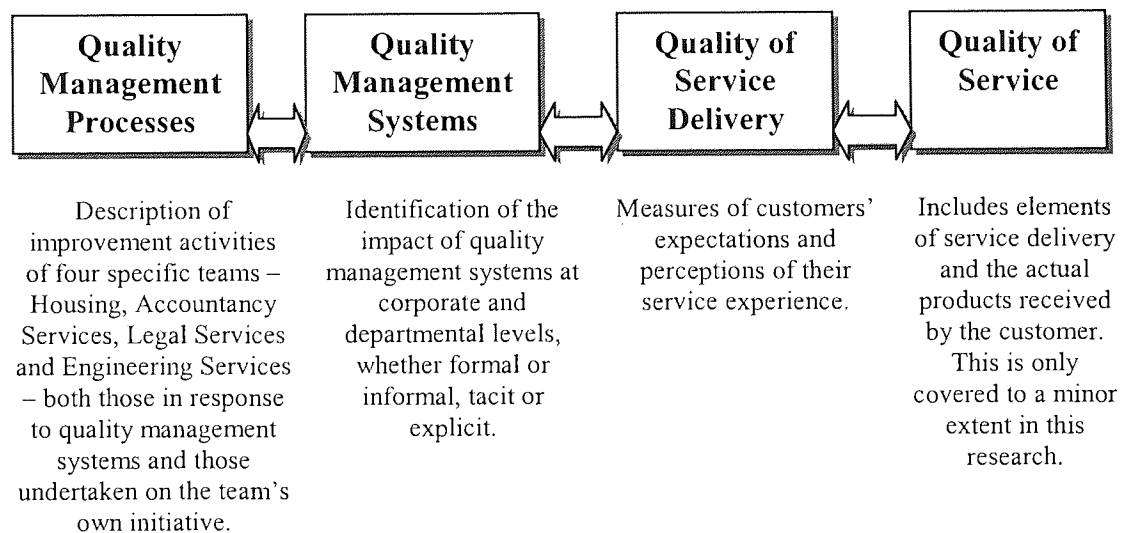
Methodology

INTRODUCTION

The focus of this longitudinal study is to test the proposition that “‘Process Management’ via TQM, improves the ‘quality’ of ‘professional’ service provision within local government.” The factors to be investigated in testing the proposition include: the professional cultures of different groups of employees, approaches to process management, the organisational context and the overall local government context. The effect of these factors on the quality of service delivery will be discussed in terms of the Best Practice Quality Improvement Model developed in Chapter 3:

Figure 4.1.

Best Practice Quality Improvement Model and Evidence Basis for Model Testing

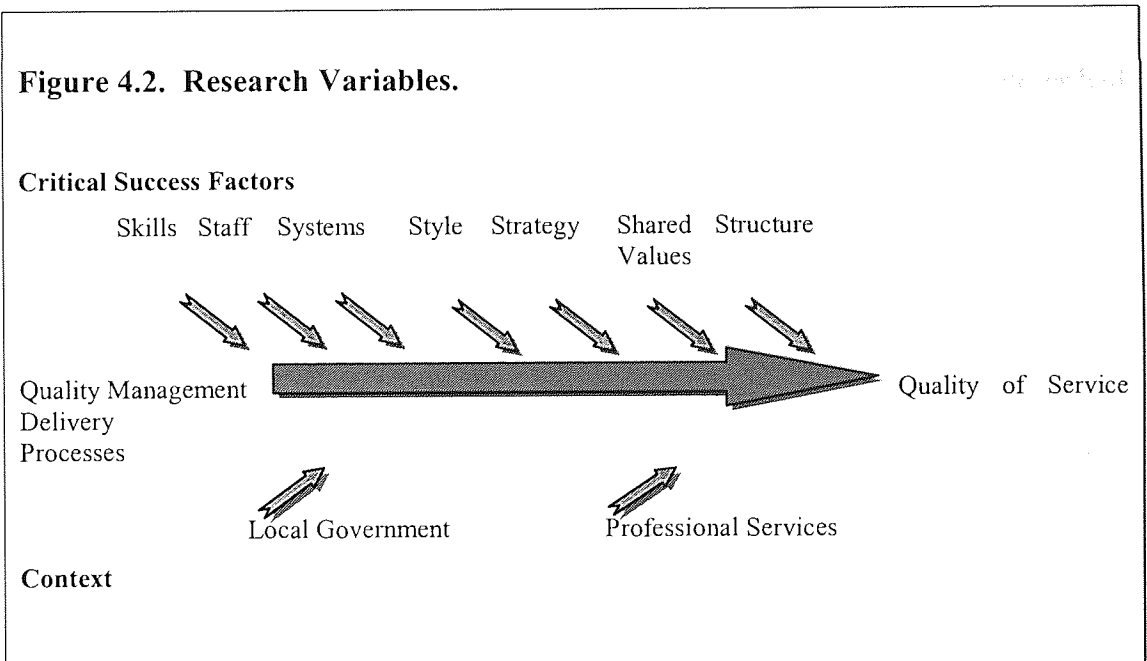


This research focuses primarily on three of the elements of this model, Quality Management Process (QMP), Quality Management Systems (QMS) and Quality of Service Delivery (QSD). This chapter describes the various techniques and data sources used in this research in order to discuss outcomes at each of the three levels to be investigated: QMP, QMS and QSD. The data will be used to determine

whether any relationship exists between the QMS and the QMP and aims to identify any impact of these variables on the QSD.

To test the research proposition there are two extra groups of variables to be investigated. Firstly, as already identified in the literature review, there are the critical success factors for the successful implementation of a TQM philosophy. Secondly, there is the set of variables which make up the context. (Figure 4.2). The research is undertaken in a Local Government context, focusing on professional services. However, the context-specific nature of the sample is to be overcome by comparing the 'typicality' of the findings against the experiences of a number of other organisations.

The focus of this research is therefore to identify the impact of QMP on QMS, and this will be explored through the series of variables identified. The inter-relationship between these elements is explored and the impact of these on improvements in the QSD will be determined.



Professional services are investigated in this research as the previous literature review highlights that there is a general absence of detailed empirical data on the implications of adopting a TQM approach on professional service delivery within the public sector. The literature also highlights the potential barrier to TQM posed by professional autonomy and this will be investigated.

Figure 4.3 illustrates the various sources to be used for data collection relating to the research variables for the three levels of the model to be investigated (QMP, QMS, QSD) in this research. These sources of data are:

- Teams;
- Chief Executive;
- managers and Heads of Service;
- external organisations; and
- customers.

The techniques used are:

- participant observation;
- benchmarking exercises;
- interviews;
- user focus groups; and
- customer questionnaires.

It is these sources of data and the techniques used in the research that are described in this chapter.

Table 4.3 - Data Sources and Collection Techniques

LEVEL OF OUTCOME	DATA SOURCE	TECHNIQUE
Quality Management Processes	Teams	Participant Observation CSFs Benchmarking Tool
Quality Management Systems	Chief Executive	Interviews CSFs Benchmarking Tool
	Managers/Heads of Service Quality Club Organisations	Interviews Interviews CSFs Benchmarking Tool 5 Stages of Quality Improvement Model
Quality of Service Delivery	Customers	Focus Groups SERVQUAL Questionnaire

The research process can be seen to comprise two distinct stages, with the sources and techniques used in data collection forming one of these stages. These two stages are:

- Development of a measurement tool.
- Collection of data.

The methodology for this research will therefore be described in this chapter, structured around these two stages.

STAGE ONE – DEVELOPMENT OF A MEASUREMENT TOOL

Arising from the review of the literature, descriptions for the critical success factors for the successful implementation of TQM were determined against the McKinsey model (Figure 3.4).

The next stage in the development of the benchmarking tool was to operationalise the model. Although there are 7Ss used in the McKinsey model for the purpose of this research the benchmarking tool comprises nine questions (9Ss). Two of the 7Ss have been sub-divided to provide further detail for later analysis. The additional questions arise, firstly because the descriptions of the 7Ss, when compared with the critical success factors, identify two areas of interest for this research under the heading of “staff” i.e. involvement in decision making and teamwork. Secondly, as this research is investigating process management in professional services, the model has been extended to separate out ‘professional identity’ and ‘skills in using quality tools’ from the overarching heading of ‘Skills’.

To operationalise the tool a five-point scale has been derived inductively, as a result of discussions with senior management at Authority X, drawing on their experiences of the change process. The various stages the organisation has gone through were identified against each of the 9Ss and the discussions with senior managers determined what they believed to be the organisation’s aim for the future. The five-point scale was developed at this stage as illustrated in Figure 4.4.

Figure 4.4 CSFs Benchmarking Tool

Shared Values.

Does the organisation believe in the need for continual improvement?

- (A) There is no commitment to improvement.
- (B) A few individuals see the importance of continual improvement.
- (C) The unit sees the need for continual improvement, but does not receive management support.
- (D) There is commitment to continual improvement.
- (E) Systems are in place to ensure commitment to continual improvement.

Strategy.

Is there a plan that outlines the allocation of resources?

- (A) No plan.
- (B) Plan based on last year's achievement.
- (C) Plan based on previous performance with some measures to improve efficiency.
- (D) Long term plan, analysis of strengths and weaknesses, to produce clear targets and allocation of resources.
- (E) Integrated plan with well-defined service standards, includes quality, employee development, etc.

Structure.

Are there clear lines of authority, responsibility?

- (A) There are no clear lines of authority, responsibility.
- (B) There is some identification of authority and responsibility.
- (C) On the whole, there are clear lines of authority, responsibility, but some confusion in a few areas.
- (D) Authority and responsibility are clear to all.
- (E) Roles of authority and responsibility are clear for all processes and for quality improvement.*

Staff.

What involvement is there in decisions affecting the service unit?

- (A) Senior management make decisions and the service is informed on a 'need to know' basis.
- (B) The service has some input into decisions made by senior management.
- (C) Open channels of communication result in decisions being made between senior management and the service unit manager.
- (D) Employees in the service unit have some input into decisions made by the service unit manager.
- (E) All employees are actively involved in decisions affecting them, receiving relevant and timely information.

Staff.

Is there a teamwork approach in the unit?

- (A) There are no common processes and all members of the unit work individually.
- (B) Small teams within the unit work on similar processes, one-off projects.
- (C) The unit is divided into small teams, working together.
- (D) The unit works clearly as a team in performing its tasks.
- (E) There is systematic team activity, looking at process improvement.

Style.

Is there commitment to improving processes?

- (A) The unit is too busy carrying out every day activities to look at process improvement.
- (B) Improvement ideas put forward by employees are not followed up.
- (C) Service unit managers listen to ideas and feed these into their plans.
- (D) Service unit managers are actively involved with employees in identifying improvement themes and working on these.
- (E) There is commitment from senior management to continual improvement within the unit.

Systems.

Are there clear written procedures?

- (A) There are no guidelines, each individual determines how they will carry out the task.
- (B) The main processes within the unit have some guidelines.
- (C) There are written procedures for all activities carried out.

- (D) Written procedures state clearly the process owner, who is responsible for quality.
- (E) Systems are in place to review continually procedures, seeking areas for improvement.

Skills – Quality Tools.

Do you use quality tools and techniques?

- (A) There is no knowledge of tools and techniques.
- (B) The unit is aware of such tools and techniques but does not put them into practice.
- (C) Quality tools and techniques are used to tackle a few problems.
- (D) All problems are tackled, systematically, with the use of the tools and techniques.
- (E) Tools and techniques are in regular use by service unit members, tackling problems and improvement themes, striving towards continual improvement.

Skills – Professional Identity.

What impact does your professional identity have on the service?

- (A) There is no association with a professional body and no specialist knowledge is required.
- (B) Some specialist knowledge is required to perform a few of the tasks.
- (C) Specialist knowledge is required to meet performance requirements.
- (D) Specialist knowledge is essential and strong association with a professional body ensures everyone is kept up to date.
- (E) Links with professional body and high specialist knowledge are used to review processes systematically.

There has been a four-stage validation of the benchmarking tool. The initial validation was achieved by using a number of independent judges, 40 in total. All of the judges were volunteers from teams from within the local authority. To carry out this initial validation, cards were used to display each of the five stages of improvement for the 9Ss. For each of the benchmarking questions the judges were given the five cards, placed in a random order, and were invited to place them in order of improvement. A card assigned to position “1” reflected the position of the least improvement activity and a card assigned to position “5” reflected the greatest improvement activity. This exercise was carried out on 40 separate occasions so that discussions between the judges could not affect the results.

The results of this exercise are illustrated in Figure 4.5. The figure illustrates the position the judges put each of the cards in, for example for Shared Values 40 judges placed answer A (There is no commitment to improvement) in position 1.

Figure 4.6 illustrates the average values for each of the five stages for all of the critical success factors. For each answer, i.e. A,B,C,D,E, the number assigned by the judges is multiplied by how many judges assigned that score. These scores are totalled and then divided by the total number of judges. The progression of the average values was as expected. These results showed that there is clear agreement between the judges about the stages of improvement and those that had been initially proposed.

A second validation was then carried out by interviewing the Chief Executive at Authority X. This semi-structured interview (Appendix 1) sought to ascertain the Chief Executive's views about the developed framework by discussing his opinions on the stages the Council had passed through and his vision for the future.

It was clear from the interview that the Chief Executive agreed on the whole with the scale proposed for the adapted benchmarking tool, however a number of small amendments were identified. The changes (indicated in italics) made to the framework at this stage are illustrated in Appendix 2.

Figure 4.5 – Validation of the Benchmarking Scale

		Shared Values	Strategy	Structure	Staff. Decision Making	Staff. Team work	Style	System	Skills Quality tools	Skills Prof. Identity
A	1	40	40	40	40	40	39	40	40	40
	2	0	0	0	0	0	1	0	0	0
	3	0	0	0	0	0	0	0	0	0
	4	0	0	0	0	0	0	0	0	0
	5	0	0	0	0	0	0	0	0	0
B	1	0	0	0	0	0	1	0	0	0
	2	39	38	39	36	31	39	40	40	37
	3	1	2	1	4	9	0	0	0	3
	4	0	0	0	0	0	0	0	0	0
	5	0	0	0	0	0	0	0	0	0
C	1	0	0	0	0	0	0	0	0	0
	2	1	2	1	4	9	0	0	0	3
	3	39	38	39	31	31	28	24	40	37
	4	0	0	0	5	0	5	7	0	0
	5	0	0	0	0	0	7	9	0	0
D	1	0	0	0	0	0	0	0	0	0
	2	0	0	0	0	0	0	0	0	0
	3	0	0	0	5	0	4	12	0	0
	4	32	34	32	35	37	29	28	38	28
	5	8	6	8	0	3	7	0	2	12
E	1	0	0	0	0	0	0	0	0	0
	2	0	0	0	0	0	0	0	0	0
	3	0	0	0	0	0	8	4	0	0
	4	8	6	8	0	3	6	5	2	12
	5	32	34	32	40	37	26	31	38	28

Figure 4.6 – Average Values

	A	B	C	D	E
Shared Values	1	2.03	2.98	4.2	4.8
Strategy	1	2.05	2.95	4.15	4.85
Structure	1	2.03	2.98	4.2	4.8
Staff Decision Making	1	2.1	3.03	3.88	5
Staff Team work	1	2.23	2.78	4.08	4.93
Style	1.025	1.98	3.48	4.08	4.45
Systems	1	2	3.63	3.7	4.68
Skills Quality tools	1	2	3	4.05	4.95
Skills Prof. Identity	1	2.08	2.93	4.3	4.7

For the third stage of validation, interviews were carried out with the teams from the four professional services at Authority X, who were to participate in this research. The teams were each asked the questions relating to the developed 9Ss. After some discussion amongst team members the scale was used in order to reach consensus on the perception of their unit's current position. Discussion also focused on the scale itself and in each of the four cases, the scale appeared to be a logical progression.

For the fourth stage of validation, and in order to extend the views on the scale developed for the 9Ss, a number of semi-structured interviews (Appendix 1) were then carried out with other organisations, all of whom are members of the Industrial Society's Midland's Quality Club. The purpose of interviewing these organisations, seen as proponents of quality management, was to identify the stages of improvement they had gone through in order to test the validity of the scale in a different context. No further amendments were made to the benchmarking tool as a result of these interviews.

The results of all the interviews, those carried out with the teams, senior managers and the external organisations are detailed in Part Two.

STAGE TWO – DATA COLLECTION

Case Study Approach

What is a case study? Eisenhardt (1989) states that the case study is a research strategy which focuses on understanding the dynamics present within single settings. Gillham (2000) sees a case study as an investigation of a ‘case’ to answer specific research questions. He then attempts to define ‘case’ as:

- “a unit of human activity embedded in the real world;
- which can only be studied or understood in context;
- which exists in the here and now,
- that merges in with its context so that precise boundaries are difficult to draw.”

Yin (1989) gives a more technical definition of a case study as an empirical enquiry that:

- investigates a contemporary phenomenon within its real-life context; when
- the boundaries between phenomenon and context are not clearly evident; and in which
- multiple sources of evidence are used.

Eisenhardt, Gillham and Yin agree that case studies can be used to accomplish various aims: to provide description, test theory or generate theory; exploratory and explanatory.

The use of case studies in this research. The main arguments for choosing case studies for this research were the descriptive nature of the research and the requirement to document behavioural events whilst exploring “how” and “what” questions.

Case studies can involve qualitative data only, quantitative only or both. Most authors seem to think that combining quantitative and qualitative data is the preferred option. This research therefore combines data collection methods including interviews, questionnaires and observations. These different methods have different strengths and weaknesses, but this approach of triangulation will give greater confidence to the results of the study.

The unit of analysis for a case study can be individual, a group or an organisation and these are single cases. Multiple case studies can investigate a number of individuals, several groups or different organisations. A decision needs to be made as to whether a single case or multiple cases are to be the subject of this research. Case study research can cover both situations – a single case and multiple cases and it is this situation that is adopted in this research.

If a single case, the case can serve exploratory, descriptive or even causal purposes. And the local authority used in this research is a single case. If multiple cases are used, Yin (1993) argues that the logic bringing the cases together should be a replication logic rather than any sampling logic. Thus multiple cases are chosen in the hopes of replicating certain findings. It is argued that the more replications the more robust the findings of the study. It is for these reasons that four case studies were chosen for this research – the four teams. The main selection criteria for the cases was feasibility and access.

Generalisation of the results of case studies is often suspect because there are too many elements that are specific to the groups and the organisation. So even though all evidence arising from this approach is of some value but this value has been carefully appraised in the presentation and discussion of the results.

The gathering of the majority of data for this action research was achieved by carrying out a longitudinal study. This longitudinal study is focused around the activities of four professional teams based at Authority X, with the data collected through two methods:

- (i) participant observation
- (ii) benchmarking exercise.

Participant Observation

This action research has involved the researcher in collecting rich data by acting as a participant observer. There is a considerable amount of literature on action research and participant observation and the advantages and disadvantages of these approaches are now highlighted.

What is action research and participant observation? Carr and Kemmis (1986) define action research as “a form of self-reflective enquiry undertaken by participants in social situations in order to improve the rationality and justice of:

- i) their own social practices
- ii) their understanding of these practices, and
- iii) the situations in which these practices are carried out.”

Action research clearly represents a juxtaposition of action and research. Thus as an approach to research it can be seen to be committed to the production of new knowledge through the seeking of solutions or improvements to “real-life” practical problem situations (Elden and Chisholm, 1993).

Freidrichs, J. & Ludtke, H (1975) describe participant observation as a method of research where the observer’s presence in a social situation is maintained for the purpose of scientific investigation. The observer is in a face-to-face relationship with the observed, and by participating with them in their natural life setting, gathers data. Thus the observer is part of the context being observed and will both modify and be influenced by this context.

Advantages of action research. One distinguishing feature of action research and participant observation is therefore the active and deliberate self-involvement of the researcher in the context of his investigation. Unlike other methods of research, the action researcher is viewed as a key participant in the research process, working collaboratively with other concerned actors to bring about change in the research context (Checkland, 1991).

One particular strength of this approach is that the context of action research is the real world, and therefore the potential separation of research and practice is avoided. This eliminates the discrepancy between real and reported behaviour, for example, statements made in interviews may not be in accordance with the factual behaviour of the person being interviewed. Through observation, the action researcher is able to observe situations, processes and behaviours that are less likely to have been revealed by other methods of data collection. By being immersed in the events in progress, the researcher hopes to be in a position to obtain much more information and a greater depth of knowledge than would be possible from other methods.

Many more channels of communication are open to the researcher and he will be able to be much more discriminating and selective in the messages that are received.

Disadvantages of action research. Action research can be seen to offer many positive features thus rendering it a powerful tool for researchers. However, the collaborative aspect of action research and potential ethical dilemmas, which arise from its use, give rise to a number of problems.

It is argued that action research results in a lack of impartiality and bias due to the collaborative nature of the research. In carrying out the research the participant observer is faced with the dilemma of gathering data in a verifiable way, with the findings clearly abstractable from the researcher's subjective cognition. Friedrichs and Ludtke (1975) argue that this method of research gives rise to problems of objectivity. There is also a difficulty in generalising the results that arise from this method.

Over time, interdependence can arise between the observer and the observed. Reciprocal influences appear during a process of observation to a greater or less degree. The observer will take a role in his field of observation and whilst this is happening the position, expectations and reactions of the observer and of the observed will change. It becomes a possibility that the observation field changes so that there is the danger the participant observer will not collect valid data.

In action research the complexity of the research strategies grows. In particular, the more and longer the observer interacts with the subjects, the more he loses the ability to observe in a standardised way. He takes on, at least to some degree, the values of those being observed. This process has been designated 'going native' (Miller, 1952, Paul, 1953). It is argued that the higher the degree of involvement of the observer in the actions of the others, the lower his impartiality towards them and to the incidents which he is to observe. The observations become inexact and biased, leading to insufficient data recordings.

Action research at Authority X. At the start of this research, the researcher was employed by the local authority on a two-year contract to introduce TQM throughout the organisation. Based in the organisation, the researcher was therefore ideally placed to adopt the role of participant observer, to gather rich data in support

of the research problem. The researcher met with the four teams and followed their various approaches to quality and process improvement. These meetings were held at regular intervals throughout the study to observe the teams' improvement activity, to discuss issues that had arisen since the previous meeting and to identify the results of any of the teams' activities. The intervals between meetings depended primarily on the team's approach to improvement activity. Any intervention on the part of the researcher and subsequent outcomes were noted. Any corporate direction given to the teams and intervention from sources external to the teams were also noted, along with subsequent team activity and resulting outcomes.

Choice of Teams. The first step of the longitudinal study was to identify the four teams to participate in the research. The four services chosen were:

- (i) Housing Services.
- (ii) Engineering Services.
- (iii) Legal Services.
- (iv) Accountancy Services.

A matrix was used to choose these teams. The categories used in the matrix were "type of customer" and "improvement opportunity". For "type of customer", the teams were categorised by whether, on the whole, the service in question is 'internal' as it provides services to other departments within the organisation, or 'external' because it provides a service to the population of the District. "Improvement opportunity" was determined based upon the resources available to the service, the potential payback to the organisation as a result of improvements in the quality of a particular service and the risks associated with changes to the service.

The aim of the study is to compare and contrast the approaches adopted by the different services. Two services were therefore chosen which have internal customers, one perceived to have high improvement opportunity and one perceived to have low improvement opportunity and two services that have external customers, again one with low improvement opportunity and one with high improvement opportunity. This will enable services with similar customer types and improvement opportunity to be compared with each other and with services of a contrasting orientation.

Drawing on information contained within the Business Plans of services at the Council, which were to be subjected to Compulsory Competitive Tendering (CCT), four services were allocated to the matrix as illustrated in Figure 4.7.

It was decided that services that were to be subjected to CCT should be chosen for this research as quality was to play an important part in their survival. Thus, it was envisaged that within the time-scale of this research there would be sufficient rich data on the approaches taken by the four teams to quality improvement, as CCT was seen to provide a trigger for any such change.

Figure 4.7 – Teams Participating in Longitudinal Study

Type of Customer	Internal	Legal Services	Accountancy Services
	External	Engineering Services	Housing Services
		Low	High
Improvement Opportunity			

The four teams chosen for this research were allocated to the various boxes of the matrix for the following reasons:

Legal Services – Internal Customer; Low Improvement Opportunity. Legal Services on the whole provides services to other parts of the organisation, although it does provide the public service of dealing with Land Charges. For the purpose of this research, those processes in the department which provide services to other departments of the organisation will be the focus of the longitudinal study, therefore Land Charges are not included. The impact of any improvements or changes will therefore be on internal customers.

The annual budget for the service is approximately £165,000, the majority of which is spent on salaries and other overheads. There is very little opportunity for income generation, currently £4,500 per annum. Although the team acknowledged that there

is room for improvement, the impact from any such improvement would be limited. The risks associated with making changes to the team's processes are also low.

Accountancy Services – Internal Customer; High Improvement Opportunity. As quoted in their Business Plan “Accountancy Services at Authority X is viewed as a central support function operating to make corporate financial transactions and produce information on an historical basis, in order to meet legislative and Member requirements”. Its customers are therefore internal.

Accountancy Services is a support service and as such its costs are charged to the services to which it provides support. The cost of these services is in the region of £750,000. The team undertakes a wide variety of tasks and it is clear from discussions with the team that there is considerable opportunity for improving processes. All managers of the authority are dependent upon the provision of timely and accurate financial support and there is a medium risk associated with changes to processes. However, there is also a degree of risk associated with processes not being improved.

Engineering Services – External Customer; Low Improvement Opportunity. Engineering Services carry out a number of very different activities ranging from managing concessionary fares, to managing the street lighting contract to designing and supervising complex highways schemes. In general, their customers are external to the organisation, for example, residents of the district, road users, housing developers and the County Council.

The budget for the team is approximately £120,000, which comprises employee costs and other fixed overheads. The County Council funds the majority of the work carried out by the team and projects have to be carried out within a fixed budget. The project management process used to deliver projects is complex and its cycle time is dependent upon the nature of the project. Although there is room for improvement in the project management process the potential payback of any improvement will be limited. However, there are significant risks associated with change as the engineers manage large projects, working to deadlines, and the cost of non-achievement would have an impact on the Council.

Housing Services – External Customer; High Improvement Opportunity. Housing Services provides services to council tenants and therefore its customers are external. Unlike the other teams, finance for Housing Services is ring-fenced which means that Housing Services must operate as a self-supporting business. The housing revenue budget is approximately £7 million. The team's processes are low in risk, the majority of which are short to medium term, and because they are required to operate in a business environment the potential payback from improvement is high.

The managers of the four teams were approached at the start of this research in order to gain their agreement to be researched. At the initial meeting with the four teams, the researcher described the purpose of the research and gained consent from the teams to be researched and to be identified in a published document.

Benchmarking exercise with four teams. Once the CSFs benchmarking tool had been developed each of the four professional services were involved in discussions based around the benchmarking framework. The teams used the scale that had been developed to reach agreement on their current position. This exercise was carried out at the start of the research and repeated throughout the duration of the longitudinal study. The intention was that the exercise would be carried out at least three times, once at the start of the research, again at the end of the research and with at least one interim measure. Access to the teams determined how frequently the exercise was carried out.

The information gathered as a result of the discussions with the teams has also provided a benchmark against which their future activity can be measured and analysed. The results of the benchmarking tool have been used to determine the criticality of the success factors to explain the differences between the four teams and to identify any links to the successful implementation of TQM.

The data gathered by this approach mainly focuses on "Quality Management Processes".

Semi-Structured Interviews.

Although the four teams are the main source of data for this research other data sources and techniques were used to provide depth to the data collected. The data

sources which aim to lead discussion on the Quality Management Systems are illustrated in Figure 4.8.

Figure 4.8 Quality Management Systems Data Sources

Data Source	Technique
Chief Executive	Interviews Benchmarking 7Ss
Managers/Heads of Service	Interviews
Quality Club Organisations	Interviews Benchmarking 7Ss Benchmarking Stages

Interviews/ Benchmarking with the Chief Executive. In the earlier stages of the research an interview was carried out with the Chief Executive as part of the process for developing the benchmarking tool. A further semi-structured interview was carried out towards the end of the longitudinal study in order to ascertain his views about quality improvement at the Council.

The semi-structured interviews were based around the benchmarking model (Appendix 1).

Interviews with Managers and Heads of Service. Interviews were carried out with the teams' manager and their Head of Service at the end of the study. The interviews were structured around the CSFs benchmarking tool and were used to gather other opinions in order to explore further the events that were reported by the teams. The framework used for these interviews is attached as Appendix 3.

External Organisations. A number of external organisations were used to gather information to validate the CSFs benchmarking tool. These organisations were all members of the Industrial Society's Midland's Quality Club, and were strong proponents of TQM.

As well as involving these organisations in validating the benchmarking tool, the results of the semi-structured interviews were used to ascertain whether any of the problems faced by Authority X in adopting a TQM philosophy were generic. These

external organisations were involved in order to help overcome the rather context specific nature of the sample, described so far, by comparing the 'typicality' of the findings at Authority X against the experience of the Quality Club members. Interviews were carried out with 6 organisations in the early stages of the research and repeated again, towards the end of the longitudinal study (see Appendix 1).

The organisations were chosen to reflect the context of the four teams participating in the longitudinal study, and to gather data from a broad spectrum of organisations in order to provide rich data from which the results could be compared and contrasted. The organisations chosen were from the following industries: engineering, accountancy, legal, manufacturing, sales, and local government. The engineering, accountancy and legal organisations reflect the context of three of the teams, however it was not possible to find an organisation that reflected the context of the housing team. Three further organisations were also chosen for this study, a local authority was chosen to highlight the differences and similarities with Authority X. Manufacturing and sales organisations were also chosen to provide a wider base of rich data from which conclusions could be drawn about the barriers to the implementation of TQM.

Measuring Service Quality

Although the teams developed and used their own measures of quality improvement in order to monitor their achievements, views were also sought from customers of the services in order to obtain a means of external validation of achievements. These views were collected by two methods:

- (i) customer based questionnaire
- (ii) focus groups.

The data are gathered to provide information about the Quality of Service Delivery. Two methods of data collection have been used to enable conclusions to be drawn about the validity and reliability of the data collection methods.

A questionnaire was used to ascertain the expectations and perceptions of customers of one of the internal services, Legal Services services, and for one of the external services, Housing Services.

The intention was that focus groups would then be used to determine the views of customers of the other two services, Engineering Services and Accountancy Services. However, there was reluctance on the part of the management of Accountancy Services to obtain feedback from their customers and so the focus groups for users of accountancy services did not go ahead.

SERVQUAL

The SERVQUAL instrument developed by Parasuraman et al (1988) was used to structure the questionnaires for Housing Services and Legal Services. SERVQUAL was chosen as the preferred model from a number of models that have been developed in an attempt to conceptualise quality. Most of the models can offer little sound conceptual or empirical evidence in their support, but it is the model of Parasuraman et al (1988) which has attracted most attention. Two reasons are offered for this. First, primarily it was the first model to appear from a systematic research programme into service quality. Second, it is conceptually simple and appealing to managers and researchers alike.

From their research, Parasuraman et al, were provided with a 'rich reservoir of customers' expectations'. An analysis of these expectations highlighted that these could be grouped into ten general criteria or dimensions: tangibles, reliability, responsiveness, competence, courtesy, credibility, security, access, communication, and understanding the customer. Figure 4.9 contains definitions of each of the dimensions.

Having defined the ten evaluative dimensions of service quality Parasuraman et al conducted further research to develop an instrument for measuring customers' perceptions of service quality. The resulting instrument (SERVQUAL) consists of two sections:

- i) an expectations section containing 22 statements to determine the expectations of customers in relation to a service, and
- ii) a perceptions section containing a matching set of 22 statements to measure customers' assessment of a specific organisation providing that service.

Figure 4.9 - Dimensions of Quality

Dimension	Definition
Tangibles	Appearance of physical facilities, equipment, personnel and communications materials
Reliability	Ability to perform the promised service dependably and accurately
Responsiveness	Willingness to help customers and provide prompt service
Competence	Possession of the required skills and knowledge to perform the service
Courtesy	Politeness, respect, consideration, and friendliness of contact personnel
Credibility	Trustworthiness, believability, honesty of the service provider
Security	Freedom from danger, risk, or doubt
Access	Approachability and ease of contact
Communication	Keeping customers informed in language they can understand and listening to them
Understanding the Customer	Making the effort to know customers and their needs

Source: Adapted from Zeithaml, V.A., Parasuraman, A., & Berry, L.A., (1990 p21-22)

Assessing the quality of service using SERVQUAL involves calculating the difference between the ratings assigned by respondents to the paired expectation-perception statements. The organisation's quality of service along each of the dimensions can then be assessed across all respondents by averaging their SERVQUAL scores on statements making up a dimension. The SERVQUAL scores for the dimensions can then be averaged to obtain an overall measure of service quality.

The purpose of SERVQUAL is to serve as a diagnostic methodology for uncovering broad areas of an organisation's service quality shortfalls and strengths. As it is the basic framework underlying service quality, it is recommended that the instrument be used in its entirety. It is argued that while minor modifications to the wording are

appropriate, deletions of items could affect the integrity of the scale and cast doubt on whether the measure of service quality has been fully captured.

The 10 key categories of service quality determinants have some overlap, but their initial exploratory research did not measure the possible overlap across the 10 criteria. Further empirical investigations were carried out and the number of dimensions was reduced from 10 to 5:

- i) Tangibles
- ii) Reliability
- iii) Responsiveness
- iv) Assurance
- v) Empathy

Further research was carried out to test this original model and a number of other amendments were made. Their research recognised that the wording could be contributing to unrealistically high expectation scores and so slightly different terminology was used. In most cases the use of the word “should” was replaced with “would”.

In the original instrument of the 22 items sixteen were worded positively and six were worded negatively. The results indicated that the negatively worded items could be problematic and so all of the negatively worded items were changed to a positive format.

Two new items were substituted for original items. The original instrument did not have an item relating to the appearance of communication materials and this was inserted under the tangibles. There was also no item focusing on employee knowledge and so this was amended.

The relative importance of the five dimensions had previously been derived indirectly and the tool was refined to ask customers to allocate a total of 100 points across the dimensions according to how important they considered each to be. This enables a weighted score, which takes into account the relative importance of the dimensions, to be calculated.

Criticisms of the SERVQUAL instrument. A number of criticisms have been levelled at the SERVQUAL instrument aimed at both the conceptual and the operational level. Cronin and Taylor (1992), Babakus and Mangold (1992) and Teas (1993) have been particularly critical. They argued that the conceptualisation and operationalisation of service quality as defined by SERVQUAL was inadequate. They consider that Parasuraman et al's definition of service quality is ambiguous in relation to its conceptualisation and therefore SERVQUAL's service quality definition is based upon a flawed paradigm. By using the literature on attitude and satisfaction, they conclude that service quality is set initially by expectation and then revised by the iterative process of experience. They concluded from this review that current performance best reflects a customer's perception of service quality and that expectations are not a part of this concept. They argue that performance measures are better than the disconfirmation approach.

Carmen (1990) in his work also claimed to have found little empirical evidence to support the relevance of the perception-expectation gap as the basis for measuring service quality.

Brown, Churchill and Peter (1993) also investigated the validity and reliability of the difference score method for measuring service quality as conceptualised by the SERVQUAL instrument. They argue that the different score methods often demonstrate poor reliability because there is normally a positive correlation between the two components (expectations and perceptions), possibly because the respondents compare their scores for the two sets of statements.

SERVQUAL's dimensionality has not proved universal. Published empirical studies have produced a variety of dimensions. Babakus and Boller (1992) in their study of electricity and gas confirmed two SERVQUAL dimensions and added two from the original ten dimensions of service quality.

Lam (1995) reports that there were problems with the dimensions of SERVQUAL, thus raising the fundamental question of what is SERVQUAL measuring? Buttle (1996) and Genestre and Herbig (1996) argue that SERVQUAL only measures the process of delivery rather than the outcomes of service whilst Gilmore and Carson (1992) observe that SERVQUAL is narrowly focused on service or product

dimensions to the neglect of the rest of the marketing mix. These arguments appear to state the obvious, but for this research the aim was to measure the quality of the service delivery process (QSD) and not the Quality of Service and therefore the SERVQUAL model was an appropriate method to achieve this.

Among the first to study professional services using SERVQUAL were Haywood-Farmer and Stuart (1988) who hypothesised that the SERVQUAL instrument was too narrow for measuring professional service quality dimensions since the professional element (core services, customisation, knowledge) was not included.

The use of SERVQUAL in this research. There is clearly an ongoing debate into service quality and its measurement, and there are possibly more areas of disagreement than agreement. The key aspects of the debate can be summarised as follows:

- i) The nature of the relationship between service quality and customer satisfaction is not agreed and the role of expectations in measuring service quality continues to be debated.
- ii) Some measure of perceived performance is important in assessing service quality.
- iii) The dimensions of service quality vary depending on the context in which it is being measured.
- iv) Within a context there is not agreement over the exact number of dimensions and their definitions.

This research required data, either quantitative or qualitative, to support customers' views of the service they received from the four teams participating in this research. It was hoped that a customer-focused exercise would be carried out at the start of the research and repeated at the end of the research in order that comparisons could be made, to determine what impact the teams' quality improvement activities had on the quality of service.

The debate about the link between service quality and customer satisfaction and the appropriateness of the perception-expectation measure of quality, although important, did not appear to significantly affect the usefulness of the SERVQUAL

instrument in this research context, as it provided a framework from which useful customer feedback could be obtained and discussed.

To overcome some of the issues raised about the dimensions of service quality, the original ten-dimension model was used. It would then be possible to make a comparison of the results against the amended five-dimension model. Consequently, this research can contribute to the debate as to which SERVQUAL model is most appropriate to the public services along with any other findings arising from its use in this research.

Questionnaire for Housing Services. Based on the SERVQUAL model developed by Parasuraman et al, the questionnaire for Housing Services contains an “expectations” section consisting of 20 statements and a “perceptions” section which comprises a matching set of statements. Respondents were required to rate each statement against a seven-point scale ranging from “strongly agree” to “strongly disagree”. (Appendix 3)

Statements were designed for each of the ten dimensions by drawing on the Housing Services Specifications, which had been written for the purpose of Compulsory Competitive Tendering. The specifications identified the important issues that relate to each of the 10 dimensions. Senior managers from Housing Services were then involved in agreeing the statements that had been developed.

A section was also included between the expectations and perceptions section, which encouraged tenants to identify the relative importance of the ten dimensions of quality. Tenants were asked to assess the importance of each of the dimensions by assigning marks out of a total of 100 for each one of the ten dimensions.

A final section covered questions on demographics, for example, age, classification of household, number of residents etc., in order to provide groups by which the results of the questionnaire could be analysed.

The questionnaire was piloted on 24 residents and amendments were made before the final draft of the questionnaire was mailed to a random sample of Council tenants. The only change to the questionnaire was the addition of a further section which contained a number of questions relating to the tenants' overall impression

about the service they receive from Housing Services, including questions on the building they rent.

The final questionnaire was distributed to a sample size of 500 council tenants. The number of valid returned questionnaires was 91, which is a sufficiently large number to provide reliable evidence on whether or not there is a significant gap between expectations and perceptions of service quality in the housing service.

Questionnaire for Legal Services. The questionnaire developed for Housing Services was adapted to fit Legal Services. The same format for the questionnaire was used, with the ten dimensions remaining with two statements allocated to each of the dimensions. Senior management within Legal Services were consulted to ensure that the statements encapsulated the important issues of their service delivery. Appendix 4.

For the focus of this research, as the customers of Legal Services are all “internal customers” the final copy of the questionnaire was distributed to Heads of Service, unit managers and supervisors within the Council, in April 1998. A total of 96 questionnaires were sent out and 45 valid questionnaires were returned. This was deemed to be a large enough number to provide reliable evidence on whether or not there is a significant gap between expectations and perceptions of service quality.

Due to time constraints, it was decided that no real benefit would be derived from a repeat of these surveys within the short period of two years.

Focus groups

Qualitative data on customers’ views of the Engineering and Accountancy Services were to be gathered using focus groups.

What are focus groups? Focus groups can be described as group interviews, although not in the sense of an alternation between the researcher’s questions and the research participants’ responses. Instead the reliance is on the interaction within the group, based on topics that are supplied by the researcher, who typically takes the role of a facilitator. The fundamental data that focus groups produce are transcripts of the group discussions.

Focus groups are among the most widely used research tools in the social sciences and are useful either as a self-contained means of collecting data or as a supplement to both quantitative and other qualitative methods.

The focus group interview usually involves 8 to 12 individuals who discuss a particular issue under the direction of a facilitator who promotes interaction and ensures that the discussion stays on the topic of interest. A typical focus group session lasts from one and a half to two and a half hours. The facilitator plays a key role in ensuring that the group discussion goes smoothly, and depending on the intent of the research, the facilitator may be more or less directive. Usually the facilitator is nondirective, allowing the discussion to flow naturally provided that it remains on the topic.

The amount of direction provided by the facilitator does tend to influence the types and quality of data obtained. The facilitator sets the agenda for the discussion and when asking a new question suggests a new topic for discussion. The tendency of the group is to comply. A group discussion might never cover particular topics if the facilitator does not intervene.

Focus groups provide a rich body of qualitative data, expressed in the participant's own words. This gives this method a major advantage over other methods of data collection, such as survey questionnaires, where respondents are constrained in their responses. However, there has been much criticism associated with focus group research. The main criticisms are that they do not yield 'hard' data, and there is concern that the group members may not be representative of a larger population.

Advantages of this method of data collection. Focus groups are widely used because they provide useful information and offer a number of advantages:

- i) Data is provided from a group of people more quickly than would be the case if individual interviews were carried out. The researcher is able to observe a large amount of interaction on a topic in a limited period of time.
- ii) They allow direct interaction, which provides the researcher with the opportunity to clarify responses or pose any follow-up questions. In addition, the researcher is able to observe non-verbal responses, which may supplement the verbal response.

- iii) They allow the researcher to gather large amounts of rich data in the respondents' own words.
- iv) The synergistic effect of the group setting can result in data being provided that might not have been uncovered in individual interviews. The hallmark of focus groups is the explicit use of the group interaction to produce data and insights that would be less accessible without the interaction found in a group.
- v) They are very flexible allowing for the examination of a wide range of topics.
- vi) The results are easy to understand.

Disadvantages of using focus groups. Although there are a number of advantages to this approach, the literature also highlights a number of limitations:

- i) The small numbers involved in focus groups, even if several different groups are run, significantly limits generalisation to a larger population.
- ii) The interaction of the group members and the researcher also gives rise to limitations. Firstly, the responses from members of the group are not independent of one another, which again restricts the generalisability of the findings. Secondly, there is also the possibility that the results can be biased by the presence of a dominant individual.
- iii) Summarisation and interpretation can be difficult due to the open-ended nature of responses.
- iv) The researcher may place greater importance on the findings because of the immediate nature of the interaction.
- v) There is always some residual uncertainty about the accuracy of what the participants say.
- vi) Bias may be introduced into the results, either knowingly or unknowingly, by providing cues about what types of responses are desirable.

The use of focus groups in this research. All research tools in the social sciences have significant limitations. Focus groups were chosen for data collection in this research, but although they are a useful method by which large amounts of customer feedback data can be collected, the results are not representative and cannot be taken as generalisations, but instead used to highlight issues for further investigation.

As previously stated, focus groups were to be used to obtain customer feedback for Engineering Services and Accountancy Services, however it was not possible to obtain the agreement of Accountancy Services to carry out these focus groups or any other customer feedback exercise.

Two focus groups were held for Engineering Services in October 1998. Each of the focus groups comprised representatives from a variety of stakeholder groups – housing developers, chamber of commerce, parish councils, local businesses, residents of the District, County Council and design consultants. Six people attended the first focus group discussion and 8 people attended the second.

The focus group discussions were approximately two hours in duration. The group discussion started with a brainstorm in response to the researcher's question, "What would you expect from excellent engineering services?" The list produced as a result of the brainstorm was then used to guide the discussions on how well the service performs currently. The topics for discussion were determined by the groups themselves, with intervention from the researcher only when the group appeared to be straying from the purpose of the discussion or if debate focused on one particular issue for some time without anything new being added.

The focus group discussions were taped with the agreement of all participants and the results of the discussions transcribed against the ten dimensions of service quality used in the SERVQUAL model to enable comparisons of the two methods used in this research to be carried out. The key issues raised by the focus group discussions addressed all of the dimensions of the SERVQUAL model.

Additional Measurement Tools

The Five Stages of Quality Improvement Model. A stages model was also developed to assist in identifying links between the critical success factors and the progress an organisation has made in implementing TQM. The stages model was developed based on the research of Crosby (1979), Dale and Lascelles (1991) and Cook and Baxter (1991). These authors were chosen because they had all carried out research into organisations to identify whether or not there are distinct stages, which an organisation passes through in the development of a TQM philosophy. A

review of these authors and subsequent development of the stages model are discussed in Chapters 3.

Drawing on the literature a number of criteria have been developed into different independent measures that will be used to operationalise the five stages of quality improvement model. These criteria are:

- i) **Awareness** – The degree of knowledge of quality as a tool for improvement and acceptance of this knowledge as an essential management tool.
- ii) **Interest in Quality** – The evidence of quality champions within the organisation, and the degree to which interest in quality has been spread to other employees within the organisation.
- iii) **Experience/Experimentation** – Evidence of improvement activities at departmental, interdepartmental and organisational levels.
- iv) **Commitment to action** – Commitment to quality improvement, including evidence of senior management involvement in quality improvement activities and the allocation of resources, and investment in training, for quality related issues.
- v) **Routinisation of action** – The degree to which quality improvement activities have become systemic. Evidence of quality systems, not only those that are explicit and formal, such as ISO 9000, but also those that are implicit and informal.
- vi) **Level of Results** – The progress the organisation has made in its quality improvement activities.

Figure 4.10 illustrates how these criteria have been developed to establish a measurement tool for the five stages of quality improvement model. This model was then used in the interviews carried out with the members of the Quality Club in an attempt to provide evidence of links between the critical success factors and the progress an organisation has made in implementing TQM.

Figure 4.10
Five Stages of Quality Improvement Model

	Uncommitted	Aware	Improvers	Winners	Excellers
Awareness	No evidence of knowledge of the benefits of a quality approach.	Some evidence of knowledge – approx ¼ of the organisation. Little evidence of involvement in quality improvement.	Widespread awareness of quality improvement. At least ½ of the organisation.	Widespread awareness of quality improvement.	Universal awareness of quality improvement.
Interest	No evidence of interest in quality improvement programmes.	A few quality champions.	¼ - ½ of the organisation involved in quality improvement activities.	Over ½ of the organisation involved in improvement activities.	Whole of organisation is involved. Quality improvement activities have become the norm.
Experience	No evidence of quality improvement activities.	Evidence of a small number of local improvement activities.	Number of local improvement activities underway. Evidence of 1-2 interdepartmental projects.	Evidence of local and interdepartmental improvement activities. Some co-ordination of organisation wide activity.	Improvement activity is widespread at local, interdepartmental and organisational levels.
Commitment	No evidence of management commitment. No resources allocated	Little evidence of management commitment, although one of the quality champions may be a senior manager	Evidence of management commitment, though lack of co-ordination between activities. Some allocation of resources for improvement activities and training.	Evidence of management commitment, with involvement in improvement activities. Ongoing training programme.	Evidence of management commitment with involvement in improvement activities. Ongoing training programme.
Routinisation	No evidence of systems, although may have ISO 9000 in response to customer demands	No evidence of quality systems	Some evidence of formal and explicit systems to reinforce quality improvement activities.	Evidence of systems, both formal and informal	Evidence of formal and informal systems. Quality improvement is embedded within the organisation
Results	None	Too early to have evidence of results arising from improvement activities	Some results evident from local improvement activities	Evidence of interdepartmental success and 1-2 major organisational successes	Evidence of 4-5 organisation wide successes with the organisation providing a template for best practice.

SUMMARY

A variety of methods of data collection has been used in this research providing strength through diversity in testing the proposition that “Process management, via TQM, improves the quality of professional service provision within local government. A number of sources have also been used to provide greater reliability and validity to the results.

In Part Two, the results arising from the various methods of data collection are presented. The results have been divided into a number of chapters:

- Chapter five, sets the context within which the four teams participating in this longitudinal study operate.
- Chapters six, seven, eight and nine present the results of the exercises carried out in relation to the four teams.
- Chapter ten presents the results of the interviews with the members of the Quality Club.

In Part Three, discussion of these results test the model for quality improvement within local government, proposed in Chapter 3, and the conclusions and recommendations drawn from these discussions are presented in Part Four.

Part Two – Results

Chapter 5

Introduction

STRUCTURE OF PART TWO

In Part Two, the results of this longitudinal study are presented. They are presented in five separate chapters:

Chapter Six – Engineering Services

Chapter Seven – Housing Services

Chapter Eight – Legal Services

Chapter Nine – Accountancy Services

Chapter Ten – Quality Club Members

Chapters 6,7,8 and 9 are each divided into three sections:

Section One Benchmarking with service teams, using participant observation

Section Two Investigation of context and probing of explanatory factors with managers and Heads of Service, using semi-structured interviews

Section Three Customer consultations in the form of either focus groups or a customer questionnaire.

It can therefore be seen that each of the sections examines quality improvement in the service from the viewpoint of a different stakeholder and employs a different method of data collection. This triangulation of stakeholder perspectives and of data collection methods allows the study to minimise some of the limitations inherent in case study based research.

The main data-gathering tool throughout the longitudinal study was a benchmarking exercise with the service teams, carried out at various intervals, using the CSFs benchmarking tool, which was used to structure the teams' discussions on their quality management processes. The teams were then asked to arrive at an agreed score for each of the elements of the tool and to give their reasons.

The author then made comparisons between these sets of scores over time in each team, and the team was asked to identify possible reasons for changes in the scores. These are summarised in this section.

Section two describes the results of the semi-structured interviews with the teams' managers and Heads of Service. These interviews were structured around the issues identified in the benchmarking exercises. The purpose of the interviews was to explore the team's perspective against that of the managers responsible for the service. The interviews explored the views of the managers on how successfully the teams had pursued quality improvement processes and explored, in a wider context, possible explanations for the changes in the benchmarking scores.

In section three the results of the customer consultation exercises are presented. For Housing Services and Legal Services this involved a customer-based questionnaire and for Engineering Services customer focus groups were used. There was no customer consultation exercise carried out for the Accountancy Services team as it was not possible to secure the agreement of the manager of Accountancy Services to carry out such an exercise.

The final chapter, Chapter Ten, contains the results of the interviews carried out with six external organisations. All of these organisations were members of the Industrial Society's West Midland's Quality Club and were chosen because they were all strong proponents of total quality management. The CSFs benchmarking tool was used to structure the interviews with these organisations. However, the critical success factor relating to professional identity was not included as the interviews were aimed at approaches to quality management systems at an organisational level and did not identify different professional groups.

In the second set of interviews carried out with the external organisations, the five stages of the quality improvement model were used to explore the inter-relationship

between the CSFs and the level of progress made by each organisation towards the achievement of a culture of continuous improvement.

The results of these interviews provide a useful contextual backcloth to the problems faced by the teams at Authority X. They demonstrate a range of routes by which quality improvement can be achieved, in terms of balancing progress across the CSFs.

THE ORGANISATIONAL CONTEXT

Introduction

In this chapter, the organisational context within which the four teams operate will be discussed. The requirements of Compulsory Competitive Tendering (CCT) at the start of this research were seen to be a trigger for change. It was hoped that by focusing on four teams that were to be subjected to CCT rich data could be collected on the quality improvement activities of the four teams. This chapter, therefore, describes the introduction and subsequent development of white-collar CCT, illustrating the impact of the developments on the four teams.

More recently the introduction of Best Value legislation has had a significant impact on the authority and the requirements of this legislation are also outlined.

The activities and initiatives the organisation has introduced in response to external triggers for change and the outcomes to these activities will also be illustrated.

Compulsory Competitive Tendering

At the start of this research the teams were aware of the requirement to expose their services to Compulsory Competitive Tendering (CCT) as the Government had introduced competition for professional services work under the Local Government Act 1988. When the Act received parliamentary approval it contained seven “defined activities” that would be required to be exposed to competition. These were referred to as the ‘blue collar’ defined activities and related to the areas of street cleansing and refuse collection, cleaning and catering, grounds maintenance and vehicle maintenance.

The power created by s2 (3) of the Act provided for further activities to be deemed “defined activities” and a start was made in 1989 to add further defined activities to the original seven listed. In all, a further ten were added:

- i) Management of sports and leisure facilities (1989)
- ii) Management of local authority housing (1994)
- iii) Supervision of parking (1994)
- iv) Management of vehicles (1994)
- v) Security (1994)
- vi) Legal Services (1994)
- vii) Construction and property related services (1994)
- viii) Financial services (1995)
- ix) Information technology (1995)
- x) Personnel services (1995)

The proposals for the expansion of CCT to new defined activities were firmed up in November 1992 by the release of a further Consultation Paper “The Extension of Compulsory Competitive Tendering”. This gave the results of the previous consultation exercise. Some of the concessions in this paper were for new consultation arrangements, which were included in a further Consultation Paper released in December 1992, and which led to the establishment of a series of working groups. It was the results of these consultations that gave rise to the new proposals and regulations for extending CCT.

A press release issued from the DoE in Spring 1993 indicated the programme to be followed. Legal Services and construction related services were to be in the first tranche, followed by a phased programme comprising tranches for IT, housing management, finance, personnel and corporate and administrative services. The contract start date of 1 October 1995 was announced as being the date on which the first tranche would be operational. An announcement on June 15 1993 conceded that *de minimis* thresholds would be introduced, below which a service would not be subjected to CCT.

At this stage, the indicative percentages were 33% for Legal Services and 90% for construction-related services.

The first of the corporate activities to be finalised was Legal Services by way of a consultation paper issued on December 15 1993. This was closely followed by papers on housing management and construction-related services, 21 January 1994 and 22 February 1994, respectively.

The consultation process in respect of the remaining proposed defined activities in the corporate group was completed towards the end of 1995. Formal consultation papers were issued in respect of IT services, finance services and finally personnel services. As far as these services were concerned the consultation process did not conclude until early 1995.

Regulations detailing credits and the competition requirements soon followed. Unlike the simpler approach applied to the traditional defined activities, the white-collar approach was based on a system of credits and allowances. This system was so complex and so difficult to monitor that, in the government's eyes at least, there was wholesale avoidance of the impact of the new regime. The imposition of white collar CCT was never designed to apply to the total costs of a defined activity and relied on the authority applying an algebraic formula to the cost of the service. As a result of local authority concerns about the use of the formula, various concessions were given by the government. However, these allowances were never formally defined in legislation. Conflicting advice was given in certain areas and in the ensuing muddle it was clear that authorities sought to gain the maximum advantage by exposing as little work to competition as possible.

The key principles of the CCT framework for professional services were:

- i) The relevant authorities and activities are 'defined' for competition purposes.
- ii) The authority calculates the total value of work within each activity.
- iii) For each activity, an authority may undertake a proportion of the total work without putting this out to competition, the remainder must go out to competition before the work can be undertaken in-house.
- iv) Various other offsets can be made against the amount of work which would otherwise need to be exposed to competition.

- v) For each activity there is a '*de-minimis*' provision so that if the total value of an authority's work is very small, it does not need to go out to competition on any work.

The proposals for competition requirements issued at this stage were as follows:

Service	% of work to be exposed	<i>De-minimis</i> level	Date contract to be operational
C&PR	65%	£450,000	1 st Oct 97
Legal	45%	£300,000	1 st Oct 97
Finance	35%	£300,000	1 st April 98

In May 1996, a DoE press release indicated that Sir Paul Beresford, the then Minister, was to introduce new proposals to increase the amount of work exposed to competition. This review proposed that many of the previous allowances against competition should be scrapped, *de-minimis* allowances tightened up and competition percentages increased. After a period of consultation, further proposals were announced on 12 November 1996 and new competition regulations introduced in February 1997.

The proposals announced in November identified a number of changes to the requirements as follows:

Service	% of work to be exposed	<i>De-minimis</i> level	Date contract to be operational
C&PR	65%	£300,000	1 st Oct 97
Legal	45%	£300,000	1 st Oct 97
Finance	50%	£300,000	1 st Oct 98

By this time the Housing Management contract at Authority X had been let to the in-house contractor, who submitted the only bid.

The calculation to determine the amount of work to be exposed to competition changed significantly and as a result C&PR services and Legal Services were *de-minimis*. The only service still required to be exposed to competition was Finance.

Two options were put to the Directors' Management Team to consider how the requirement to expose £560,000 worth of finance work to competition could be met. These were:

- i) an accountancy based package
- ii) a revenues and benefits based package.

The likely contract value for an accountancy-based package would be around £780,000. However, it was argued that this contract would involve the exposure of the accountancy section, which is usually considered a 'core' function.

A revenues and benefits package could be assembled by including some or all of the sections, dependant upon the desire to retain or enhance service delivery through the provision of integrated services. A contract based on all of the services would clearly exceed the minimum competition requirement as the likely contract value would be around £1.5 million.

By April 1997, it was agreed that a revenues and benefits package be pursued. The accountancy team was therefore no longer under the threat of CCT.

Following the general election, a review of CCT was undertaken which led to some of these changes being reversed. The Labour Party promised to repeal the CCT legislation and replace it with a new regime based on the concept of 'Best Value'.

On 2 June 1997, Hilary Armstrong, the New Local Government Minister for England, gave a parliamentary answer which made important policy announcements about the future of CCT. This answer restated the pledge to replace CCT, but indicated that there was no short term intention to repeal the legislation. However, the regime would be relaxed for some authorities to enable the Best Value concepts to be piloted.

A review of CCT was undertaken to consider the changes brought in by the Beresford Review. As CCT was likely to survive at least another 2 years the government was clearly trying to ensure that no further work would be required once it had been amended, so that the development of Best Value could be the focus of their attention.

On 27 July 1997 the results of the review were announced, and a consultation paper issued "CCT – Changes to Regulations and Guidance". The proposed changes involved some major issues as well as some minor ones. On November 22 a press release was issued to announce the new regulations. Many of the issues raised in the consultation paper were simply agreed and implemented, thereby allowing the government to claim that the regime has been substantially loosened.

From this time, it was unlikely that there would be any further changes in the CCT regime, until its formal dismantling on 2 January 2000. However, Government spokesmen have repeatedly made it clear that competition will have a continuing role within Best Value.

The final changes to the requirements were as follows:

Service	% of work to be exposed	<i>De-minimis</i> level
C&PR	55%	£450,000
Legal	45%	£300,000
Finance	40%	£300,000

These changes in effect produced a credit of £266,000 for C&PR services before they would be subjected to CCT and a credit of £62,000 for Legal Services.

The changes to the competition requirement for Finance meant that around £360,000 worth of work would have to be exposed to competition rather than the originally anticipated £560,000. However, this had no effect on the Accountancy Services team as it had already been agreed that a revenues and benefits package should be put together to meet the competition requirements.

Best Value

In reality the teams managed to escape the full impact of CCT, however a new regime of Best Value became mandatory from 1 April 2000. This Best Value initiative was first introduced in 1997 as a replacement for CCT and has ensured that the authority was unable to become complacent about its approach to quality.

The Government has described Best Value as a duty, to be owed by councils to “local people, both as taxpayers and the customers of local authority services” which will apply to all local authority services, including regulatory and enabling functions, and which will “require local authorities to deliver the quality of service that local people expect at a price they are willing to pay”.

The government’s approach to Best Value was originally reflected in the 12 principles set out in the consultation paper of March 1998, and can be summarised as:

- i) The duty of Best Value is one that local authorities will owe to local people.
- ii) Best Value is not just about economy and efficiency but also service effectiveness and quality.
- iii) The duty applies to a wider range of services than those covered by CCT.
- iv) Services should not be delivered directly if other more efficient means are available.
- v) Competition will continue to be an important management tool, but in itself will not be enough to demonstrate Best Value.
- vi) The basic framework for service provision will continue to be set by central government.
- vii) National targets and performance indicators will need to be supplemented by local targets.
- viii) Performance information is an essential management tool.
- ix) Comparisons of performance will be needed to demonstrate Best Value.
- x) Auditors’ role will be to identify whether Best Value has been achieved.
- xi) The Secretary of State will have powers to intervene.

- xii) The nature of intervention will be appropriate to the failure.

Although in some services, where little or no market exists, performance can be measured by using tools such as benchmarking. The Government has stressed that in most services there will be a clear presumption in favour of open competition.

So although the teams, with the exception of housing, believed they would be subjected to CCT at the start of this research, that threat was removed as the research progressed. However, competition has been re-introduced under the banner of Best Value, only this time there are no exemptions.

Best Value could be viewed as a greater threat to retaining services in-house than CCT ever was. However, in practice it has been viewed as an opportunity to strive for improvement by a majority of the organisation. One of the requirements of Best Value is that every service will have to undergo a fundamental service review, over a five-year period. These reviews must rigorously challenge current service provision.

All of the teams will therefore be involved in fundamental reviews over the five years from April 2000. The review of Housing Services commenced in April 1999 and will span a four-year period. Legal Services and Accountancy Services are to be reviewed in 2002 and the Engineering Services team is to be reviewed in 2001. It is clear from the requirements of Best Value that services cannot be complacent about improving current service provision and although some of the teams will not be required to undergo fundamental service reviews for a number of years a considerable amount of work will need to be done in preparation for the reviews, to enable them to demonstrate year on year improvements in performance.

It is therefore clear, that the trigger for change identified at the start of this research has changed emphasis from CCT to Best Value. However, the approach adopted by the authority to CCT was generally one of avoidance. Best Value, in contrast, so far does not appear to offer the same 'get out' clauses.

Other Events that have Triggered Change within the Local Authority

In the early 1990s the local authority responded to increasing pressure to demonstrate effectiveness, efficiency and economy in the delivery of its services by commissioning external consultants to review its structures. The result was a reduction in the number of departments and therefore a smaller top management team. This new management team – the Directors' Management Team, responded to a number of recommendations presented by the consultants, in particular the introduction of TQM was investigated. Figure 5.1 maps the key activities undertaken by the organisation in introducing TQM and highlights other important milestones in the development of the authority over the duration of this research.

It is clear that the organisation was subject to the introduction of a number of new initiatives once the new Directors' Management Team had been appointed. These initiatives included:

- Total Quality Management
- Investors in People
- Business Planning
- Team briefing
- Management Development
- Devolved budgets

This was accompanied by a new business ethos that was pervading local authorities at the time. At the start of the 1990s, Authority X was still a very paternalistic organisations and the new Directors' Management Team soon became aware of the need to change the culture of the organisation. Managers were going to have to start to manage their businesses, improve productivity whilst resources decrease in the face of increasing customer demands. At this time, managers generally were not aware of their unit costs, had little knowledge of their performance and very little contact with customers to determine their needs.

Since the early 1990s there has been considerable change in the authority. There is now greater awareness of performance, with a tiered arrangement of performance indicators monitoring performance at various levels across the organisation. Managers now have greater control of their budgets with greater freedom to vire budgets and this has been supported by improved management information systems.

There has been a significant increase in the past few years in customer consultation and partnership working. This was partly due to the authority's success in winning Single Regeneration Budget (SRB) monies, which placed a heavy emphasis on consultation and working in partnership, and partly due to the introduction of the Government's modernising agenda, which also requires an authority to consult with its communities and to work in partnership to meet the needs of those communities.

The loss of contracts under CCT to external contractors, also had an impact on the authority. In one way it gave the authority greater resolve to ensure that white-collar contracts were retained in-house and a dedicated officer was appointed to manage the white-collar CCT process. Needless to say no white-collar services were let to external contractors, and the blue-collar contracts are being won back in-house.

The IIP assessment carried out in March 2000 confirmed that there had been a significant change in the culture of the authority in the three years since the previous assessment. This research has followed these changes and the results are presented in the following chapters.

Figure 5.1 Key Activities at Authority X

Date	Activity	Outcomes
April 1992	Consultants reviewed the structure of the organisation.	A flatter structure and new management team were put in place.
September 1992	Team briefing introduced. Training is given to all managers and supervisors required to brief employees.	Team brief has been reviewed a number of times. Viewed as lack of commitment from DMT as the core brief is poor. However clear that a number of managers are not committed to the process and there are areas of the organisation where team brief does not occur.
November 1992	Training given to all managers on business planning.	Following the training, managers were required to produce their business plan by April 1993. Further training has been given to managers on request. The quality of business plans is mixed and there are still departments that do not prepare business plans.

Date	Activity	Outcomes
April 1993	Introduction of TQM. Training commenced for all teams throughout the authority.	Success of the initiative was mixed. Some teams continued to meet on a regular basis to discuss improvements to their way of working. A small number of teams gave presentations to their senior management team and a number of improvements were implemented.
April 1993	The Council made a commitment to work towards the Investors in People Standard.	The Council attained recognition as an Investor in People in March 1997 and was successful in its reassessment in March '00.
September 1994	Personal Development Plans (PDPs) were introduced throughout the organisation on a voluntary basis.	PDPs were developed by a representative group of officers in response to the requirements of IiP. The Chief Executive decided "sign-up" to PDPs should be voluntary and to date around 20% of employees have formally signed up to the PDP process. PDPs are currently being reviewed with the view that they become compulsory.
October 1994	Training was given in facilitation skills.	In total, 50 employees were trained as facilitators. However there is little evidence that these facilitation skills have ever been used.
October 1994	Heads of Service set up a TQM Steering Group.	A small number of interdepartmental improvement activities are undertaken with some success. Heads of Service Group still meets, though quality improvement activities are no longer on the agenda.
December 1994	The contract for refuse collection is lost to an outside contractor.	It became clear to Members that an external contractor could provide council services to an acceptable standard.
January 1995	White-Collar CCT begins to be addressed in earnest.	The only service put out to competition was the housing management contract, which was won by the in-house provider as the only tender.

Date	Activity	Outcomes
April 1995	Bid for SRB money was successful, and £19.5 million was allocated for projects in the Gateway area.	Partnership team was set up to oversee Gateway projects and ensure Government requirements are met. Currently investigating how this work can be continued once the Gateway money comes to an end.
May 1995	Training is given to teams on process management.	A number of successes are evident as a result of process improvement activity, though activity is patchy. Once the corporate monitoring systems are removed there is little evidence of continued activity.
November 1995	A comprehensive programme of training for National Vocational Qualifications and Management Charter Initiative Standards is introduced.	Over 100 employees have obtained NVQ qualifications in management or specialist topics.
March 1996	In response to poor trading results of the Direct Works Section of Contract Services, a total review of the organisation was undertaken by an independent review team.	The review resulted in both a new management structure and a change in senior management. In 1999/00 Contract Services have returned a trading surplus of £250,000.
April 1996	The first Council Business Plan is implemented.	Each year the Council Business Plan is reviewed and updated. For 1999-00 the Council Business Plan was amalgamated with the Corporate Plan and a draft Local Performance Plan was produced.
April 1996	The Council is successful in the latest round of SRB bids and is awarded £7.5 million for Trent Challenge.	The Partnership team takes on new employees to cover the Trent Challenge area.
October 1996	The first performance review reports are presented to Members, illustrating performance against targets contained within the Council Business Plan.	Committee Service Plans are produced to support the Council Business Plan and six-monthly performance reports are presented to Members. The Committee Service Plans have been refined in 2000 to take into account the new decision making structures.

Date	Activity	Outcomes
February 1997	The last tranche of the Grounds Maintenance Contract is lost to an external contractor.	The Grounds Maintenance contracts are up for renewal in December 2001.
June 1997	Further training is given to managers on business planning.	A simplified format was introduced to assist managers in being able to prepare their business plans.
March 1998	Introduction of a management competencies assessment tool, developed by managers of the authority.	There is no monitoring of the use of the assessment tool and it would appear that usage is patchy.
Feb 1999	The Council agrees its approach to Best Value and a five-year programme of fundamental service reviews is determined.	The pilot reviews commence in May 1999.
March 1999	Severn Trent Water Ltd terminates its agency agreement with the authority.	The Drainage department ceased to exist. The loss of the agency has cost the Council.
May 1999	A new experimental committee structure along the lines of the Government's Cabinet and Leader model is introduced.	This is reviewed in November 1999. Further changes are introduced in May 2000. Service committees no longer exist, having been replaced by a number of Scrutiny Committees.
May 1999	The Council signs up to the West Midlands Local Government's Association's Best Value Assessment Scheme.	The Council prepares its submission in May 2000 and is subject to a peer group assessment in July 2000. The results of this assessment are to be presented in September 2000.
May 1999	Three teams undergo pilot fundamental service reviews – Housing maintenance, Streetcare and Building Control.	The reviews results in detailed action plans, which demonstrate continuous improvement. The housing maintenance service is to be subject of an inspection in October 2000.
February 2000	Contract Services commence the Refuse Collection and Street Cleansing Contract.	Attempts have been made to reduce some of the duplication in supervision that arose from the previous client-contractor split. This resulted in redundancies.

Date	Activity	Outcomes
March 2000	The Council publishes its first Local Performance Plan, in line with the requirements of the Local Government (Best Value and Capping) Act 1999.	The Council receives a favourable audit from District Audit on its Local Performance Plan and its preparations for Best Value.
May 2000	The Government's Cabinet and Leader model is adopted, as far as current legislation will allow.	Regulations and Guidance in relation to the Local Government Act 2000 is awaited to enable the Council to determine what further work is required in order that requirements are satisfied.

SUMMARY

Over the duration of this research the authority has been subjected to a considerable amount of change. Change has been imposed on it by central government through legislation as well as by internally driven initiatives aimed at improving organisational effectiveness. This research follows the activities of four professional teams over this period of change, from 1993 to 2000 and identifies the different responses from the teams to these triggers.

In Chapters 6,7,8 and 9 the results of the teams' improvement activities are presented. In Chapter 10, the results of the interviews with the six Quality Club Members are presented. All of these organisations were members of the Industrial Society's Midland Quality Club and were chosen because they were all strong proponents of TQM.

In Part Three, the model of best practice for quality improvement is developed through discussion of the results at the team and organisational level.

Chapter 6

Engineering Services

BACKGROUND TO THE TEAM

The Engineering Design and Supervision Unit (Engineering Services team) is found within the Development Services Directorate (Figure 6.1). At the start of this research, there were two divisions within this directorate – the planning division and the technical services division. The Head of Technical Services is responsible for six business units, one of which is Highways and Development Services, where the Engineering Services team is located. In 1993 the Highways and Development section comprised three separate units. These were:

- Highways Management and Transportation Unit
- Engineering Design and Supervision Unit
- Engineering Clerks of Work Unit.

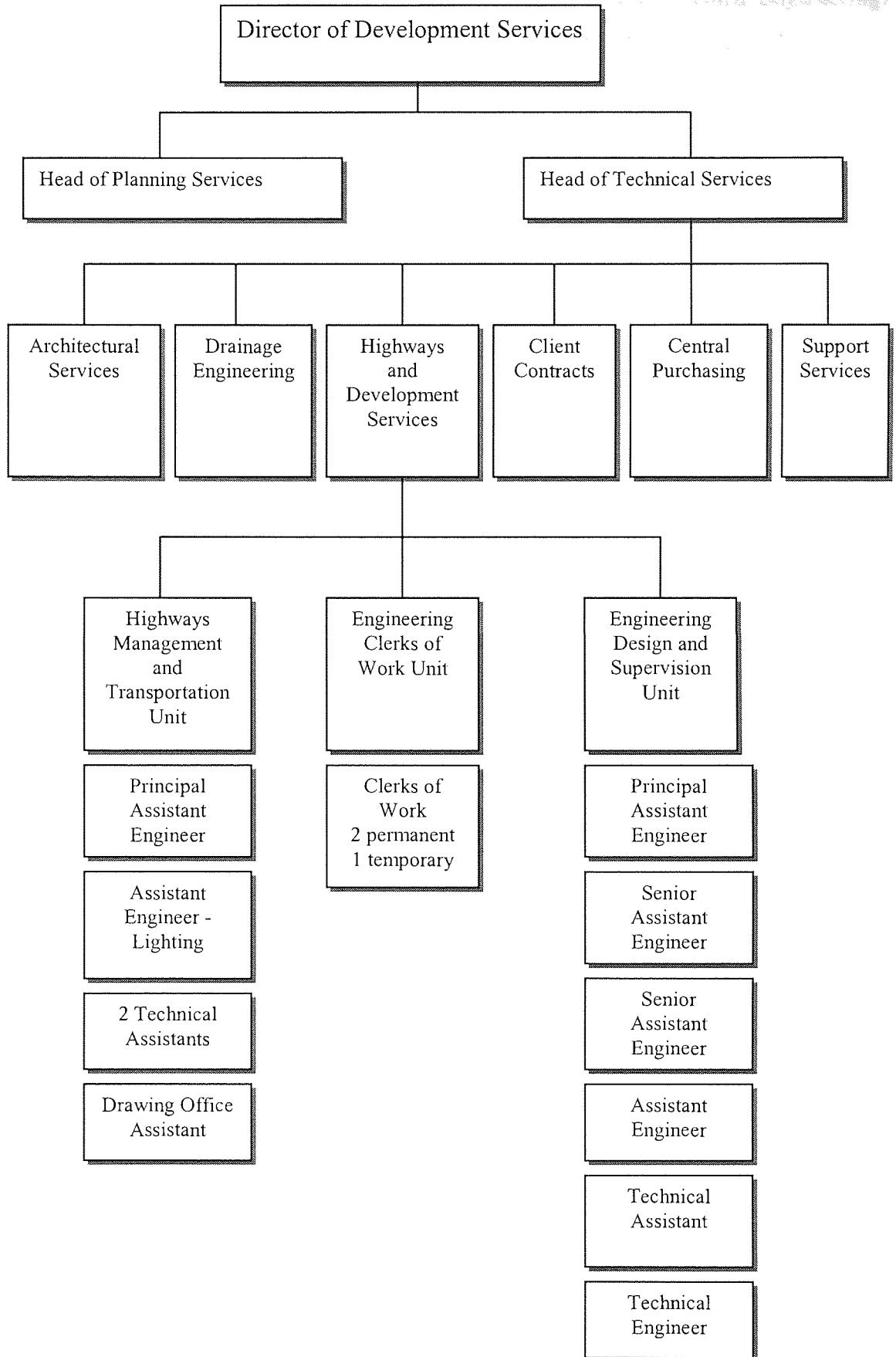
The Engineering and Design Supervision unit was chosen for this research because at the start of this research there was a requirement to expose this service to compulsory competitive tendering (CCT).

Responsibilities of the Engineering Services Team

The Engineering Services team was responsible for providing the design and supervisory services provided by the section. The range of services they provided included the following:

- Management of the Highways Agency for the County Council.
- Highways capital works, including schemes for the County Council, District Council and private clients.
- Land reclamation works for environmental and development end-uses.
- Municipal engineering including design advice.
- Other municipal engineering schemes

Figure 6.1
Organisational Structure (1993)



Restructuring.

Since the start of this research there have been a number of changes in the structure of the Engineering Services team. Firstly, in 1995 the Head of Technical Services took early retirement, which resulted in the Division being renamed Engineering Services. The new Head of Engineering Services, appointed in August 1996, was responsible for only 3 sections.

In January 1996 there were further changes in the Division, this time the changes occurred within the Highways and Development Services section. The number of sections were reduced from three to two as the permanent Clerk of Works was made redundant, the temporary Clerk of Works retired and the remaining Clerk of Works was included in the Engineering and Supervision Unit.

There was also a number of changes in members of the Engineering Services team for example, the Assistant Engineer was given a job re-grade and re-appointed as Senior Assistant Engineer, the Trainee Engineer was moved to the Highways Management and Transportation unit as Transportation Assistant, which left his post vacant and a new post of Project Support Officer was created within the section.

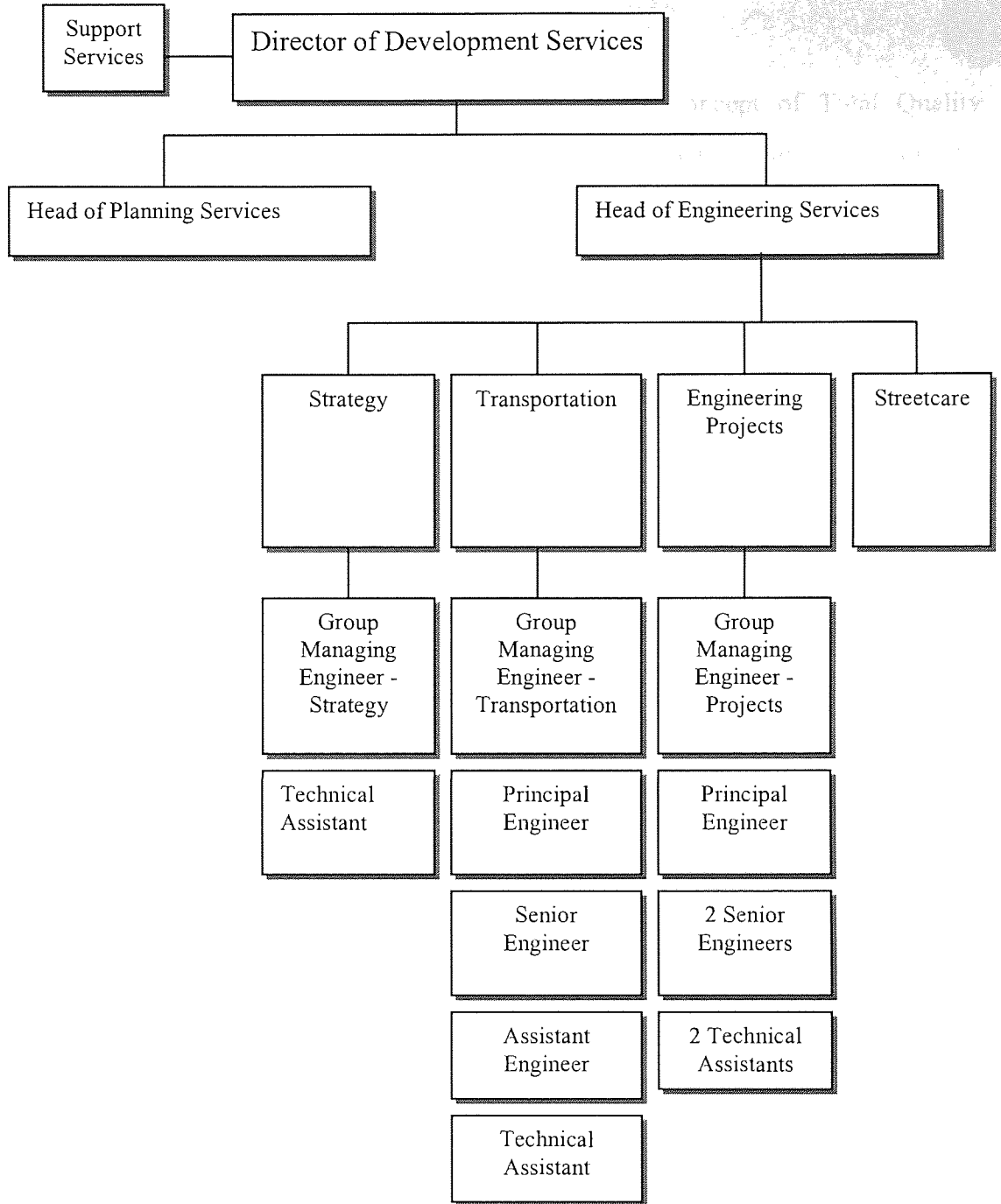
The next significant change occurred in 1999 when Severn Trent withdrew its agency. This triggered a further restructuring which resulted in the Highways and Development Services section being divided into three separate teams, each of these teams reports directly to the Head of Service.

The Head of Engineering Services is now responsible for four units. The Engineering Services team involved in this research was divided into two new units. Some of the members of the team are now in the Project unit others are in the Transportation unit.

The structure resulting from this final restructuring is illustrated in Figure 6.2.

Figure 6.2

Organisation structure 2000



SECTION ONE

BENCHMARKING WITH THE SERVICE TEAM

Introduction

In June 1993 the team was first introduced to the concept of Total Quality Management (TQM) as part of an organisation-wide initiative. In this section the Engineering Services team's responses to the various events that followed are highlighted, along with the results of its activities.

The tables in this section summarise the results of the participant observation exercise carried out with the Engineering Services team. Activities relating to process management and quality improvement are described in chronological order. The drivers for these activities are described as either internally driven, i.e., where the team is responsible for initiating the activity, or externally driven, i.e., where activities are imposed on the team from outside the unit, such as organisation wide initiatives.

The "team process" column describes how the team responded to the events and any output resulting from these responses are detailed under "team output".

The impact of the team's output is then outlined under "results". The results reported in this column are not confined to the immediate consequences of the team's outputs – in some cases they include other changes that occurred at a later date, due to the team's outputs.

Dates	Internal/ External	Event	Team process	Team output	Results
11 June 93	Organisation wide initiative.	TQM workshop.	Team attend the first of three workshops introducing TQM. The workshop is 2 ½ hours long and covers the theory of TQM and the quality gurus	Team produce a list of things which prevent them from doing the best possible job	Communication is identified as their priority for improvement.
25 June 93	Organisation wide initiative.	TQM workshop.	At the 2 nd workshop the team are introduced to some of the problem solving tools including Pareto analysis, affinity diagrams and tally charts. The team carry out a number of exercises to demonstrate an understanding of the various techniques	The team use these tools to prioritise the problems they have identified previously	
13 August 93	Organisation wide initiative.	TQM workshop.	The 3 rd workshop covers cause and effect diagrams and flowcharts.	The team discuss their problem of "communication" and draw up a cause and effect diagram to illustrate it.	The team use the cause and effect diagram to identify 3 projects for improvement (i) work instructions (ii) role definitions (iii) filing system
10 Sept 93	The team agree to meet to discuss the issues identified. This date is proposed by the researcher.	Quality Team meeting.	The team meet to discuss what projects have been identified for improvement.	The team identify tasks and allocate responsibilities in connection with the improvement projects. For work instructions one member agrees to consider the team's information requirements and to produce a draft work brief. One member agrees to investigate the role of the project manager and produce proposals for changes. Two members agree to prepare proposals for changes to the filing system.	

Dates	Internal/ External	Event	Team process	Team output	Results
17 Sept 93	Internal – in response to organisation wide initiative.	Quality Team meeting.	The team meets to discuss progress. The meeting is very brief, as there has been little progress made. The team agrees to meet again in October, having agreed their actions. It is clear that a few members of the team are enthusiastic to progress with the issues and the others are happy to let them.	One member of the team informs the rest about discussions he has had with the manager about the role of the project manager and he agrees to produce some thing in writing by the next meeting. Discussions about the current filing system have identified what changes the team would like to see made. One member agrees to draft the team's ideas up and present them to the manager.	By the time the team meet again, in October, there has been discussion with their manager about work instructions and design briefs have been introduced.
15 th October 1993	Internal – in response to organisation wide initiative.	Quality Team meeting.	The team describes how their manager has introduced design briefs in response to the team's request. Already there is a degree of cynicism about the briefs, as the team does not believe that they will work. The team is presented with drawings and notes that describe the role of the project manager and the proposed changes. There appears to be little discussion about the issues identified. Already the team appears to have lost interest as the manager has had some input into the process, and not really taken the team's ideas into account.	The team agrees to take their proposals to the manager.	The manager agrees to take the team's proposals to the Head of Service. The response seems to be that there is little support and the manager is told to use the flowchart for capital projects designed by the Quantity Surveying section. The manager agrees to take their ideas for filing to the next divisional management meeting. At this meeting none of the other managers agree that there is a problem with the filing system and the issue is dropped.

Dates	Internal/ External	Event	Team process	Team output	Results
19 Nov 93	Internal response to organisation wide initiative.	Quality Team meeting.	The team agree to put proposal to their manager to change the filing system. A couple of the team members are reluctant as already they have been made to feel like trouble makers for suggesting changes to a process which belongs to another section. The team are clearly disenchanted. Their proposals regarding changes to the filing system have been dropped and little progress has been made with regards to the role of the project manager. The team believes their manager hasn't listened to their ideas and instead brought back proposals to use a flowchart designed by another department. The team agrees this won't work.	One member of the team agrees to continue discussions with the manager regarding the role of the project manager.	
25 Jan 94	Researcher calls a meeting to discuss progress.	Quality Team meeting.	The team make a number of comments about the design briefs. They agree that they have insufficient detail and sometimes they are asked to do things by their manager that is not included within the brief. They believe that the system falls down when the Head of Service bypasses the manager and asks the engineers to do a job for him.	The team seem quite happy to complain about the issues and not take any action to improve the situation. The team see no point in progressing with any further ideas for improvement.	No action is taken to improve the briefs and the engineers lose faith in them. The Quality Team undertakes no further improvement activity.

Dates	Internal/ External	Event	Team process	Team output	Results
10 Feb 94	Manager requests researcher to investigate reasons for teams demotivation.	Team brainstorm session.	The team carry out a brainstorming exercise to identify the reasons for their demotivation.	They agree to meet again in a weeks time to discuss the issues further.	
17 Feb 94	Team decides to follow up workshop.	Team brainstorms session.	The researcher attempts to get the team to identify solutions to their problems. The team continues to discuss their problems and no proposals for action are made. The team doesn't believe that anything will happen.	The team has produced a list of reasons for their demotivation, but nothing is done with it.	The manager does nothing to follow up the workshops and so none of the issues raised are addressed.
26 Oct 94	Organisation wide initiative. The researcher uses this exercise with the team in the hope that actions to improve will be identified	Team exercise.	The team discuss their processes and systems and come to an agreed score for each of the ten elements identified in the self-assessment matrix.	The team agree that it is the manager's job to identify actions to bridge the gaps, not theirs.	The manager carries out the self-assessment exercise and the researcher discusses his results in comparison with the teams. No action plans are drawn up and no further action is ever taken to address the issues identified.
4 Oct 95	Organisation wide initiative.	Process management workshop for Principal Assistant Engineer.	The 2 Principal Assistant Engineers from the section and the manager attend the first of 2 ½ day workshops. The first workshop, run by the researcher discusses process management and requires each section to identify key processes and priorities for improvement	The Principal Assistant Engineer identifies the capital programme and produces a flowchart for this, based on the one previously used by the Quantity Surveying section.	

Dates	Internal/ External	Event	Team process	Team output	Results
11 Oct 95	Organisation wide initiative.	2 nd Process management workshop.	At the second ½ day workshop the Principal Assistant Engineer is introduced to techniques to standardise and streamline the process. Part of the workshop deals with process measurement and the Principal Assistant Engineer is required to produce measures for the capital programme.	The requirements of process management are to identify: (i) Process for improvement (ii) Improvement team members (iii) Team's objective (iv) Process measures The team are required to report quarterly on their activity.	Follow up by the researcher in March 96 identifies that no improvement activity has taken place. The Principal Assistant Engineer explains that this is due to a lack of time, as a result of other priorities, and a lack of interest on the behalf of the other team members.
July 96	Externally imposed Head of Service is keen to improve approach to capital programme.	Introduction of design briefs.	The team greets design briefs with cynicism. Team finds fault with the briefs and identifies that they lack information and set unrealistic deadlines. Briefs don't follow flowchart The team are clearly unhappy that the introduction of design briefs has changed the way that work is organised and they no longer see themselves as a team.	Members of the team develop flowcharts for the three stages identified within the design briefs.	The Principal Assistant Engineer becomes more involved with the preparation of the design briefs
July 96	Externally imposed changes to the capital programme.	Introduction of project plans and monthly monitoring.	Response is as individuals not as the team, with the requirement to develop Gantt charts and to produce quarterly monitoring reports for Head of Service and Director.	Report by individual engineers, in person, to Director and Head of Service.	Poor communication as to the Director's requirements result in team apathy In time, changes are made to the system, so engineers are no longer required to produce monitoring reports.
Nov 96	External.	Changes in requirements for CCT.	The team was no longer to be subjected to CCT.	Work on drawing up specification documents stopped.	Some further work has been done on documenting procedures.

Dates	Internal/ External	Event	Team process	Team output	Results
June 98	External.	Severn Trent announce end of agency agreement.	Team have some input into structure of the service.	Review of job descriptions for new posts.	Proposals for restructuring of the Service.
Oct 98	External.	Focus Groups.	Results of the focus groups were fed back to the team.	Comments were made about the results of the focus groups but no immediate action was taken.	Members of the team attending an away day to discuss the results and how they should be addressed.
Jan 99	External.	Head of Service arranges away day.	Members of the team attend an away day and discuss the results of the focus groups.	Short, medium and long-term actions are determined.	No evidence of any follow up to this away day.
April 99	External.	Restructuring.	Team undergoes a restructuring which involves new roles and new offices.		Some of the engineers are unhappy with the new structure, others are demonstrating considerable improvements in productivity.

Benchmarking Scores

Introduction. The benchmarking exercise was first carried out by the author with the Engineering Services team in October 1994 and repeated in June 96, October 96, July 97, March 98 and finally in March 2000. On each occasion, the team discussed the answers to the benchmarking questions, and arrived at an agreed score for each of the elements. These scores and the points arising from the discussions are detailed in this section.

Comparisons have been made with the benchmarking scores, over time and possible reasons for change to the scores are identified and these are summarised at the end of the section.

The agreed scores resulting from the benchmarking exercise are illustrated in Figure 6.3. An “A” on the five-point scale, illustrates that there is no commitment to continuous improvement, whereas an “E” demonstrates that quality improvement has become embedded within the section and is clearly supported by robust, adaptable systems.

The question relating to the 9th S, which refers to the team’s professional identity, was asked as part of the first benchmarking exercise undertaken in October 1994.

Figure 6.3
Benchmarking Scores

Dates	Shared Values	Strategy	Structure	Staff. Decision Making	Staff. Team work	Style	System	Skills
Oct 94	A	B	C	B	D	A	A	B
June 96	B	A	C	A	A	B	B	B
Oct 96	B	A	C	B	A	A	B	C
July 97	B	A	D	B	C	C	B	B
Mar 98	C	A	C	B	C	B	B	C
Mar 00	B	D	D	C	B	C	B	C

Points arising from the discussions

Shared Values.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
A	B	B	B	C	B

Over the duration of this research it was clear that the Engineering Services team was not committed to the principles of continuous improvement. There was frequently debate about who was the customer of the service, and what would the majority of these 'customers' know about the service they delivered. The team appeared to be motivated more by their own interests, in particular, by money. Improving efficiencies in delivering projects on time and under-budget, had no effect on their pay-packet at the end of the month. The team was also not committed to the achievement of wider organisational objectives, and they would frequently say to the researcher that they just wanted to be left to get on and do their job.

This also raised another issue of contention. The team clearly had a different view of what their job was, compared to the view of their Head of Service. This gave rise to team whinging and low motivation as the Head of Service imposed his view of the engineer's role.

In 1994, it was clear from comments made that the team believed the nature of their work ensures that a standard is set and that is what they work to achieve. To achieve over and above this standard was not seen to be a worthwhile exercise, particularly as payment would not be received for this, as each job is clearly specified and has a set fee.

It was clear from these comments that the team's understanding of quality was about improving the end product only. There did not appear to be any concern about the processes involved in achieving this end product. Discussion about continuous improvement focused around meeting the scheme requirements.

In June 1996, there was a slight change in attitude towards continuous improvement, as some of the team members now agreed that they could see the need for improvement, "some of us see the need and others don't". It was agreed that it is the younger members of the team who are more likely to have new ideas and to be more innovative in looking at different ways of doing things.

It was also clear at this stage that the recent appointment of a new Head of Service was viewed favourably by the team as their initial impression was that he was supportive of the team's needs. "There is verbal support from the new Head of Service, but as of yet we have seen nothing concrete".

By October 1996, the team believed there might be verbal commitment to continuous improvement but in reality this was not put into practice. They felt people talked about the need for improvement but there was no evidence anyone listened to their ideas.

In 1997, the team agreed that they were committed to improving the way that they work, but in reality very little seemed to happen and they blamed this on a lack of support from senior managers.

By 1998, the team's frustration was very clear with some members saying they had taken so many knocks, they had simply given up trying.

In 2000, further changes were imposed on the team and the team was unhappy with these changes. The team believed that their expertise and strengths were not being used in their current roles, and it was clear that there was little commitment to improving processes.

Strategy.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
B	A	A	A	A	D

With the Engineering Services team, nobody wanted to take responsibility for anything, unless it was clearly stated within their job description. They generally tended to whinge about how they were managed and did not want any involvement in activities that were outside of what they believed to be their remit. They made little attempt to get involved in the preparations for CCT, the impact of which could have considerably affected their jobs, and yet at the end of the process when changes in CCT calculations made the service de-minimus, the team believed that there had been a lost opportunity.

The business planning process should have involved the whole team, but in the main the business plan was written by the manager. Due to this lack of involvement the team felt it was just a wish list of everything that could be done and who their customers could be and was now out of date.

At one point, the pending introduction of white collar CCT had a direct impact upon the unit. The team was more aware of the need for clear goals, but in reality their goal posts were constantly moving, and the team believed that target setting over the longer term was problematic. They also agreed that the Business Plan should address what could be done to make the unit profitable, but believed their manager had not considered this.

By 1996 there was no change in the team's views about business planning and as no attempts had been made to improve the business planning process within the section they agreed there had been a drop in score for this factor.

Discussions with the team in 1997 highlighted a slight change in the team's attitude. They identified that they needed to be more competitive and long term planning was needed to make them more competitive. Currently the focus was a lot more short term, and planning did not extend beyond the next 12 months. The team again raised concerns about the approach to planning in 1997, when they identified that the main source of funding for schemes had ended, but this had yet to be addressed.

In 2000, there was a significant improvement in score for this factor. This can be attributed to the restructuring that had occurred within the section and they now felt as though they had a clearer long-term direction.

Structure.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
C	C	C	D	C	D

The team was subjected to considerable change being imposed on them over the duration of this study. It was clear that the team was unhappy with the changes made and at every opportunity they would express their feelings to the researcher. The changes had been introduced by the Head of Service to improve the efficiency of the team and each time the response by the team was to find fault with the

changes. Of particular interest was the reaction of the team to changes introduced in 1996. The team was resistant to the introduction of a project manager and they were not happy with the fact that someone with no engineering experience would be telling them what to do. Surprisingly, some six months later they were more supportive of these changes and considered the project manager to be part of the team.

In 1994 the team agreed that the lines of authority and responsibility are fairly clear, particularly as they are governed by the conditions of the contract. However a few areas of ambiguity were identified.

In June 1996, a number of changes in the way that the team was organised had been imposed on the team, particularly in people employed within the team and it was agreed that these changes in work organisation had resulted in unclear roles and responsibilities. In October 1996, the team was still unhappy with the changes that had been imposed on them and continued to find fault with the new ways of working.

In 1997, there was a slight improvement in score as the team believed that there had been a move to clarify responsibilities. If any job needed doing, all aspects of it were now written down. "Everyone is trying to tie everyone else down to specific responsibilities". However in 1998, once again, the team found fault with the lack of clarity of certain roles and responsibilities.

In 2000, although there had been a big restructuring the team agreed they were fairly clear of their roles and responsibilities, however there were still occasions when they felt they "are asked to do things that are not part of the group's job".

Staff - Decision Making.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
B	A	B	B	B	C

Over the course of the research study, it was clear that the Engineering Services team felt they were not involved in decisions that affected them, and had little control over their destiny. Most of the changes imposed on the team had an impact on the team's freedom, and there was strong resistance to change. The one area

where the team refused to accept change was when their freedom to make decisions began to be eroded. The team believed there was a move to involve Members in decision making to an increasing degree and it was clear the team was not happy with this. Their response was to hide things from their manager, otherwise, they argued, the decision making process would be considerably slowed down by the involvement of others. It was clear that they also felt this change impacted on their role as professional engineers, with some team members commenting that they had greater decision making freedom when they were trainees.

In 1994, the team agreed that they were involved actively in decisions concerning the programming of work and how the tasks should be distributed amongst the team members. There was a feeling that the team had an element of control, but it was agreed that the majority of decisions were made by someone more senior within the organisation and usually by a manager in a position external to the unit.

In 1996, due to the changes imposed on the team, the team felt that the degree of freedom and involvement in decision-making was as yet unknown. The team agreed they should have the freedom to make decisions as they argued that it is far too time consuming, and costly, to go to the Client with every question that needs answering.

There was also concern amongst members of the team that there was an increasing emphasis on the need to consult with Members on issues which in the past had been decisions made by the engineers. It was clear that the team viewed this as a challenge to their professional autonomy.

The changes in work organisation had also removed some of the decision making freedom with regards to work programming as team members were now assigned responsibility for individual projects, whereas in the past, the team would divide the work out amongst themselves.

By October, the team now felt that they were no longer part of the decision making process and in 1997, there was no change in the team's view, as they agreed they had very little freedom to make decisions without receiving approval, whether from senior managers or from Members. There was still no improvement by 1998, however the team said they had learnt to manage this by hiding issues whenever possible, becoming more secretive.

By 2000, the team was clearly frustrated with the decision making process as one member of the team highlighted, “they don’t want me expressing opinions”.

Staff – Teamwork.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
D	A	A	C	C	B

In the early 1990s the Engineering Services team had been left to their own devices to deliver the service that was on the whole requested by the County Council. They worked well as a team, with very little pressure to change or improve the ways in which they worked. This period of relative stability was followed by a period of change initiated by the appointment of a new Director in 1992 and followed by the appointment of a new Head of Service. From the Head of Service’s viewpoint changes were needed to improve productivity. The team, on the other hand, believed that the changes had been introduced to split up the team because the strength of the team was seen as a threat by management. At the start of this research, the team was a fairly discrete autonomous unit and yet by the end of the research it was fragmented, considerably demotivated with very little autonomy.

In 1994, it was clear from comments made that the team felt that they worked well as a unit. It was the team who decided how work should be allocated amongst them and how they would divide themselves to work on individual projects.

By June 1996, there was significant change in this factor as the team agreed that they no longer operated as a team. This was still the case in October 1996.

In 1997, the team reported an improvement in score for this factor as they believed that they had a fair bit of freedom in determining the allocation of work. The decision as to whom does what was left totally up to the team to decide.

In 1998, although the team believed that there had been an improvement in teamwork over the past 12 months, they felt people were still not slotted into the best roles. There was agreement that the team now spends more time in brainstorming exercises, particularly in looking at plans to identify any problems or changes, whereas previously they would have been more secretive about the projects they had been assigned.

The introduction of working to fees was seen to cause a problem with teamwork as it became difficult to assist one another on a project as this would put the fees up, resulting in an overspend. The engineers' time was charged to individual projects and therefore, the longer an engineer spent on a project or the more engineers that work on a project to ensure it is completed, the more time is charged to that project. Where one engineer was very thorough in the performance of the required task, which in itself can result in an overspend, any assistance to ensure the job is completed on time, would result in further overspending.

By 2000, following the restructuring the team believed it would take "time to establish" a good working team.

Style.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
A	B	A	C	B	C

At the start of this research, the team was not interested in the concept of quality and continuous improvement. Surprisingly they attended the quality workshops and identified a number of issues to improve. The team continued to work on developing solutions to the problems identified, however they received no visible support from their manager to implement their solutions. It was clear throughout the research that support from management – their manager, Head of Service and Director – was a real issue for the team. They felt particularly hard done to and spent a lot of time with the researcher whinging about the current situation. Changes in management were greeted with optimism, but this was soon dashed, as the team did not always get what they wanted. For example, the team had requested new computers with updated software to enable them to do their job for quite some time, without any success. However, they did not present a business case for change, but as they clearly felt they deserved the new technology it was used as another excuse to whinge about how hard done to they were. The team did not accept responsibility for 'quality' and their response to any attempts to improve the service, usually imposed on them, was to be as obstinate as possible.

In 1994, the team stated that they were generally too busy to investigate potential improvements. In 1996, having identified areas for improvement through the quality workshops it was evident that the team was feeling frustrated in their attempts to

make changes happen, and had the attitude that it was best to just get on with the work in hand. They felt that they had no support to progress with implementing their ideas. However, it was felt that the new Head of Service was more sympathetic to the needs of the section, and with time the team hoped to see some improvement.

By October 1996, it was clear that the team was still frustrated about attempts to make changes to the way that they work. They still believed they did not receive support from their new Head of Service.

There was a change in attitude reported in 1997. The team agreed that there was support for them to improve the way that they work. Their Head of Service was keen for them to find problems and identify how things could be improved. They highlighted that things they had suggested for improvement had been listened to and agreed.

The team reported another change of attitude in 1998. There seemed to be a general distrust of management. Members of the team agreed that there was no benefit in being open and saying what they thought, as this would only result in all sorts of problems.

In 2000, the team felt it was too early to determine how committed and supportive their new management were to continuous improvement. However, they agreed that their new manager was supportive of their ideas.

Systems.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
A	B	B	B	B	B

Documenting systems, in line with the British quality standard ISO 9000 is prevalent in engineering services, however, the team made very little attempt to follow such an approach. This was one area of work the team had complete control over and yet nothing was done over the six-year period of this research. All the researcher was ever given was excuses for why work had not progressed as the team would have wished.

In 1994, the team had no guidelines or written procedures in place although there was a number of forms, which have to be used. These ensured that better records were kept. By 1996, although there had been improvements, the team agreed that they were still a long way from producing a documented quality system. There were a number of procedures, which were defined for the section, for example guidelines from the Department of Transport. However, as the team pointed out “we are nowhere near a documented quality management system, and I don’t know where we would even start”.

No further progress was made on documenting procedures.

Skills - Quality Tools.

Oct 94	June 96	Oct 96	July 97	March 98	March 00
B	B	C	B	C	C

The nature of engineering services required the use of a number of quality tools, in particular flowcharting. There was very little evidence of these tools and techniques being used in problem solving, but there were a number of occasions when external influences actually resulted in greater use of these tools in looking at problems.

In 1994, the team identified that there was no use made of quality tools and techniques by the unit for problem solving, although there was some knowledge of them, particularly of flowcharts, which had been used by engineers for many years.

In June 1996, there was no wider use made of quality tools and techniques. By October 1996 the team agreed a team-building weekend had resulted in greater use of tools and techniques, for example brainstorming was used to find solutions to problems, or simply to generate ideas for projects.

Changes in work organisation had resulted in fluctuations in scores for this factor. In 1998, flowcharts were still used all the time, however, as the team pointed out, such techniques were rarely used for specific improvement projects.

Brainstorming had been used by the team on a number of occasions to produce ideas for plans or to identify problems. Improvements in teamwork had been responsible for this.

In 2000, the team agreed that the quality tools were used to some extent. This was confirmed by one member of the team who said, “our new manager is into flowcharting”, and “we now have Microsoft project”. However, the team agreed they were “firefighting at the moment”. One member of the team highlighted, “yes, there is commitment to using the tools, but the goal posts keep moving” and so “we don’t seem to have as much time to focus on this as we would like”.

Summary

The team was clearly threatened by the changes that had been imposed on it over the duration of this study. Their response was usually to resist any such change and frequently they would whinge to the researcher about how they were being managed and what they were being made to do. It became clear to the researcher that poor communication between the team and its managers gave rise to this high degree of resistance to change. The team felt they were not kept informed of what was going on and were quite threatened by the uncertainty of what the future held.

The discussions with the team highlighted a number of reasons for changes in the critical success factors (Figure 6.4). These can be summarised as follows:

- CCT preparation had an impact on raising the team’s awareness about the need for improvement and this was reflected in changes in scores for Shared Values and Style.
- The increased awareness resulting from the threat of CCT resulted in a backward step for Strategy as the team identified that their approach to planning was far from satisfactory.
- The appointment of a new Head of Service influenced the scores for Shared Values and Style, as at first the team believed he would be sympathetic to their needs.
- The biggest changes were in staff issues, due to changes in work organisation which affected teamwork and reduced involvement in decision making. Fluctuations were evident in the scores for these factors.
- The team addressed reduced involvement in decision making by hiding problems wherever possible and dealing with the issue themselves.
- An improvement in score for Skills was due to the team’s attendance on a team building course. The team’s enthusiasm about the training was

transferred back to the workplace where team techniques were used to find solutions to problems.

- The one area where team effort could have resulted in a significant improvement for score was for Systems. However, there was no evidence of improvements in documenting procedures over the duration of this study.

Figure 6.4 Reasons For Changes In The CSFs Over Time.

Dates	Shared Values	Strategy	Structure	Staff Decision Making	Staff Teamwork	Style	Systems	Skills
Oct 94 - June 96	A → B	B → A	No change	B → A	D → A	A → B	A → B	No change
	Threat of Appointment of new Head of Service	Threat of CCT	Considerable change to work org. not reflected in score	Increasing emphasis on consultation with Members. No longer freedom in work planning.	Work now allocated to individuals.	Belief that new HoS is more receptive to new ideas.	Design briefs/ Flowcharts introduced.	
June 96 - Oct 96	No change	No change	No change	A → B	No change	B → A	No change	B → C
				Engineers learn to hide problems		No action from HoS		Brainstorming ideas
Oct 96 - July 97	No change	No change	C → D	No change	A → C	A → C	No change	C → B
			Design briefs clarify roles		Organised into small teams	Ideas have been listened to.		Enthusiasm of training has worn off
July 97 - Mar 98	B → C	No change	D → C	No change	No change	C → B	No change	B → C
	Uncertainty of the future. External threat of Best Value. Lowering of expectations.		Issue of role of Engineer raised again.			Lack of support from HoS		Greater teamwork leads to brainstorming
Mar 98 - Mar 00	C → B	A → D	C → D	B → C	C → B	B → C	No change	No change
	Change in structure has left members of the team quite disillusioned	The new manager has drawn up a business plan for the unit	The restructuring has resulted in clear roles and responsibilities	The new manager appears to have more influence in the decision making process	The section is still very new and it will take time for a teamwork culture to develop	There is support from the new manager		

SECTION TWO

SEMI STRUCTURED INTERVIEWS

Introduction

Interviews were held with the team's senior managers to determine their view on the changes that had taken place over the duration of the study, and to discuss their views on the issues raised in the benchmarking exercises carried out with the engineers.

First, a semi-structured interview was held with the engineer's manager in January 1999. This was followed by a semi-structured interview with the team's Head of Service in February 1999 (see Appendix 2). In presenting the results of these interviews the term 'manager' refers to both the team's manager and their Head of Service.

The benchmarking exercise carried out with the team highlights a number of issues that have resulted in changes in the benchmarking scores assigned by the team. These issues can be summarised as follows:

- i) Changes to the way the work is organised
- ii) Management support
- iii) Restructuring of the section
- iv) The appointment of a new Head of Service

Summary of the Results

The discussions with the managers provided an explanation for the changes that had been introduced in the section and also highlighted that poor communication had given rise to a number of the problems. The points raised in the interviews with the managers are summarised below:

Changes in the Way the Work is Organised. One manager explained the reasons behind the changes that had been implemented over the course of the study. He believed there was a considerable degree of inertial amongst the engineers, and this combined with avoidance of their responsibilities and the need to improve productivity had to be addressed. He agreed that this was not an easy task, particularly as there was no real incentive for the team to improve their productivity

as there was no bonus scheme for them. He agreed that the team was motivated by money.

Another team within the authority had pushed for a bonus scheme in recognition of their efforts, but their attempts failed and this set the precedent for the rest of the authority.

Other discussions with the managers highlighted that there had been no real measures of cost, quantity and timeliness for the team. There was a lot of finger-pointing in relation to this issue. The engineers believed blame lay with their managers, one manager placed blame back with the engineers, the other manager believed that the engineers and the other manager were at fault.

Gradually over time as a number of these issues were addressed an improvement in productivity was evident. At the end of this study, one manager believed the quality and volume of work was a lot more substantial and with performance measures in place he was able to demonstrate an improvement in efficiency.

Management Support. The results of the interviews confirmed there was a problem with management support. One manager believed that management is always looking to improve the team, the other manager believed the team had not been managed. The belief that the team had not been managed was one of the drivers for the restructuring that occurred in the later stages of this research.

Although management support was clearly an issue the managers argued that the engineers did little for themselves. They highlighted how the team was good at identifying problems but was less motivated to use their initiative and solve these problems for themselves. They agreed that the team was extremely negative.

Restructuring of the section. One manager confirmed that the restructuring intended to address the issue of inertia within the team and tackle some of the problems with personalities.

The Benchmarking exercise with the teams highlighted how the team's autonomy had been eroded, which resulted in a reduction in score for this factor. One manager agreed that the team's autonomy had been reduced, but he defended this position by

stating that as an autonomous team the engineers were “taking forever to deliver projects and working excessive overtime”.

The Appointment of a New Head of Service. One manager was clearly surprised by some of the issues that had been raised by the engineers during this study and he believed that poor communication had been responsible for some misunderstanding. The restructuring of the section was used to address what he saw as one of the reasons for poor communication, and for a time the engineers reported directly to the Head of Service. However, the managers believed that the team was also responsible for the problems and one manager argued that “if they had grasped issues and made it clear exactly what they wanted to do, even taken a lead, then things would have been very different”.

One manager also described how the changes had encouraged members of the team to take responsibility and this was clearly the case with the approach to project management. Towards the end of the study, each project was assigned to an individual engineer and, as one manager believed, these projects were managed in a more professional way.

SECTION THREE

FOCUS GROUPS

Introduction

Two customer focus groups for the Engineering Services’ team were held in October 1998. The purpose of these focus groups was to determine the customer’s view of engineering. Each of the focus groups comprised representatives from a variety of stakeholder groups – housing developers, chamber of commerce, parish councils, local businesses, residents of the District, County Council, project managers from the Council, and design consultants. Six people attended the first focus group discussion and 8 people attended the second.

The focus group discussions were approximately 2 hours in duration. The group discussion started with a brainstorm in response to the researcher’s question, “What would you expect from excellent Engineering Services?” The list produced as a

result of this brainstorm was then used to guide the discussion. For both of the focus groups the discussion was structured in three main parts:

- (i) the engineers
- (ii) communication
- (iii) the quality of the end product

The topics for discussion, within these three main areas, were determined by the groups themselves, with intervention from the researcher only when the group appeared to be straying from the purpose of the discussion or if debate focused on one particular issue for some time without anything new being added.

In this section the 10 dimensions identified by Parasuraman et al for measuring service quality have been used to analyse the results of the discussion groups. These dimensions are: tangibles, reliability, responsiveness, competence, courtesy, credibility, security, access, communication and understanding the customer. When necessary, the researcher posed questions to the group in order to obtain comments against each of the ten dimensions.

Results

The dynamics of the two groups were quite different. The first group required little intervention from the researcher, as after the initial dominance by one individual from the parish council, the group ensured that everybody had a chance to have a say, and at times would encourage the quieter members of the group to get involved. There were also instances when the group would interrupt other members of the group, particularly if they felt they were being too negative or if they were being too dominant.

The second group was a lot quieter. There were more participants than in the first group, yet there was only one really dominant voice, who was a local businessman. Two of the group were residents of the district, and it was clear that they were not well informed about the service provided by the engineers, and therefore felt they had little to contribute to the discussion. This was reinforced by their comments that mainly focused on issues of communication, and the fact that they would like to be kept better informed.

It was clear from both of the discussion groups that those individuals who were more informed about the role of Engineering Services dominated the discussion initially. The representatives from the parish councils, the chamber of commerce and local businesses each had their own agenda to discuss. The key issues from these parties were:

- **communication** - “I would also like to see some improvements in the accuracy of information”.
- **quality of work** - usually referring to contractors
- **responsibility of the engineers** - “It is to manage their responsibilities.”

These issues relate to the dimensions of communication, competence and responsiveness respectively. It was observed that the personalities of the group determined the issues that were to be discussed, but once determined the other members of the group had valuable contributions to make to these issues. From the discussions of both of the groups it was noted that communication was the most important dimension to them.

The results of the focus group discussions, against the ten dimensions were summarised and conclusions drawn as to the importance of each of the dimensions. Each of the dimensions was identified as to whether it was of no importance, some importance or significant importance, and a summary of the overall view of the stakeholders illustrates these findings (Figure 6.5).

Figure 6.5 Summary of Focus Group Discussions

Dimension	Conclusions drawn from discussions
Tangibles	Of no importance. There was no discussion about the issues relating to this dimension. It can be concluded that they were of little interest to stakeholders.
Reliability	Of some importance, particularly when delays in schemes impact on business performance. Failure to complete schemes by the agreed date was raised by one of the focus groups. The impact of delay on businesses in the area was the reason why this dimension was of importance to some of the stakeholders. However, it was raised as a sole example, and there was no discussion of the issues.

Dimension	Conclusions drawn from discussions
Responsiveness	Of significant importance to a few dominant individuals. All of the examples given under the heading of this dimension related to the engineers not taking responsibility for what the stakeholders believed to be the engineers' job.
Competence	Of significant importance, with examples given by the majority of the group. A number of negative examples were given, the majority of which related to the competence of the contractors used to carry out engineering work.
Courtesy	Of some importance, though limited views given. The only comments made that related to this dimension all referred to the good relationship stakeholders involved in consultation exercises have with the department.
Credibility	Of little importance. One comment was made about excuses given in response to a query regarding the quality of work, but there was little discussion and no further examples were given.
Security	Of no importance to stakeholders. No comments were made which related to this dimension. It can be concluded that the issues are of no importance to the stakeholders or they believe in the professionalism of the engineers in minimising any potential risks.
Access	Of some importance, depending on stakeholder involvement in schemes. Stakeholders were confident that the Council would, on the whole, point an enquiry in the right direction, however problems arise when a number of organisations are involved in a scheme and the responsible organisation becomes more difficult to identify.
Communication	Of significant importance, with the entire group involved in the discussion. The key issue. Some very positive comments about the consultation exercises carried out by Engineering Services, but also numerous comments identifying how the stakeholders would like to see improvements in the consultation process and in information provision
Understanding the customer	Of some importance, though no direct examples were given. However, discussions, which focused on other issues, did result in examples of how the stakeholders believed that their needs were identified and met. It could be concluded that an understanding of the customer needs was implicit within the consultation process, and the view of this was in general quite positive.

Summary

It was clear from the focus group discussions that the most important dimension to all of the participants was communication. Overall participants were positive about the various approaches taken to communicate with the community, however, a number of comments were also made about how participants would like to see further improvements in this dimension.

Responsiveness and Competence were also of significant importance. However it should be noted that the issue of responsiveness was raised by one dominant individual, who clearly had a negative experience, and at times he was responsible for directing the topic of the discussion on this dimension. On the other hand, a number of examples pertaining to the area of “competence” were given by the participants, the majority of which related to the performance of contractors.

Reliability, Courtesy and Access were dimensions classified as being of some importance, and the degree of importance clearly related to how involved participants had been in particular engineering schemes.

Engineering Services’ Response to Results of User Focus Groups

A presentation was given to Engineering Services on the results of the user focus groups. Initially there was some surprise to the results, as the team focused on the negative issues that had been raised. The responses from the team to a number of the comments that had been made were defensive, one member commented that the focus groups didn’t really understand what they did and they questioned the validity of the comments. However, the team agreed that there was a need to look at the comments and address some of the issues that had been raised.

An away day was arranged for the team to discuss the results and to identify actions for improvement. As a result, an action plan was drawn up illustrating short, medium and long-term actions for the team. A copy of the action plan was distributed to members of the user focus groups and it was intended that the focus groups be repeated in 2001.

SUMMARY

The Engineering Services team was subjected to a considerable amount of change over the duration of this study. These changes included a number of restructuring exercises, changes in their management and changes in the way their work was organised. All of these changes were greeted with considerable resistance. The benchmarking scores have fluctuated in response to these changes.

At the end of this study there had been an increase in score for all of the factors when compared to the initial benchmarking exercise, with the exception of teamwork. These were supported by evidence of changes in the ways in which the engineers operated. Autonomy had been removed and replaced with greater management control. There was little flexibility in working practices and the opportunity to work over-time was non-existent. Costs had been reduced and timeliness of project delivery greatly improved.

One final note of interest, at the time of writing up this study not one single member of the original team remained at the Authority.

- The provision of non-contracted services
- The Division's policy function
- Capital improvements to the Council's housing stock
- Community development

Although there were changes in the organisational structure for Housing Services, particularly in response to winning the housing management contract, the service was not subjected to the degree of restructuring evident in Accountancy and Engineering Services.

Of the four teams involved in this research, housing was subjected to a number of external triggers for change which did not impact on the other three teams. The housing team was the only one that was eventually subjected to CCT. In 1999, the service was subjected to a fundamental service review under the Government's requirements for Best Value and it was likely that Government proposals to place Authorities under an obligation to consider stock transfer options would have a major impact on the work of the Section.

SECTION ONE

BENCHMARKING WITH THE SERVICE TEAM

Introduction

In April 1993, the researcher first approached Housing Services to discuss the introduction of Total Quality Management (TQM) as part of an organisation-wide initiative. It was clear to the researcher that Housing Services did not want to adopt the same approach as the Council's other services. They clearly felt they were more advanced than the rest of the organisation in addressing quality and the corporate approach would be a step backwards. As a result the researcher had to adapt the workshop approach to meet the requirements of Housing Services.

At first, the response to TQM by Housing Services was minimalist, with just enough being done to satisfy the requirements of the organisation-wide initiative. Other Council wide initiatives, which have since followed, have received a similar response from Housing Services. However, a change of Head of Service and subsequent restructuring of the Service, followed by the award of the Housing

Contract to the in-house team, have had a significant effect upon the Service's approach to process improvement.

Initially Housing Services were divided into a number of "quality forums" and their activities were observed. The tables in this section summarise the results of this observation exercise.

Dates	Internal/ External	Event	Team process	Team output	Results
23 April 1993	Organisation wide initiative.	Discussion with Head of Service.	Head of Service requested the researcher to speak with all of the Housing Managers.	Clearly Housing are not prepared to follow the same route as the rest of the organisation.	Meeting with Housing Managers is arranged.
12 May 1993	Internal response to organisation wide initiative.	Discussion with Housing Managers.	Clear agreement amongst the team that they did not want to participate in the TQM workshops. "already been there, done that" attitude.	Agreed the researcher should attend the Quality Forums and introduce the concepts of TQM and some of the problem solving tools.	Quality Forums to meet in May/June.
20 May 1993	Internal.	Quality Forum – Housing Rent Arrears.	Researcher outlined concepts of TQM and problem solving techniques. Discussion focused on process of rent collection and how it could be standardised across the area offices.	Members of the team agreed to produce standard letters and identify how to standardise the procedure across the area offices.	Standardised procedure, with standard letters for different stages of reminders were produced.
24 May 1993	Internal.	Meeting with manager responsible for Housing Rent Arrears Quality Forum.	Manager showed the researcher how much work had already been done on Housing Rent Arrears.	Copies of paperwork generated to date including letters and a documented procedure were given to the researcher.	Team agreed to meet one further time to discuss actions following the previous team meeting.
7 June 1993	Internal.	Quality Forum – Housing Rent Arrears	Team discussed progress since the previous meeting	Agreement that there wasn't much more the team could do at this stage to improve rent arrears.	No further activity was carried out by this Quality Forum.
21 July 1993	Internal.	Quality Forum – Housing Repairs & Allocations.	Team requested researcher assist in reviewing the process for reletting voids. Flowcharting was introduced.	Team prepared a flowchart of the process. Duplication of tasks was identified.	Changes to the process eliminated duplication of inspections and thereby released a member of staff for other activities.

Dates	Internal/ External	Event	Team process	Team output	Results
12 August 1993	Internal.	Quality Forum – Housing Repairs & Allocations.	Follow up to previous meeting. Team discussed the flowchart.	Number of small issues were identified and these were resolved through team discussion.	Flowchart also identified problems with contract services and the manager agreed to hold discussions with them to make improvements to the process.
13 January 1995	Organisation wide initiative.	Self Assessment Matrix.	Researcher met with managers to discuss the self assessment matrix. It was clear that organisation wide initiatives are met with considerable resistance by the managers.	Resistance and cynicism resulting in only two of the teams completing the matrix – Repairs Inspectors and one of the area offices.	The two teams agreed to follow up the results of the matrix.
March 1995	Internal response to organisation wide initiative	Meeting with area office.	Discussion with the team on the results of the matrix.	The team identified areas for improvement. However it was agreed that CCT preparations would address these issues and no further action would be taken at this time.	No action to deal with the results of the matrix was taken, though activities for CCT preparation considered the issues that had been identified.
13 April 1995	Internal response to organisation wide initiative.	Meeting with repairs inspectors.	The team discussed the results of the matrix.	No actions arose from the discussions. The team agreed that they did not have the time or the influence to address the issues that had been raised.	No further action was taken.

Dates	Internal/ External	Event	Team process	Team output	Results
11 October 1995	Organisation wide initiative.	Process management workshop I.	2 teams attended from Housing Services – Housing Managers and Repairs Inspectors. The first of two workshops, run by the researcher discusses process management and requires each section to identify key processes and priorities for improvement.	Processes for improvement are identified. Housing Managers identify registering applications and repairs. Inspectors identify two: processing central heating requests and standby officer system.	
18 October 1995	Organisation wide initiative.	Process management workshop II.	At the second ½ day workshop the teams were introduced to techniques to standardise and streamline the process. Part of the workshop dealt with process measurement and the teams were required to produce measures for the processes.	The requirements of process management were to identify: <ol style="list-style-type: none"> 1. Process for improvement 2. Improvement team members 3. Team's objective 4. Process measures The team were required to report quarterly on their activity.	Three processes were identified for improvement. Objectives, timetable of activities and measures were identified for each of the processes.
17 February 1996	Internal in response to organisation wide initiative.	Process Team looking at registering applications.	Process measures were agreed. Objectives and timetable for activity determined.	Standardised monitoring/recording system for process measures. Clarification of the award of points made by lettings staff. Clarification of interpretation to be detailed in policy and procedures manual. Review of computerisation of monitoring systems.	Standardised approach and greater clarification. In May reported 99% of housing applications were registered within 10 working days.
22 February 1996	Internal in response to organisation wide initiative.	Process Team looking at standby officer system.	Discussion of objectives and process measures.	Agreed to hold 6 weekly meetings to discuss and review amendments to the standby manual. Measures agreed.	

Dates	Internal/ External	Event	Team process	Team output	Results
27 February 1996	Internal in response to organisation wide initiative.	Process Team looking at processing of central heating requests.	Discussion of process. Agreed objectives and measures.	Procedure formalised to meet target of completing 100% of applications within 6 weeks.	50% of applications completed within 6 weeks. 50% of applications contractor delayed due to supply problems. Trying to improve supply and have reduced target to 10%.
4 April 1996	Internal in response to organisation wide initiative.	Process Team looking at standby officer system.	Discussion on process.	Amendments to manual to make information more accessible.	% of calls for which standby manual is sufficient Feb Mar Apr May Jun 100% 99.5% 95% 99% 99.5% All amendments to the manual are made within 2 working days (Target of 5 days). Team continue to meet on a regular basis to review the manual.
June 1996	Internal.	Identify further issues for process management.	Team formed to review the issuing of pre-paint repair work orders. Review of the process is carried out. The team identify problems with the transition to the new computerised system. Objectives and measures are agreed.	Members of the team agreed to speak with contract services to rectify the current computer problems.	Team representative met regularly with contract services to resolve interface problems and to ensure the input of tickets is up to date.

Dates	Internal/ External	Event	Team process	Team output	Results
August 1 1996	Internal.	Process Team to look at issuing of pre-paint repair work orders.	Team identified that there are still problems with the computer interface.	The team agreed that this issue should be a regular element of the contract meetings.	Results show improvements %of tickets issued 4 weeks before work starts on site: June July August 0 40 80 Details entered 2 weeks prior to tickets being required on DERIS system: June July August 100 100 100 DILIS/DERIS interface fully operational June July August 0 75 80
12 December 1996	Internal.	Repairs Quality Forum.	Discussion of implications of contract as it affects responsive repairs.	Agreed to investigate monitoring system, problems in meeting targets and changes in working practice needed to meet performance targets. Actions agreed and responsibilities assigned	
16 January 1997	Internal.	Repairs Quality Forum.	Team reviewed activities as a result of the previous meeting. Notes had been prepared by the responsible officer.	Inconsistencies in requests for work to be identified by working in pairs with inspectors from other areas. Agreed to rewrite schedule of rates, including more detail where necessary and removing those not required Identified need to speak with contract services with regard to the schedule of rates and also duplication of inspections.	
18 March 1997	Internal.	Repairs Quality Forum.	Procedure for requests for repairs was reviewed.	Team identified appropriate measures to monitor the process.	

Dates	Internal/ External	Event	Team process	Team output	Results
24 April 1997	Internal.	Process Team to document procedures.	Team identified need to document procedures. Agreed timetable. Four procedures to be reviewed. Right to Buy, Housing Advice, Service Charges, TV Licences.	Agreed procedures to be documented and assigned actions and responsibilities.	September 1997 – Right to Buy procedure reviewed. October 1997 – Housing Advice Service reviewed.
25 August 1997	Internal.	Process Team to look at Allocation of Council owned garages.	Team agreed objectives and measures. Agreed need to ensure complying with allocation procedure relating to garages and to reduce the number of vacant garages. The exercise was to be piloted in one area and then extended to the other two areas.	Review of information available. 11 garages were void for which 7 had no applicants. Adverts were to be placed. Agreed to also carry out pro active review of the garages.	Random review of the garage allocations over the past six months showed that all comply with the procedures.
15 September 1997	Internal.	Process Team to look at Housing Benefits Over-payment.	Discussion of the process for the collection of housing benefits overpayments. Team agree objectives and measures.	Team identify different level of repayment agreements. Agree to consider procedure and links to housing benefits section.	Introduced new computer tabulation to identify overpayment deductions from current benefit.
25 September 1997	Internal.	Process Team to look at allocation of Council owned garages.	Review of measures and information available.	Revision of advert and new locations were identified. Continue pro-active policing of garage sites.	Of 15 current void garages only 3 have no demand. All area offices to be involved.

Dates	Internal/ External	Event	Team process	Team output	Results
10 October 1997	Internal.	Process Team to look at Housing Benefit Over-payments.	Discussion of procedure.	Agreed to introduce covering letter for overpayments.	Standardised letter introduced.
17 November 1997	Internal.	Process Team to look at Cyclical repairs.	Agreed need to consider the format of information given to tenants re cyclical repairs, the stages of notification given, liaison between client/contract and tenant on commencing works.		

Benchmarking Scores

Introduction. For Housing Services, the benchmarking exercise was carried out with a team comprising representatives from the Area Offices, the Policy and Community Development unit and the Housing Surveyors unit. The exercise was first carried out in October 1994, and repeated in June 1996, April 1998 and March 2000. The results of the exercise are illustrated in Figure 7.1.

Figure 7.1
Benchmarking Scores

Dates	Shared Values	Strategy	Structure	Staff. Decision Making	Staff. Team work	Style	System	Skills
Oct 94	B	C	C	B	C	A	C	B
June 96	C	C	D	D	D	C	C	C
April 98	C	C	D	D	D	D	D	C
Mar 00	C	D	D	D	D	E	D	C

Points arising from the discussions

Shared Values.

Oct 94	June 96	April 98	March 00
B	C	C	C

The Housing Services team was very different to the Engineering Services team. They were more reluctant to participate in the initial quality training and at first were clearly less approachable. The researcher's initial impression was that of a service that was very parochial, though by the end of the study the team had become a lot more open and honest in their discussions with the researcher.

In the early stages of the research, it appeared as if the team perceived their performance to be considerably better than that perceived by tenants and they simply 'played along' with the Council's quality initiatives as they believed they were "ahead of the game". The team was very good at playing along, but changes in circumstances, in particular the need to subject the service to competitive tendering

and the requirements to increase tenant consultation, altered the team's beliefs quite considerably. By the end of this study, there was evidence the team was making significant attempts to improve the quality of the service it provided. There was greater tenant involvement, and even more surprisingly, greater commitment to corporate goals.

In 1994, it was clear from discussions that there was a very traditional attitude to housing service provision and there was no pressure for change. Maintaining the status quo was the shared value.

By 1996 this picture had changed slightly and there was evidence of some commitment to continuous improvement. There were a lot of people who had been doing the same job for quite some time and there had not been the fresh impetus of ideas that had possibly been needed at times. This situation started to change as a result of the restructuring.

The appointment of a new chairman of the Housing and Health Committee had resulted in changes. For example, the next Housing Committee meeting would consider 6 to 7 potential policy issues. The team pointed out this had not happened before, as usually only procedures were considered. It was clear the team believed Members were starting to realise that the "fact we have always done it like this is no longer sufficient".

In 1998, commitment to continuous improvement was still mixed. The discussions highlighted there had been changes in attitudes, as there was now "the recognition that things are done for the benefit of the tenants, and that wasn't there previously." "The focus previously was on technical issues, and who benefits was seen to be secondary". Commitment to continuous improvement was unchanged in 2000.

Strategy.

Oct 94	June 96	April 98	March 00
C	C	C	D

At the start of the research it was clear that limited thought was given to planning for the service. It was seen as a management function, and was done to satisfy Members. In 1994, the team believed housing services provided basically day to

day responsive services, and detailed long term planning was very difficult to achieve.

As this study progressed, the team became increasingly aware of the need for a clear strategic direction. In 1996, the team agreed the business planning process had not been particularly good, and there was certainly room for improvement. The business plan itself had been allowed to “gather a little bit of dust, although it has not been totally forgotten”. “Targets and performance measures were done because they had to be”.

By 1998, a work programme had been produced for the year, by the manager. It identified “what jobs needed to be done”. The team agreed, there had been more involvement in drawing up the Business Plan with everyone asked to contribute to its development.

It was clear that in some cases, the past 12 months had been spent getting used to working under the guidelines laid down in the housing contract, and it was hoped now more time could be spent on planning.

In 2000, the team agreed there were plans, “business plans which set targets”, “programme of how to achieve”, but the discussions identified that “quality is not measured much”.

Structure.

Oct 94	June 96	April 98	March 00
C	D	D	D

There was a good working relationship amongst team members and this was reflected in the scores for a number of the success factors. There was none of the whinging that was evident amongst the Engineering Services team. Instead the team appeared to accept their responsibilities and those of others within the service to a greater extent.

In 1994, the team believed there were clear lines of authority and responsibility, within the department, although there was some overlap. In 1996, this position was

improved when the team reported that the development of a policy and procedure manual had helped in establishing the lines and levels of responsibility.

There was no further change in score for this factor, though it is interesting that by 2000 there was agreement that “everything we do is to improve the quality of the service we provide”, “we are constantly trying to improve the end product”. This was a significant change in attitude to that first encountered by the researcher.

Staff. Decision Making.

Oct 94	June 96	April 98	March 00
B	D	D	D

In 1994, it was clear from discussions with the team that there was a fair degree of autonomy at managerial level, particularly with regards to maintenance, homelessness and rent arrears. In 1996, there was a marked improvement in the score for this factor. One member of the team stated that “the decision making process is quite clear and reasonably extensive.”

In 1998, there was no change in score, but it was clear that the policy and procedure manual had helped to clarify a number of different things and it allowed for individual discretion within agreed policy.

There was no change in score in 2000. The team agreed that they still had considerable freedom to make decisions, within an agreed policy framework.

Staff. Teamwork.

Oct 94	June 96	April 98	March 00
C	D	D	D

An emphasis on teamwork was evident throughout this study. In 1994, discussions with the team highlighted that within each of the various sections there was a high degree of teamwork and co-operation. In 1996, there was a slight improvement in score as the team agreed there were natural teams at different levels within the service, with some teams formed to tackle specific improvement projects.

In 1998, the team agreed that teamwork was still extremely good within the service and that the various sections work together. This “good team spirit” was still evident in 2000.

Style.

Oct 94	June 96	April 98	March 00
A	C	D	E

It was clear from discussions that housing services held traditional views and acceptance of the need to improve was slow. It was clear, in 1994, there had been no incentive for radical change within these areas. Hence the very low score.

By 1996 there was an improvement in score for this factor. At the time this was attributed to a restructuring of the service and the restart of the process improvement teams. By 1998 the score had improved still further. The discussions with the team highlighted that the Housing Management Contract had had an impact. One member of the team described how they had been encouraged to identify procedures in need of improvement and to carry out a review of such procedures. Also the work of the quality forums was having a positive effect and it was clear that there was management involvement in the improvement process.

In 2000, there was further improvement in the score for this factor. The team believed that there had been an improvement in support for improvement activities by management over the past months. They described how they were encouraged to highlight problems to the divisional team.

Systems.

Oct 94	June 96	April 98	March 00
C	C	D	D

In 1994, preparation for CCT had resulted in the production of a procedure manual, which was in draft form. The team agreed the manual was very comprehensive and its production had resulted in improvements in procedures. By 1996, the team agreed “95%, if not more of what we do is covered within the policy and procedure manual”.

In 1998, there was a slight improvement in score for this factor as Officers within the policy and procedure unit reviewed documented procedures. In 2000, there had been little change and the team described how procedures were still “continually being documented”. There was now one person responsible for updating the manual, ensuring that policies were kept up to date.

Skills. Quality Tools.

Oct 94	June 96	April 98	March 00
B	C	C	C

Even with the increasing activity of the quality forums, the team remained reluctant to use quality tools and techniques. In 1994, there was an awareness of quality tools and techniques, but the team agreed, they were used only informally in some situations, and their application was often “hit and miss”.

In 1996, tools and techniques were still only used intermittently and with varying degrees of commitment. Sometimes they were used after a decision had been reached as then it was agreed that a flowchart should be used.

In 1998, it was clear from discussions that problem-solving tools were still used only very occasionally and in 2000 this was unchanged. Members of the team pointed out, “we have used some of the tools in fundamental service reviews”, “flowcharts have been used to document processes, which identified areas of duplication” and, “the concept of Pareto is coming through. When we talk about problems we identify whether it is a one-off and if so we make a quick decision. However, if it is likely to recur then we need to give it more consideration as it may have a knock on effect”.

Skills. Professional Identity - B.

One member of the team believed, the Institute of Housing (IoH) had, until recently, viewed themselves as the poor relation of the professions. However, he believed recently becoming Chartered had given recognition and status to the Institute, and a greater degree of influence. The members of the team agreed the IoH played a significant role in working towards professional status for the industry.

They pointed out how training over the past five years had greatly improved, as it had become more practical, and there was now a more obvious academic route into housing. They believed the service itself did not require a large amount of specialist

knowledge, most knowledge generally being gained through experience. However, they identified areas, such as homelessness, where complex case law does require specialist knowledge.

One member of the team pointed out that there were no standard procedures between authorities and the nature of the service made it difficult to have specialist knowledge. Instead, he argued that having the right approach and using common sense was more important.

Summary

The discussions with the teams identified a number of reasons for changes in the CSFs over the duration of this research and these are illustrated in Figure 7.2.

For the period October 1994 – June 1996, the team identified considerable changes in scores for most of the CSFs. During this time, there had been a number of changes to the structure of Housing Services, a new Chairman for the Housing and Health Committee and preparations for CCT were now well underway. It was clear that these factors had a significant impact on the CSFs, in particular as they triggered a change in attitude amongst the team.

The changes in structure of Housing Services and the new Chairman could be seen to be responsible for the improvement in Shared Values, Teamwork and Style, whilst the preparations for CCT, in particular the procedure document, had resulted in improvements in Structure and Decision Making.

The results then showed very little change over the next four years. The only changes in scores were for Strategy, Style and Systems. These changes were due to:

- The appointment of a new Head of Service who clearly encouraged involvement in improvement activities.
- Greater emphasis placed on planning and monitoring of performance.
- Procedures to review the Procedure Manual.

Figure 7.2. Reasons for Changes in CSFs over Time

Dates	Shared Values	Strategy	Structure	Staff Decision Making	Staff Teamwork	Style	Systems	Skills
Oct 94 - June 96	B→C	C→C	C→D	B→D	C→D	A→C	C→C	B→C
	New "leaders". Threat of CCT.		Restructuring. Increased delegation.	Development of policies provided guidelines within which officers could make more decisions.	Restructuring. Changes in senior officers.	Change in Chairman of Housing Committee New Head of Service.		Preparation for CCT. Training.
June 96 - April 98	C→C	C→C	D→D	D→D	D→D	C→D CCT.	C→D CCT.	C→C
April 98 - Nov 2000	C→C	C→D	D→D	D→D	D→D	D→E	D→D	C→C
		Commitment from senior management to developing plans that measure the quality of the service.				HoS through divisional team meetings encourages people to identify problems.		

SECTION TWO

SEMI STRUCTURED INTERVIEWS

Introduction

Semi structured interviews were conducted with the Policy Development Manager and the Head of Housing Services in February 1999 to determine their views on the changes that have taken place over the past five years. Section One highlighted a number of issues that has resulted in change in the CSFs scores assigned by the team. In presenting the results of these interviews the term 'manager' refers to both the team's manager and their Head of Service.

The views of the managers on these issues was sought in these semi-structured interviews:

- External triggers
- Changes in Management and Members
- Improvement Teams

Results

External Triggers. It was clear from discussions that managers believed that CCT had a significant effect upon the service. "It made us write down what we did and set service standards". "Before this the view of the department was that if we didn't write it down then we could do whatever we wanted. Flexibility was key. The only problem with this was we couldn't delegate" "With the development of the policy and procedure manual we have been able to delegate a lot more".

"With the setting of service standards we had to identify when we would achieve things, rather than our previous practice of offering a good service by doing things as quick as we can".

Changes in Management and Members. The interviews highlighted that three changes in the service were seen to be the main triggers for change:

- i) Change in Head of Service who had "different views" to the previous Head of Service.

- ii) Change in the housing management team, with the appointment of a new Policy and Development Manager.
- iii) A new Chairman of the Housing Committee, the previous Chairman had been “reluctant to change”.

The interviews also identified that managers believed, “management are more keen to change than staff.” “They don’t regard it as their job to improve, they see that as the managers job”. “Yes, there are differences between the different sections, policy and development are probably better as they see the impetus for improvement”.

Improvement Teams. The response of housing services to the corporate-wide quality initiatives introduced at the start of this research was discussed. One manager agreed that “we were playing the game”. The interviews highlighted that managers clearly felt at the time the corporate approach to quality was an “insult” and “backs went up”. Possibly this was due to managers “not fully understanding what it was all about”, and “were frightened of it”.

“There were rumours about tally charts and we thought what do we need to learn about them for – we do that already”. The introduction of TQM was also received with a degree of cynicism, one manager described how the view of the service at the time was “of course we are striving for quality. We are doing our best, what do you think we are doing? If we could we would sit back and think about things and plan, but it is difficult when the service requires us to be reactive”.

One manager agreed that, “we misunderstood some of the quality things”. The names of improvement teams were changed to match the organisation wide initiatives. However, the teams that had been set up to address ‘quality’ have since “died a death”. Teams were now formed to tackle specific issues. For example, a team was formed to tackle the recent exercise to computerise the allocations system.

SECTION THREE

RESULTS OF SERVQUAL QUESTIONNAIRE

Introduction

This section outlines the results of a customer questionnaire, which provides the basis for discussion in subsequent chapters on the impact that quality management processes and quality management systems have on the quality of service delivery.

The questionnaire was developed using a modified SERVQUAL model and was used to gather data to provide information about the quality of service delivery offered by housing services.

The final questionnaire was distributed to a sample size of 500 council tenants. The number of valid returned questionnaires was 91.

Calculating the Results of the Questionnaire

Measures of service quality using the SERVQUAL model were obtained by calculating the difference between tenants' ratings of expectations and perceptions. The quality of service along each of the ten dimensions was then assessed across all tenants by averaging their SERVQUAL score on statements making up the dimensions. The weighted score was obtained by multiplying the scores for each dimension by the degree of importance assigned to that particular dimension.

Respondents were asked to assess the importance of each of the dimensions by assigning marks out of a total of 100 for each of the ten dimensions. The degree of importance was derived from the average score assigned by the respondents to each of the ten dimensions of quality.

The SERVQUAL index was then obtained by adding the weighted scores together and dividing by the number of dimensions, in this case ten.

Further analysis was done by comparing the gaps between perceptions and expectations for each of the 10 dimensions against the scores for satisfaction with the overall quality of service received.

Results

Figure 7.3 examines the expectations and perceptions of Council tenants receiving services from the Housing Services department.

These results showed that tenants had high expectations of the quality of service they receive from Housing Services, with the exception of tangibles. This can be compared with the tenants' perceptions, where in general the average scores were lower, with a range from 4.08 to 5.88.

As a result there was a gap between expectations and perceptions for all of the 10 dimensions, apart from Tangibles. The biggest gap between perceptions and expectations was in the Reliability dimension, where one of the differences is -2.31. The other significant gaps between perceptions and expectations were evident in Responsiveness, -1.97 and -1.82, Understanding the Customer, -1.98 and -1.76, and Credibility, -1.90 and -1.65.

Figure 7.4 combines the gap scores for each of the questions into the 10 dimensions and then multiplies this score by the weight given to that dimension. The weights given to the dimensions show that Reliability and Responsiveness were the most important dimensions of service quality, to the tenants. The average weight for these dimensions was 0.13.

Both of the scores, for perceptions and expectations, associated with each dimension have been combined and the average calculated. These results show that, apart from tangibles, the average score for expectations range from 6.30 to 6.73, compared with the average scores for perceptions which ranged from 4.33 to 5.48.

Taking the combined scores for each of the dimensions the biggest differences between expectations and perceptions were evident in the Reliability dimension, with a score of -2.04, followed by the Responsiveness dimension, with a score of -1.90.

Figure 7.3 Expectations and Perceptions of Housing Tenants

STATEMENTS	EXPECTATION	PERCEPTION	DIFFERENCE
TANGIBLES			
Modern looking reception areas	3.4	5.14	1.75
Employees are smart in appearance	5.14	5.53	0.38
RELIABILITY			
When promises to do something by a certain time will do so	6.38	4.08	-2.31
Offices are sufficiently staffed to meet needs of customers	6.35	4.58	-1.77
RESPONSIVENESS			
Do not expect customers to wait in long queues	6.18	4.21	-1.97
Acknowledge written correspondence from customers promptly	6.43	4.60	-1.82
COMPETENCE			
Ensure competent officers are available to meet the needs of customers	6.54	4.79	-1.75
Employees have up to date knowledge of the service	6.56	5.34	-1.22
COURTESY			
Employees have a professional attitude	6.40	5.24	-1.15
Employees are polite when answering telephone calls	6.66	5.81	-0.85
CREDIBILITY			
Gives the customer confidence in their ability to provide the required service	6.47	4.82	-1.65
Employees are honest with customers	6.78	4.88	-1.90
SECURITY			
Maintain the confidentiality of their customers	6.79	5.88	-0.91
Give the customer the confidence that answers given will be correct	6.73	5.12	-1.60
ACCESS			
Provide easy access to all of their services	6.68	5.43	-1.25
Are open at times to suit their customers	6.23	5.36	-0.87
COMMUNICATION			
Materials associated with the service are free from jargon	5.82	5.59	-0.23
Customers informed of decisions which might affect them	6.78	5.36	-1.42
UNDERSTANDING THE CUSTOMER			
Have the customer's best interests at heart	6.79	4.81	-1.98
Employees understand the specific needs of their customers	6.67	4.91	-1.76

Figure 7.4 – Weighted Scores

	Expectations	Perceptions	Difference	Weight	Score
Tangibles	4.27	5.34	1.07	0.07	0.08
Reliability	6.37	4.33	-2.04	0.13	-0.27
Responsiveness	6.30	4.41	-1.90	0.13	-0.25
Competence	6.55	5.07	-1.48	0.09	-0.13
Courtesy	6.53	5.53	-1.00	0.10	-0.10
Credibility	6.63	4.85	-1.77	0.10	-0.18
Security	6.76	5.50	-1.26	0.10	-0.13
Access	6.46	5.40	-1.06	0.09	-0.10
Communication	6.30	5.48	-0.82	0.09	-0.08
Understanding the customer	6.73	4.86	-1.87	0.09	-0.16
				Index	-0.13

As both of these dimensions were the most important to the tenants the weighted scores indicate that Responsiveness and Reliability were the biggest areas of concern. The weighted scores for these dimensions were -0.27 and -0.25, respectively.

The SERVQUAL index, calculated by adding the weighted scores for all the dimensions and dividing by the number of dimensions, was -0.13. This index indicates that Understanding the Customer and Credibility were also areas of concern, as the weighted scores for these dimensions were -0.16 and -0.18, respectively.

Further analysis of the results was carried out to identify the differences in perceptions and expectations for each of the dimensions compared with the degree of satisfaction, expressed by tenants, about the service they receive. The results of this analysis are detailed in Figure 7.5.

The results show that, in general, the greater the satisfaction with the standard of service, the smaller the differences between perceptions and expectations. The greatest difference between perceptions and expectations for tenants who were dissatisfied with the standard of service they receive was in the Reliability dimension. In general, tenants who were neutral or agreed that they were satisfied with the standard of service they received, had the greatest difference between perceptions and expectations in the Responsiveness dimension.

Competence was identified as an issue for concern only by tenants who scored 6 or 7 for being satisfied with the standard of service they received. A score of 7 identified tenants who strongly agreed that they were satisfied with the standard of service they received.

Courtesy was also identified as an issue for concern only by tenants who scored 6 for satisfaction with the service they received.

Responsiveness was seen as an issue of concern by all tenants, independent of how satisfied they were with the standard of service they received, apart from those tenants who scored a 3 i.e. were not satisfied with the service they received. The dimensions of understanding the customer, credibility and access showed greater differences between perceptions and expectations for this group of tenants.

Credibility was identified as an issue by all groups of tenants, with differences between perceptions and expectations being either second or third greatest of all the dimensions, for all scores of satisfaction.

Finally, the graphs in Figure 7.6 illustrate other aspects of the service offered by Housing Services, for example the house they rent, and the location in which they live. The results show that 77% of respondents were satisfied with the house they rent and with the location in which they lived. 67% of respondents agreed that overall Authority X had satisfied their housing needs, however, only 51% were satisfied with the standard of service they received.

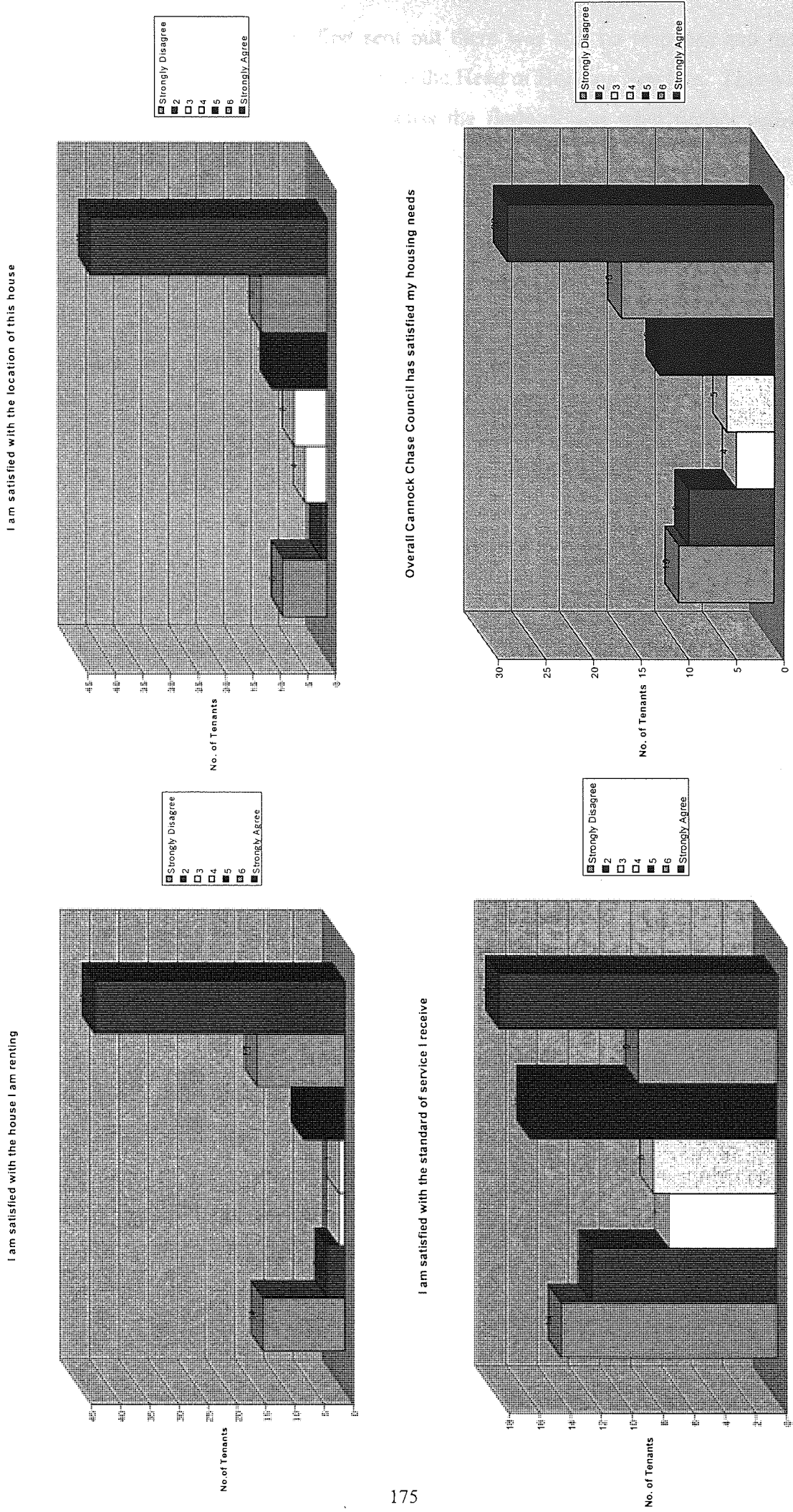
Response of Housing Services to the Results

A report was prepared by the researcher highlighting the results of the questionnaire in table and graph forms and supplemented by descriptive analysis. In the first instance the report was presented to the Policy Development Manager within the Housing Department. He had been the key contact for the involvement of Housing Services in this research. Two weeks after the report went to the Policy Development Manager the researcher contacted him to determine how he would like to disseminate the information arising from the questionnaire and develop actions for improvement. It was clear from discussions that this was not a priority and he would respond in due course.

Figure 7.5
I am Satisfied with the Standard of Service I Receive

	Tangibles	Reliability	Responsiveness	Competence	Courtesy	Credibility	Security	Access	Communication	Understanding the Customer	SQI
1 Strongly Disagree	0.08	-1.05	-0.44	-0.31	-0.11	-0.61	-0.31	-0.3	-0.35	-0.4	-0.38
2	0.02	-1.75	-0.9	-0.5	-0.3	-0.83	-0.37	-0.25	-0.21	-0.6	-0.57
3	0.01	-0.41	-0.18	-0.15	-0.11	-0.24	-0.18	-0.24	-0.06	-0.35	-0.19
4	0.32	-0.58	-0.8	-0.2	-0.11	-0.46	-0.19	-0.24	0	-0.23	-0.25
5	0.1	-0.34	-0.44	-0.24	-0.26	-0.41	-0.51	-0.15	-0.21	-0.26	-0.27
6	0.14	-0.08	-0.16	-0.14	-0.14	-0.13	-0.05	-0.1	-0.01	-0.12	-0.08
7 Strongly Agree	0.19	-0.15	-0.28	-0.18	-0.06	-0.19	-0.13	-0.09	-0.05	-0.15	-0.11

Figure 7.6 Overall Satisfaction with Housing Services



Six weeks after the report was first sent out there was still no response and the researcher sent a copy of the information to the Head of Housing Services. This was followed by an informal meeting to discuss the findings and what further action should be taken. The Head of Service agreed that the researcher should come along to one of the housing management meetings to discuss the findings.

Several months passed by before the researcher attended a housing management meeting. It was clear from discussions that the housing managers found the results to be too negative and were not prepared to believe that they were representative. No action was taken as a direct response to the results of the questionnaire.

SUMMARY

At the start of this research, Housing Services was very parochial and was not prepared to participate in the organisation-wide quality initiative. The team believed they had done it all already.

The introduction of process management resulted in the team 'playing the game', and in effect doing the minimum they could get away with.

Changes in management, the housing management contract and the requirement for greater tenant participation were all responsible for triggering a change in attitude within the service. At the end of this research, there clearly was commitment to continuous improvement.

The customer's questionnaire highlighted areas for concern and yet these were not addressed directly. However there was evidence that a repeat of this questionnaire would be likely to reflect improvements in the quality of service. A study carried out in 2000 highlighted tenant satisfaction levels of 79%.

Chapter 8

Legal Services

BACKGROUND TO THE TEAM

Legal Services is a small team in the Resources Directorate. The work of the team can be divided into two areas:

- legal services
- land charges

The existing in-house legal service was introduced to meet an increasing need within the Authority for 'on-tap' legal advice by providing easy access to an on-site lawyer. Prior to this, the Council's general legal work had been undertaken by a number of local firms of solicitors, with legal advice to Committees being provided by the then Chief Executive.

At first, the in-house service was modest and provided by one individual. The need for legal advice has continued to grow and the Legal Section now comprises 7 full-time and 3 part-time staff.

The section is currently the sole provider of legal services to the Council.

The services provided by the section in the fields of legal services and land charges are many and varied. All are customer driven, some by internal customers others by external customers.

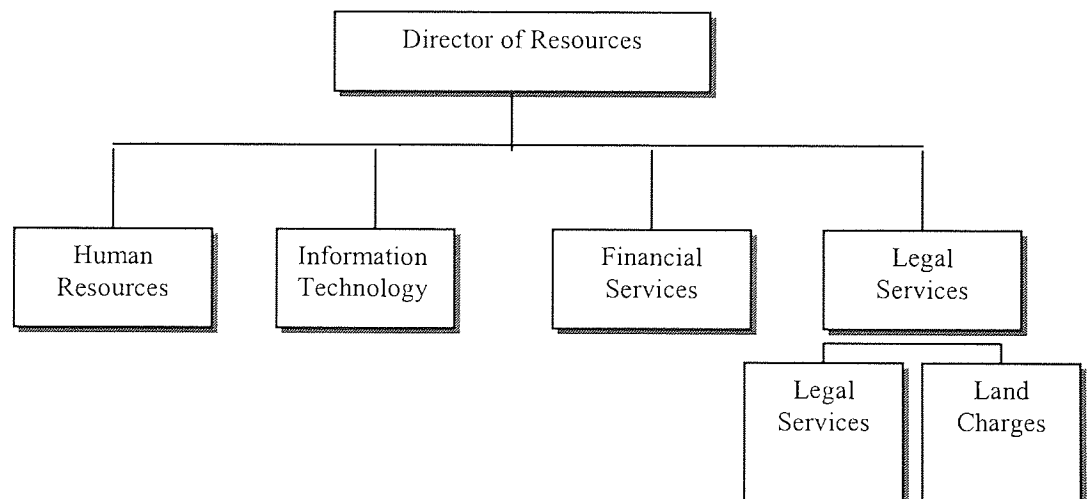
The land charges section provides information to those who are intending to purchase land or property within the district with general information relating to drains, sewers, highway adoption, highway development schemes, smoke control, planning regulations, demolition orders etc. which may help them to make a more reasoned decision upon whether to pursue the transaction. The customers of this service are 'external' to the organisation and this section of legal services has not been covered within this research.

Legal services are provided to other departments of the authority. The customers of these services are internal, and so it is this section of the service that is the focus of this research. Legal services is basically the provision of assistance in resolving, clarifying or indicating a lawful or practical solution to a problem, difficulty or query a customer has which has a legal base. Examples of the services provided by the team are:

- Right to Buy
- Easements and Licences
- Leases
- Highway Agency Agreements
- Tree Preservation Orders
- Traffic Regulation Orders
- Contracts
- Planning – enforcement notices/stop notices/section 106 agreements
- Prosecutions
- Employment and Industrial Relations

At the start of this research the Legal Services team formed part of Legal and Administration Services. However, a restructure in August 1998 resulted in Legal Services being split from Administration Services. A new Head of Legal Services was appointed, who no longer had responsibility for administration. The Legal Services Manager was appointed to this new post.

Figure 8.1 Organisational Chart – Legal Services



SECTION ONE

BENCHMARKING WITH THE SERVICE TEAM

Introduction

In April 1993, the researcher first approached the Head of Legal and Administration Services to discuss the introduction of Total Quality Management (TQM) as part of an organisation-wide initiative. The Head of Service agreed that all members of the legal services team should participate in the workshops, particularly as this appeared to reflect the corporate approach. Dates were determined for the team to attend the workshops. It was clear that the team attended the workshops because they were required to do so, and further improvement activity outside of the three workshops proved to be difficult to encourage.

However, the team's attitude towards process improvement has changed markedly over the duration of this research and the tables in this section summarise the results of the participant observation exercise carried out with Legal Services.

The manager and Head of Service were involved in the process improvement activities and in the benchmarking exercise, therefore there were no further interviews carried out in this case study.

Dates	Internal/ External	Event	Team process	Team output	Results
15 August 1996	External.	Preliminary meeting with Quality Assurance Manager (QAM) to discuss process management.	The team was not involved at this stage. The Director of Resources, Head of Service, Legal Services Manager (LSM) and Audit Manager met to discuss the requirements of a process management project.	This preliminary meeting agreed that new systems need to be developed, procedure manuals drawn up, with targets and measures included.	The Quality Assurance Manager was to lead this project.
19 August 1996	External.	Briefing meeting with LSM, QAM, and Audit Manager.	The team was not involved at this stage.	The meeting resulted in agreement on the requirements of the project and the LSM agreed to produce a list of work areas to be proceduralised.	The QAM received a list of work areas by the end of August.
11 September 1996	External.	Pre-meeting to discuss the briefing meeting arranged to inform the team of the project.	The team was not involved at this stage.	The Head of Service, LSM and QAM agree the details for the briefing meeting.	A team briefing session was held.
11 September 1996	External.	A briefing meeting is held.	The team was informed about the project and its objectives.	The team agreed that individuals responsible for the various work areas will liaise with the QAM to draw up the procedures.	Procedures for Section 104 & Section 38 Agreements and Council House Repositions are drawn up. The QAM is responsible for procedures in discussion with the relevant team member. However, there is little ownership of the approach from the team and progress is halted.
3 March 1997	External.	Meeting between QAM, LSM and Head of Service.	The team was not involved at this stage as these officers revisit the purpose of the project.		It was agreed that the members of the team should be trained in process management.

Dates	Internal/ External	Event	Team process	Team output	Results
5 March 1997	External.	Process Management training.	The QAM ran a process management session for the team, introducing the principles of flowcharting.		No further action is taken until September.
23 September 1997	External.	Meeting between QAM and LSM.	The team was not involved at this stage.	The QAM and LSM agreed that the project should be restarted.	The QAM met with individual members of the team to discuss their procedures.
29 September 1997	External.	QAM meets with members of the team.	Section 38 process and Council House Repossessions are discussed and team members agree to check through and amend the draft procedure as necessary.	Amendments were made to the procedures by the individual responsible, and associated standards documents are identified.	Procedures were finalised and sent to the QAM who holds them on file.
7 October 1997	External.	QAM arranges to meet with member of the team.	Discussion on the procedure for council House Sales.	QAM produced a draft procedure on Council House Sales –conveyancing. Amendments are made to the procedure.	Final draft of procedure held on file by QAM.
17 October 1997	External.	QAM arranges to meet with member of the team.	Discussion on the procedure for council House Repossession.	QAM produced a draft procedure on Council House Repossession. Amendments are made to the procedure.	Final draft of procedure held on file by QAM.
20 October 1997	External.	QAM arranges to meet with member of the team.	Discussion on the procedure for Conveyancing.	QAM produced a draft procedure and amendments are made to the procedure.	Final draft of procedure held on file by QAM.
10 November 1997	External.	QAM meets with team members.	Discussion of the procedure for Section 106 Agreements, Car Loan Agreements and Section 82 Agreements.	QAM produced draft procedures and team member suggests any amendments required.	Final draft of procedures held on file by QAM.

Dates	Internal/ External	Event	Team process	Team output	Results
20 November 1997	External.	QAM meets with team members.	Discussion of the procedure for Tree Preservation Orders and Traffic Regulation Orders.	Draft procedures were drawn up by the QAM and responsible officer is requested to inform of any amendments to the procedure.	Final draft of the procedures held on file by QAM.
April 98 - December 98	Internal.	Team meets to discuss Lexcel standard.	Team was enthusiastic about adopting the Lexcel standard.	Individuals were given activities to do and progress is monitored at meetings held on a 4-6 weekly basis.	
July 99	Internal.	Team meets to discuss Lexcel.	The team discussed what needed to be done to progress Lexcel. The initial enthusiasm had clearly gone.	Activities were divided amongst the team.	A draft manual was produced.

Benchmarking Scores

Introduction. For Legal Services, the benchmarking exercise was first carried out with the team in February 1994 and repeated in May 1998 and March 2000. The agreed scores resulting from the benchmarking exercise are detailed in Figure 8.2.

Figure 8.2
Benchmarking Scores

Dates	Shared Values	Strategy	Structure	Staff Decision Making	Staff Team work	Style	System	Skills
Feb 94	C	A/B	D	D	D	A/B	A	A
May 98	D	A/B	D	D	D	C	B	C
Mar 00	D	C	D	D	D	C	C	C

Points arising from the discussion.

Shared Values.

Feb 94	May 98	Mar 00
C	D	D

The Head of Service was keen for the team to participate in the organisation-wide quality initiative. The team was not so enthusiastic. It was obvious the team did not want to attend the workshops and only did so because they had no choice. Nothing was done as a follow-up to the series of workshops. When the quality programme was given a kick-start through the introduction of process management, a couple of members of the team attended the training sessions, clearly because someone had to. There was no further activity undertaken by the team, even though there was a directive from the Directors' Management Team to report process improvement activity on a quarterly basis. The team did not report.

The threat of CCT gave rise to the need for the team to document procedures, and this eventually happened with the assistance of the Quality Assurance Manager (QAM). However there was little commitment from the Legal Services team and the QAM struggled to get the team to progress with the various tasks as planned.

In 1994, the team believed they were continually thinking about the service they provided and whether it met the needs of those they provided it for. If a shortfall was identified they would then look to see how this could be eliminated or improved.

The team first demonstrated commitment to 'quality' when the manager put forward proposals to work towards Lexcel, a quality standard for legal executives. A team approach was adopted and everyone was involved in agreeing the work schedule. This was a completely different response to the organisation-wide initiatives that had been imposed on the team. The team commenced this project with a positive attitude. In 1998, this was reflected in an improvement in score for this factor.

In 2000, it was clear from discussion with the team that there had been a great deal of fluctuation in commitment to continuous improvement over the past two years. This was clearly due to changes in the team. The Head of Service, who had been on long-term sick, took early retirement in May 1998, and there was problems in appointing a new Head of Service. The morale of the team had dropped considerably and as a result the Lexcel meetings stopped in November 1998 and did not begin again until July 1999. Although a draft manual had been prepared, it was clear that the initial enthusiasm towards Lexcel was no longer there.

Strategy.

Feb 94	May 98	Mar 00
A/B	A/B	C

Over the duration of this study, there was little evidence that the team placed much importance on developing a strategic direction. This could have been due to the team seeing business planning as a corporate initiative and they were resistant to corporately imposed initiatives.

In 1994, the unit had a plan, to a certain extent, but it was not very up to date. The team believed the plan should cover where the legal section is going and what it should be providing. "In an ideal world we would provide advice on new legislation, but we have no chance of doing this. Currently it is the other departments that look at new legislation and approach us if they have any queries. We just seem to be continuously reacting".

“Once we have determined what SAC managers want from us and how we, as solicitors think the service should be provided we need to look at the resources available. This is difficult in local government, but we hope to build a plan that reflects what we are going to do next year, and over five years. It will also help to get work assigned at the appropriate level as we will need to work out hourly rates”.

In 1998, the team identified that there had been no further work on developing their business plan.

A very brief plan was drafted for 1999, but the team agreed it was done in a hurry and was pretty worthless. However by 2000, there was a slight improvement in score for this factor. The manager described how he was currently drafting the business plan for 2000-01 and had sought an input from members of the team.

Structure.

Feb 94	May 98	Mar 00
D	D	D

In 1994, the team agreed that roles and responsibilities were clear to all. In principle everyone had their own area of work they dealt with, if they had a problem they each knew who to go to for assistance.

There was no change in score for this factor and even with all the changes in 1998-99, members of the team agreed in 2000 they were aware of their roles and responsibilities.

Staff. Decision Making.

Feb 94	May 98	Mar 00
D	D	D

In 1994 discussions identified that as each individual was clear about their own area of work new work was automatically addressed to the individual who dealt with that type of work. Changes in work and responsibilities occurred only after discussions had been carried out with everyone involved. As to allocating work outside the

scope of their normal work activities individuals were involved in making the decision about whether they should take on the extra work.

The team agreed that the manager generally discussed issues that would affect the section with the solicitors and only if the decision directly affected another individual would they be consulted.

However, within limits, the team agreed each individual was able to make decisions about improving the way in which they worked.

There was no change in score for this factor.

Staff. Teamwork.

Feb 94	May 98	Mar 00
D	D	D

It was clear from discussions that the team worked well together. “Yes , there is definitely teamwork within the unit. Everyone helps each other out. We consult with each other. We bounce ideas off each other”.

There was no change in score for this factor.

Style.

Feb 94	May 98	Mar 00
A/B	C	C

In 1994, it was felt that it was difficult to make improvements when so much was determined by other services. “You feel as though you are constantly hitting your head against a wall”.

In 1998, it was clear that there was support from outside the team for improvement. One member of the team pointed out that, “the Director is keen for us to adopt Lexcel”.

There was no change in score in 2000. The team agreed that they were very “self contained” and “should ask more often” for support. One member of the team pointed out that the “Director is very statistics oriented and if you don’t have statistics to back up your arguments you won’t get what you want”.

Systems.

Feb 94	May 98	Mar 00
A	B	C

In 1994, there were no documented procedures, as one member of the team pointed out, “no, we have no written procedures, not from the point of view of being able to hand somebody what we do”.

In 1998, the team identified that a number of its processes had now been documented with the help of the Quality Assurance Manager.

By 2000, there had been further improvement and the team agreed they now had the majority of their procedures documented and a draft manual had been produced.

Skills. Quality Tools.

Feb 94	May 98	Mar 00
A	C	C

In 1994, even though the members of the team had attended the Quality Workshops there appeared to be very little knowledge of quality tools and techniques in the section.

In 1998, there had been an improvement in score for this factor as the team described how flowcharts had been used to draft up a number of their procedures. In 2000, the team described how brainstorming and flowcharts continued to be used in their Lexcel preparations. There was no change in score.

Skills. Professional Identity - D. It was agreed that specialist knowledge was required to be able to do the job in legal services. The Law Society is the professional body for the solicitors and, although there is no requirement to be a

member, solicitors must still comply with all the rules and regulations which govern the way they practice.

Legal executives were supported by the Institute of Legal Executives. To be a member they had to pass examinations and have a certain amount of experience. This body also monitors how the legal executives conduct themselves.

Summary

There had been few changes in the scores for the critical success factors between May 98 and March 00. However, discussions with the team highlighted that there had been considerable change since the last benchmarking exercise and at one point morale had been very low.

The only changes in scores were for strategy and systems. The improvement in score for strategy was driven by the new manager's commitment to developing a comprehensive business plan for the section. The improvement in systems reflects the work of the team in drawing together a procedure manual.

Figure 8.3 Reasons for Changes in CSFs over time

Dates	Shared Values	Strategy	Structure	Staff. Decision Making	Staff. Teamwork	Style	Systems	Skills
Feb 94 – May 98	C→D	A/B→A/B	D→D	D→D	D→D	A/B→C	A→B	A→C
	Team commitment to work towards the Lexcel standard.					Team commitment to work towards the Lexcel standard. Director supportive of approach.	Work carried out on documenting processes with the help of the QAM.	Use of flowcharts in documenting procedures.
May 98 – Mar 00	D→D	A/B→C	D→D	D→D	D→D	C→C	B→C	C→C
		New manager committed to considering future strategy and developing a business plan.					Production of a draft procedure manual.	

SECTION TWO

RESULTS OF SERVQUAL QUESTIONNAIRE

Introduction

The SERVQUAL model was used to develop a customer questionnaire to determine customers' perceptions and expectations of Legal Services and to ascertain the level of customer satisfaction.

The questionnaire was distributed to 96 employees, at Head of Service, SAC manager and supervisory level. The number of valid returned questionnaires was 45

Calculating the Results of the Questionnaire

Measures of service quality using the SERVQUAL model were obtained by calculating the difference between respondents' ratings of expectations and perceptions. The quality of service along each of the ten dimensions was then assessed across all responses by averaging the SERVQUAL score for the two statements which make up the dimension. The weighted score was obtained by multiplying the scores for each dimension by the degree of importance assigned to that particular dimension. The SERVQUAL index was then obtained by adding the weighted scores together and dividing by the number of dimensions, in this case ten. The various gap scores were then examined and the quality of service perceived by the respondents in the key dimensions and overall were assessed. The SERVQUAL index was used to identify areas of concern, where immediate action was required.

Results

Figure 8.4 examines the expectations and perceptions of Council employees receiving services from the Legal Services department. The results show that the most significant difference between perceptions and expectations existed in the Reliability dimension, i.e., "when legal services promises to do something by a certain time will do so" and "offices are sufficiently staffed to meet the needs of customers".

The other significant differences were evident under the dimensions of Responsiveness and Communication, i.e., "acknowledge correspondence from customers promptly" and "customers are informed of decisions which might affect them".

Figure 8.4 Differences between Expectations and Perceptions

STATEMENTS	EXPECTATION	PERCEPTION	DIFFERENCE
TANGIBLES			
Modern looking equipment	2.51	3.04	0.53
Employees are smart in appearance	4.69	5.24	0.56
RELIABILITY			
When promises to do something by a certain time will do so	6.84	3.33	-3.51
Offices are sufficiently staffed to meet needs of customers	6.64	3.09	-3.56
RESPONSIVENESS			
Demonstrate a willingness to help customers	6.80	5.22	-1.58
Acknowledge correspondence from customers promptly	6.36	3.76	-2.60
COMPETENCE			
Ensure competent officers are available to meet the needs of customers	6.80	5.00	-1.80
Employees have up to date legal knowledge	6.87	5.11	-1.76
COURTESY			
Employees have a professional attitude	6.76	5.80	-0.96
Employees are polite when answering telephone calls	5.95	5.87	-0.08
CREDIBILITY			
Gives the customer confidence in their ability to provide the required service	6.58	4.76	-1.82
Employees are truthful with customers	6.73	5.62	-1.11
SECURITY			
Maintain the confidentiality of their customers	6.84	5.98	-0.86
Give the customer the confidence that answers given will be correct	6.82	5.27	-1.55
ACCESS			
Provide easy access for all of their customers	6.07	4.89	-1.18
Are available at times to suit their customers	5.62	4.36	-1.26
COMMUNICATION			
Communication will be of a high standard	6.33	4.84	-1.49
Customers informed of decisions which might affect them	6.56	3.91	-2.65
UNDERSTANDING THE CUSTOMER			
Have the customer's best interests at heart	6.29	4.51	-1.78
Employees understand the specific needs of their customers	6.42	4.42	-2.00

Figure 8.5 shows the weights given to the dimensions. It identifies that Reliability was the most important dimension to customers, second was competence and third was responsiveness.

Figure 8.5 – Weighted Scores

	Expectations	Perceptions	Difference	Weight	Score
Tangibles	3.60	4.14	0.54	0.03	0.02
Reliability	6.74	3.21	-3.53	0.19	-0.66
Responsiveness	6.58	4.49	-2.09	0.13	-0.27
Competence	6.83	5.06	-1.78	0.16	-0.28
Courtesy	6.36	5.83	-0.53	0.06	-0.03
Credibility	6.66	5.19	-1.47	0.11	-0.17
Security	6.83	5.62	-1.21	0.09	-0.10
Access	5.84	4.62	-1.22	0.08	-0.09
Communication	6.44	4.38	-2.07	0.09	-0.18
Understanding the customer	6.36	4.47	-1.89	0.07	-0.14
				Index	-0.20

The weighted scores further emphasised that reliability was perceived to be a significant area of concern. The other areas of concern identified by the results were competence and responsiveness.

Arranging responses to the questionnaire in groups, depending upon the frequency with which legal services were used, a number of issues were highlighted (Figure 8.6):

- (i) Reliability was perceived to be less of a problem by customers using the service only a couple of times a year when compared with the responses of those using it more frequently.
- (ii) Responsiveness, on the other hand, was perceived as a bigger problem by those using the service less frequently than by those using it on a weekly or monthly basis.
- (iii) Courtesy was identified as an issue only amongst customers who use the service a couple of times a year.
- (iv) Credibility was perceived as a problem by those using the service on a weekly basis.
- (v) Communication and Understanding the customer were identified as problems by respondents who use the service every couple of months.

Figure 8.7 identifies Reliability as an issue for concern by all respondents, irrespective of how satisfied they were with the overall standard of the service they receive.

Figure 8.6- Frequency of use of Legal Services

	Tangibles	Reliability	Responsiveness	Competence	Courtesy	Credibility	Security	Access	Communication	Understanding the Customer	SQI
Weekly	0.02	-0.62	-0.21	-0.31	-0.01	-0.26	-0.07	-0.13	-0.16	-0.12	-0.19
Monthly	0.01	-0.69	-0.23	-0.23	-0.02	-0.07	-0.07	-0.07	-0.14	-0.10	-0.16
Every couple of months	0.02	-0.67	-0.38	-0.36	-0.07	-0.15	-0.11	-0.13	-0.30	-0.22	-0.24
A couple of times a year	0.01	-0.42	-0.30	-0.26	-0.21	-0.17	-0.14	-0.16	-0.15	-0.11	-0.19

Figure 8.7 - I am Satisfied with the Standard of Service I Receive

	Tangibles	Reliability	Responsiveness	Competence	Courtesy	Credibility	Security	Access	Communication	Understanding the Customer	SQI
1 Strongly Disagree	0.01	-1.14	-0.47	-0.24	-0.06	-0.28	-0.17	-0.33	-0.45	-0.26	-0.34
2	0.04	-0.88	-0.51	-0.40	-0.01	-0.32	-0.02	-0.20	-0.12	-0.14	-0.25
3	-0.02	-1.02	-0.43	-0.42	-0.20	-0.23	-0.11	-0.22	-0.14	-0.11	-0.29
4	0.03	-0.62	-0.26	-0.42	-0.04	-0.18	-0.12	-0.10	-0.25	-0.21	-0.22
5	0.01	-0.51	-0.21	-0.21	-0.02	-0.13	-0.09	-0.12	-0.15	-0.07	-0.15
6	0.01	-0.52	-0.25	-0.17	-0.05	-0.13	-0.07	-0.05	-0.20	-0.18	-0.16
7 Strongly Agree	0.01	-0.29	-0.19	-0.05	0.01	0.03	0.00	-0.03	-0.08	-0.01	-0.06

Responsiveness was highlighted as the second most important issue for improvement, by respondents who either disagreed or agreed that they were satisfied with the service they received. Those who were neutral, i.e., scored 4, placed competence as a greater problem than responsiveness.

Communication was identified as an issue for concern by those respondents who strongly disagreed, those who strongly agreed and those who were neutral about the standard of service they received.

Response of Legal Services to Results

The researcher was requested to present the results to the Director of Resources and the Head of Legal Services prior to a presentation to the Legal Services team. This discussion identified a number of issues the Director believed the Legal Services team should be addressing in response to the results of the questionnaire. He discussed with the Head of Legal Services the possibility of using the new financial management system to develop a means of time-recording for legal services that would improve monitoring of response times to enquiries. The Director of Resources also felt that Legal Services should review the layout of their office as he felt it provided an unfriendly welcome to people from other departments with legal enquiries.

The Quality Assurance Manager, who had assisted Legal Services in reviewing their processes attended the meeting where the results of the questionnaire were fed back to the team. Although on the whole the results of the survey were fairly positive, members of the Legal Services team instantly became very defensive about the information that was presented to them. They found the calculations, the use of weighted scores, a SERVQUAL index and the resulting negative scores to be very confusing – they did not like the results being in number format.

The researcher continued to explain the results and highlighted the areas of most concern – Reliability, Responsiveness and Competence. At the end of the discussions the team believed that the results did not highlight anything they were not already aware of, although there was some concern over the issue of Competence, and the team felt it would have been useful to know exactly what people were referring to.

As a result of carrying out this exercise, the team introduced systems to assist in improving their responsiveness and this was monitored through the Council's corporate monitoring arrangements.

The new financial management system has still to be developed to assist Legal Services with their time recording and monitoring arrangements and the issue of the layout of the office was not addressed by the team.

SUMMARY

The Legal Service's team was cynical about any organisation-wide initiative. There was no ownership of the issues and as a result no improvement could be linked to these initiatives. When the team was able to determine its own response to addressing the quality agenda, through Lexcel, there was considerable support and enthusiasm for this process. This was reflected in improvements in scores for a number of the critical success factors.

The results of the SERVQUAL questionnaire were also greeted with considerable resistance. In response to the results, a number of systems were developed by the team to address the issues raised.

Chapter 9

Accountancy Services

BACKGROUND TO THE TEAM

The service's business plan described how Accountancy Services was viewed as a central support service operating to make corporate financial transactions and produce information on a historical basis in order to meet legislative and Member requirements. However, in 1997 their business plan identifies that the challenge was to provide professional financial services tailored to the requirements of each customer, whilst still meeting the more traditional objectives.

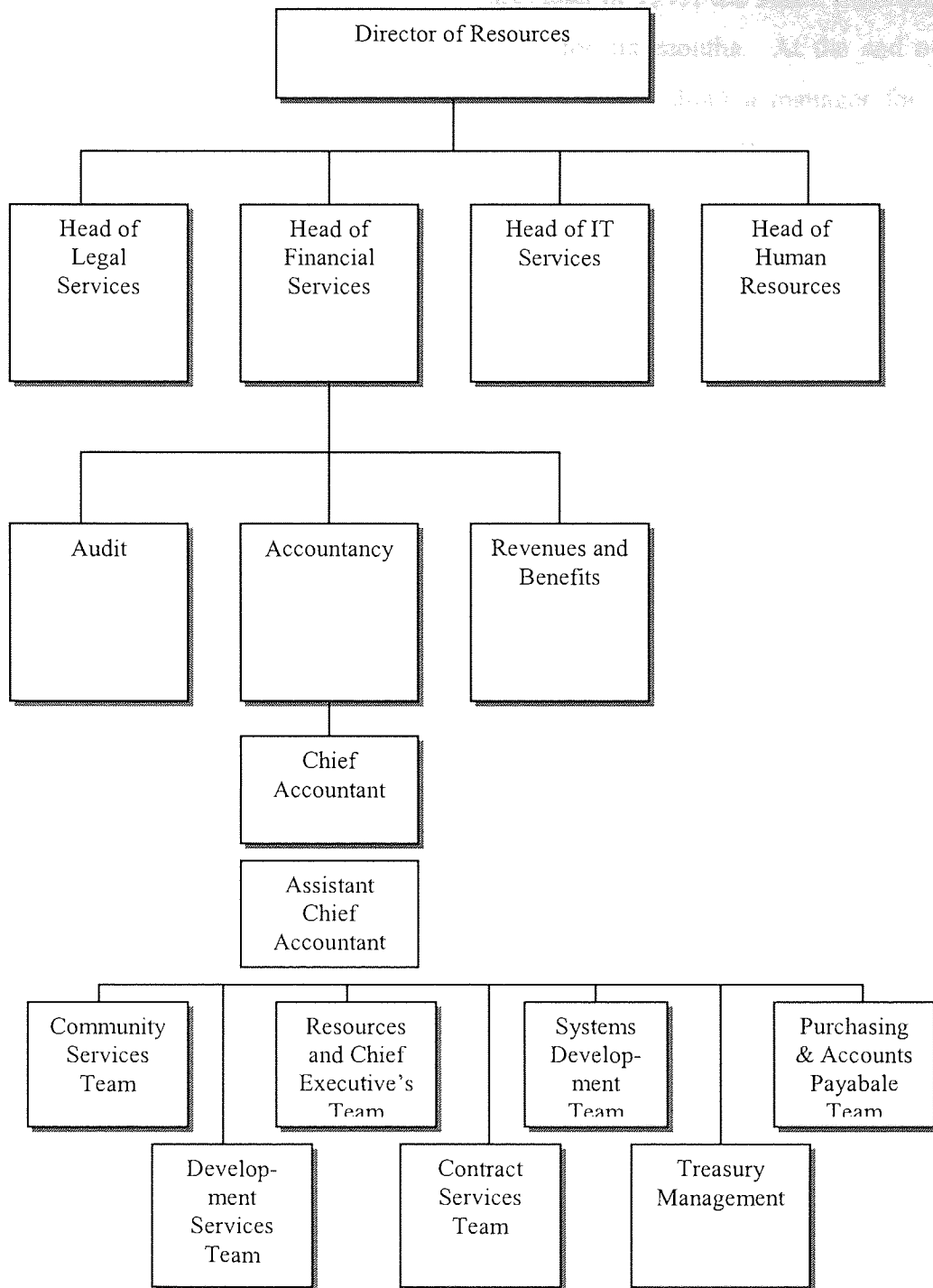
The unit has a number of key tasks it is required to carry out:

- i) Produce Capital and Revenue budgets and Financial Accounts in accordance with Statute.
- ii) Maintain the Council's transactions and proper accounting for the Council's incomes and expenditures in accordance with recommended professional practice.
- iii) Provide financial information, advice and support to its customers.

To carry out these activities the unit is divided into a number of teams. Over the course of this research there have been a number of changes to the structure of the unit. The last change to the structure of the unit happened in 1999, and is illustrated in Figure 9.1.

The organisational structure of the service does not illustrate the changes in post-holders that have taken place over the course of this research. For example, the Assistant Treasurer retired on ill-health grounds in April 1994 and the next restructuring of the section ensured that this post became obsolete.

Figure 9.1 Organisational Structure – Accountancy Services



In January 1995, when the Council's preparations for white-collar CCT began in earnest, the Chief Accountant was assigned responsibility for managing these preparations. To assist in the closure of accounts in 1995, the Audit Manager was seconded to the position of Chief Accountant for six months. At the end of this secondment the accountancy unit was in effect left without a manager for some considerable time. In 1996 the Head of Performance Review, a qualified accountant, was seconded to manage the unit, however this arrangement only lasted for a couple of months. It was not until 1997 that the post of Chief Accountant was advertised and subsequently filled.

Since the appointment of the current Chief Accountant there has been one major restructuring of the unit and it appears as though the unit is about to undergo a further restructure. The Head of Service highlighted a number of problems with the current arrangements and expressed his concerns about the cost of the unit in comparison with other local authorities in the County. He believed that under Best Value it would not be possible to sustain the current cost of the accountancy unit.

SECTION ONE

BENCHMARKING WITH THE SERVICE TEAM

Introduction

In July 1993, the researcher spoke with the Head of Financial Services about the Quality workshops. He decided that each of the teams from the accountancy unit should attend the series of workshops.

Dates were subsequently arranged for four teams from the accountancy unit to attend the workshops. After attending the series of workshops, two of the four teams continued to meet to discuss the issues they had raised at the workshops. It is the work of these teams on quality improvement activities that is outlined in this section.

Dates	Internal/ External	Event	Team process	Team output	Results
July 93	Organisation wide initiative.	Discussion with Head of Service.	Decision made by HoS to involve everyone from accounts in the TQM workshops.	No involvement of the team at this stage	4 teams are identified to attend the workshops. Teams are based on workplace teams (identified as A,B,C,D).
7 Sept 93	Organisation wide initiative.	TQM workshop for Team A.	Team attended the first of three workshops introducing TQM. The workshop was 2½ hours long and covered the theory of TQM and the quality gurus.	The team brainstormed to produce a list of issues – equipment, training, motivation, poor management and planning.	Team worked on list to provide a comprehensive list for next workshop.
14 Sept 93	Organisation wide initiative.	TQM workshop for Team B	Attended first of three workshops.	The team produced a short list of issues to be addressed – team building, problem solving.	Team worked on list to provide a comprehensive list for next workshop.
16 Sept 93	Organisation wide initiative.	TQM workshop for Team C.	Attended first of three workshops.	The team identified a number of problems – equipment, lack of procedures, little support from management, lack of direction.	Team worked on list to provide a comprehensive list for next workshop.
21 Sept 93	Organisation wide initiative.	TQM workshop for Team A.	At the 2 nd workshop the team were introduced to some of the problem solving tools including Pareto analysis, affinity diagrams and tally charts.	The use of cause and effect diagram to illustrate the cause of their frustration.	Tally chart was used to monitor problems as they arise between the 2 nd and 3 rd workshop.
28 Sept 93	Organisation wide initiative.	TQM workshop for Team B.	Attended 2 nd workshop.	Team drew up a tally chart to monitor problems over the next few weeks.	Team was due to attend a third workshop, but this was cancelled.
30 Sept 93	Organisation wide initiative.	TQM workshop for Team C.	Attended 2 nd workshop.	Team continued to discuss problems it faces.	

Dates	Internal/ External	Event	Team process	Team output	Results
13 Oct 93	Organisation wide initiative.	TQM workshop for Team D.	Attended first of three workshops.	Team identified a number of problems: communication, staff, training, attitudes, equipment and procedures.	
19 Oct 93	Organisation wide initiative.	TQM workshop for Team A.	The 3 rd workshop covered cause and effect diagrams and flowcharts.	Team looked at the communication and problems they had in not receiving information.	Team identified need to hold regular meetings with the service departments they support. Agreed need for further meeting to discuss actions.
26 Oct 93	Organisation wide initiative.	TQM workshop for Team B.	Team was due to attend third workshop but it was cancelled.		Despite a number of attempts the third workshop for this team was never held.
27 Oct 93	Organisation wide initiative.	TQM workshop for team D.	Attended 2 nd workshop.	The team prioritised their problems and agreed to look at their procedures.	Payment of invoices, car allowances, petty cash and payment for Councillors are highlighted for review.
28 Oct 93	Organisation wide initiative.	TQM workshop for Team C.	Attended 3 rd workshop.		
1 Dec 93	Organisation wide initiative.	TQM workshop for Team D.	Attends 3 rd workshop.	The team agreed to look at the payment of invoices procedure and a flowchart is drawn up.	Little progress was made on documenting this procedure until it was addressed once again through process management.
Feb 94	Internal in response to org. wide initiative.	Meeting of Team A.	Team A met to discuss follow-up to the TQM workshops.	Team agreed that training for managers needs to be undertaken and decides to discuss the issue with their manager.	Memo was sent to managers and training in finance for non-financial managers was arranged and run.

Dates	Internal/ External	Event	Team process	Team output	Results
27 April 94	Internal in response to org. wide initiative.	Meeting of Team D.	Team discussed problems faced again and agreed to draw up a list to present to their manager.	List was produce in consultation with other teams.	List presented to manager. None of the issues are progressed any further.
4 May 94	Internal.	Researcher discusses the issues with the team leaders.	Teams agreed the list of issues prepared by the researcher to be raised with the manager.	Researcher discussed the list with the manager.	Nothing immediate as a result of the discussions. Later training is run, Code book is looked at, memo was sent to managers. From June 94 monthly meetings were held with managers of Development Services.
13 January 1995	Organisation wide initiative.	Self Assessment Matrix.	Researcher met with managers to discuss the self assessment matrix. It was clear that organisation wide initiatives were met with considerable resistance by the managers.	Resistance and cynicism resulting in only two of the teams completing the matrix – Repairs Inspectors and one of the area offices.	The two teams agreed to follow up the results of the matrix.
4 October 95	Organisation wide initiative.	Process management workshop I.	Team of chief accountants attended the first of two workshops, run by the researcher discussing process management and required each section to identify key processes and priorities for improvement.	Processes for improvement were identified.	The team agreed to look at the payment of a simple invoice.

Dates	Internal/ External	Event	Team process	Team output	Results
11 October 95	Organisation wide initiative.	Process management workshop II.	At the second ½ day workshop the team were introduced to techniques to standardise and streamline the process. Part of the workshop dealt with process measurement and the teams were required to produce measures for the processes	The requirements of process management were to identify: <input type="checkbox"/> Process for improvement <input type="checkbox"/> Improvement team members <input type="checkbox"/> Team's objective <input type="checkbox"/> Process measures The team are required to report quarterly on their activity. Flowchart was drawn.	Further meeting held to discuss process of payment of simple invoice.
18 July 96	Internal.	Team formed to deal with identified issue.	Team considered the process for the payment of simple invoices.	Flowchart was drawn.	Agreed to hold a further meeting.
August 96	Internal.	Team review of payment of simple invoice process.	Discussion of the process.	Procedure was documented.	System altered to eliminate unnecessary tasks. Stand alone operations are segregated Updated to match technical developments Measures: Aug Sep Oct No. paid in 1 week 536 705 898 % paid correctly 100 100 100 No of invoices received. 468 491
August 97	External.	Manager identifies four new process improvement projects.	Team was to address projects identified by manager – treasury management, leasing, processing urgent cheques, preparation of financial implications.	Team had some input into projects. Processes reviewed by manager and proposals for improvement discussed with the teams.	November 97 proposals for financial implications discussed with team April 98 process for leasing is documented April 98 revised procedure for urgent cheques is produced.
Nov 99	External and Internal.	Documentation of a number of procedures.	Manager and a number of individuals reviewed and documented some of the unit's procedures.	Documentation of revised procedures.	Documentation of revised procedures.

Benchmarking Scores

Introduction. For Accountancy Services, the benchmarking exercise was carried out with a team comprising a group of Financial Managers. The exercise was first carried out in October 1994, and repeated in July 1996, April 1998 and finally in March 2000. The agreed scores, resulting from the benchmarking exercise are illustrated in Figure 9.2.

Figure 9.2
Benchmarking Scores

Dates	Shared Values	Strategy	Structure	Staff. Decision Making	Staff. Team work	Style	System	Skills Quality Tools
Oct 94	B	A	C	C	C	B	B	C
July 96	B	B	C	C	C	A	B	B
April 98	B	B	C	B	D	A	B	B
Mar 00	B	C	D	B	C	A/B	B	A

Points arising from the discussions

Shared Values.

Oct 94	July 96	April 98	Mar 00
B	B	B	B

The Accountancy Services teams participated in the council-wide quality initiative. They were clearly cynical, but continued to meet to work up their list of issues and to develop solutions where possible. The quality initiative was seen to be just another initiative, but at the same time they wanted to believe it would work. They clearly wanted to be listened to. They wanted to see improvements in the way they worked. It didn't happen.

In 1994, it was clear from discussions that the service was divided in its view of continuous improvement. There were a few individuals who recognised the importance of continuous improvement, but the majority clearly thought it was "just

another daft initiative". There was no improvement in score for this factor over the duration of this study.

In 1996, the team commented that, "there is a split between the professionally qualified accountants and the rest of the section". The accountants knew they "have to do it, have to be committed", but the feeling was that the rest of the section thought, "we are not paid to do this, so why do it?" In 1998, one member of the team believed that the view of the majority of the section was "we are here because we have to and there really is no commitment". However, one member of the team argued that the "accountants do tend to look at improvements but it is hard and we have become very disillusioned".

Strategy.

Oct 94	July 96	April 98	Mar 00
A	B	B	C

The accountants generally did not take responsibility or show any initiative in response to corporate initiatives. This was evident for this factor as, at one point, the team's business plan was written by an officer from another service. Having a clear strategic direction was merely seen to be a requirement to conform to the organisation requirement to produce a business plan.

In 1994, the team agreed little had been done to produce a business plan for the Accountancy Services unit. One of the team members pointed out how "it was reported to Directors' Management Team that the unit has no business plan".

In 1996 there was a slight improvement in score for this factor as a Business Plan had been drawn up for the service. However, as one accountant pointed out "we were not consulted. In fact, somebody else wrote it for us". In 1998, there was little improvement in business planning within the section. Although a plan did exist, as one member of the team said, "it is basically a rehash of the previous year".

In 2000, the discussions highlighted how there had been progress made on business planning within the unit. Each section now had its own business plan, but further discussion illustrated that the plans were limited in their strategic value, and training and quality had not been covered.

Structure .

Oct 94	July 96	April 98	Mar 00
C	C	C	D

The study gave rise to conflicting information for this factor. On the one hand, the accountants agreed they were clear about one another's responsibilities. On the other, discussions highlighted the uncertainty of the budget process each year and the accountants did not know what was required of them.

In 1994, the team agreed everyone knew who they reported to and they were also clear about one another's responsibilities. However, as one member of the team pointed out "there is usually some confusion with the corporate set of accounts, as there is some uncertainty, amongst the accountants, over what tasks will be passed out, to whom and when." There was no change in score in 1996 or 1998 as the team agreed, "yes, we know what is expected of us".

In 2000, the team believed there had been an improvement in score for this factor, however, one member of the team pointed out, "there is a lot of confusion and bad communication in our major processes".

Staff. Decision Making .

Oct 94	July 96	April 98	Mar 00
C	C	B	B

With regards to decision making the accountants agreed, in 1994, they had "quite a lot of responsibility" and were "involved in decision making". However, they agreed that below the level of accountant there was "no further involvement in the decision making process." This was also the view held by the team in 1996 as the team described how they had regular team meetings to discuss "change, new initiatives and what is going on" and one team member said, they felt they "have some say in the decision making process".

In 1998, there was a drop in score for this factor. The team felt they were not kept informed as they "never have unit management meetings anymore". There was no improvement in score for this factor in 2000. The team described how, "the

meetings that are supposed to happen weekly, happen very infrequently” and only the financial managers appeared to be consulted in decisions, and even that was limited. The rest of the unit had very little involvement in the decision making process.

Staff. Teamwork .

Oct 94	July 96	April 98	Mar 00
C	C	D	C

At the start of this research, Accountancy Services were structured into small teams, but it was clear there was little teamwork and although there were changes to the structure there was little improvement in teamwork. Where there was evidence of improvement, it was recognised that this was generally triggered by a need to protect themselves.

In 1994, one team member said, "there are some problems of group dynamics", the teams were probably best described as "groups of working colleagues", rather than teams. Even so, the team believed there had been an improvement in teamwork amongst the accountants, over the past couple of years. One member said, "previously we would have been described as five suspicious individuals", "however, we have had to build a life boat together" and it is clear that relationships have improved as a result.

In 1996, the service was still divided into a number of discrete teams and one member of the team said, "we do our areas of work and that's about it". It was also clear at this time that "there isn't much communication between the teams".

In 1998, there had clearly been a change in the attitude towards teamwork within the service. The restructuring had resulted in accountants "now working for Directorates". This meant that they needed to "liaise as we work for Committees".

It was also evident that the team saw the need to "stick together" and there was a greater feeling of "helping each other out", which hadn't previously been evident. One member said "we have a good working team and the atmosphere is much better".

In 2000, further changes in the organisation of the teams gave rise to further problems with communication and this had a negative impact on the score for this factor.

Style - B.

Oct 94	July 96	April 98	Mar 00
B	A	A	A/B

At the start of the study, the organisation's perceptions of accountancy services was generally low. This obviously had an effect on morale of the Accountancy Services team. The team felt they had no support, and nobody to defend them from the criticisms they faced. There had also been very little stability. Although, at the end of this research, the organisation's perceptions of the service had improved significantly, morale was still very low and the issue of management support still very prevalent.

One issue with the Accountants was that they believed quality improvement was not their responsibility. As there was little evidence of improvement from their viewpoint they placed blame with management.

In 1994, the team believed "the responsibility for improvement rests with the Chief Accountant". In 1996, there was a drop in score for this factor. The team agreed there was clearly little pressure, or support from senior management to look at improvement.

There was no change in score for this factor in 1998 as the team continued to describe how over the past couple of years they believed their senior management team had not seen the need for improvement.

In 2000, the team agreed there had been a very slight improvement in score for this factor. However they still believed they had "very little support" from their managers. One member believed that "is probably why not a lot goes on". However, one member described an incident where somebody had taken the initiative and made improvements only to be told they did not have the authority to do that. As a result the view was, "this is the way we did it last year, it was good

enough then, might as well do it this way again and no thought goes into improvement”.

Systems.

Oct 94	July 96	April 98	Mar 00
B	B	B	B

This study highlighted how working practices were imposed on the accountants. These procedures were subject to constant change, again usually imposed with little, if any, consultation. As a result the team was disillusioned, showed little initiative and at times appeared to be disorganised and lacking in knowledge. All of this gave rise to criticism from other sections of the authority.

Attempts were made to document a number of their procedures as in 1994 the team had “seen the benefits that can be gained from doing so”. However future benchmarking exercise highlighted there had been little change in the team’s approach to documenting procedures. They argued that they don’t have the time to write procedures even though they saw the benefit of this approach.

In 1998 the team was reluctant to spend any time writing procedures, as they couldn’t see the point. One member of the team asked, “why spend time writing procedures now when in 12 months time they will be invalid, as the budget cycle is constantly changing?”

In 2000 there was no change in score for this factor even though a number of key processes had now been documented. The Chief Accountant had drawn up these procedures and there were concerns with these procedures particularly as, “they have been imposed on us. They are not detailed enough as they are dependent on the knowledge of the person who has produced them, and that is limited. As a result there is often a lot of confusion as the current procedures are open to misinterpretation”.

Skills - Quality Tools.

Oct 94	July 96	April 98	Mar 00
C	B	B	A

In 1994, the team believed that they were not often faced with “the types of problems that warranted the use of quality tools and techniques”, because as one team member went on to say, “they are usually technical in nature,” for example “does this code of practice fit this?” This type of problem, they believed “requires more of a discussion of the issue”.

There was “evidence that the unit is starting to use more of the tools naturally, for example flowcharts have been used in drawing up the procedure manuals”.

No further use was made of the quality tools and techniques and in 2000 the benchmarking exercise showed a drop in score for this factor. The discussions with the team highlighted that there was now limited knowledge of quality tools and techniques.

Skills. Professional Identity - D. The team believed that the professional identity of accountants “has a big impact on the provision of the service.” “The need for specialist knowledge is essential” and “there is strong support from the Chartered Institute for Public Finance and Accounting.”

Summary

There was little improvement in scores for the critical success factors for Accountancy Services and for a number of the factors there was a drop in score. An improvement in the score for Strategy was due to improvements in business planning, however a lack of involvement and ownership resulted in the plan having limited value. A slight improvement was also noted for Structure as the team believed they were clearer about their individual roles and responsibilities.

However, the more significant changes in scores were for Staff – Decision making and Style. The team clearly felt they were not kept informed of what was going on as they no longer had regular team meetings and they also felt they had very little involvement in the issues that affected them. They believed that they had little

support for improvement and felt nothing had happened in response to any of their suggestions.

It was clear that the team was frustrated and disillusioned and this was reflected in their score for Shared Values, which remained unchanged at a B for the duration of this study.

Figure 9.3 Reasons for Changes in the CSFs over time.

Dates	Shared Values	Strategy	Structure	Staff. Decision Making	Staff. Teamwork	Style	Systems	Skills
Oct 94 - July 96	B → B	A → B	C → C	C → C	C → C	B → A	B → B	C → B
		A business plan had been prepared.				Lack of support and no response to improvement suggestions.		Tools not seen as appropriate.
July 96 - April 98	B → B	B → B	C → C	C → B	C → D	A → A	B → B	B → B
				Team felt they were not kept informed. Little involvement. No longer have regular team meetings.	Situation given rise to the need to work together.			
April 98 - March 00	B → B	B → C	C → C	B → B	D → C	A → A/B	B → B	B → A
		Further work done on developing the unit's business plan.			New structure of the unit divides the unit into two discrete sections and gave rise to reduced communication.	No evidence of reason for slight improvement.		New personnel have no knowledge of tools and techniques.

SECTION TWO

SEMI STRUCTURED INTERVIEWS

Introduction

Interviews were held with the team's Head of Service and the Chief Accountant in March 1999 to determine their views on the problems faced by the Accountancy Services unit in adopting a philosophy of continuous improvement and improving their processes. For the purpose of this section the term 'manager' will be used in reference to the Head of Service and the Chief Accountant.

Section One highlights a number of issues that have resulted in low scores for the critical success factors. These issues can be summarised as follows:

- i) Attitudes
- ii) Lack of support
- iii) Ownership for improvement

Summary of the Results.

Attitudes. It was clear from these discussions that the managers agreed there were a number of problems with the unit. One manager described how there was a "lack of professionalism" amongst the accountants. He explained how there were two categories of problems with the unit – technical and personnel, and how the recent restructure had attempted to address a number of the problems. He believed that the restructure had in fact "not resolved the difficulty of what appears to be a lack of professionalism".

The interviews highlighted that there were concerns about the attitudes of people within the unit and when the lack of process improvement was discussed one manager believed it was "the Cannock culture". However, one manager did admit that he was a "traditionalist and found it very difficult to change myself", he believed that must have a "spin off on others". He explained how he tried "to say all of the right things to make change happen". However, he believed he could not be held totally responsible for the current situation.

There clearly was an issue about the management of the unit, and one manager believed that a lot of the current problems were due to an "underlying distrust of managers". This, he believed, was "tied into his relative inexperience and his (another manager's)

management style, which tends to be less than conciliatory". However, he believed that the situation is a lot better than it used to be, "the quality of output whilst still short of excellent, in most cases is now acceptable".

It was clear from the discussions that there were problems with the management of the unit and with the attitudes of the personnel within the unit. As one manager pointed out, "I can't see a satisfactory outcome until there is recognition that all have got to change their approach".

Lack of Support. It was also clear from the discussions that the changes in management that had occurred over the years had an impact on the attitude of the unit. One manager agreed that the unit had not been managed for a long time. He described how at one point there was discussion about whether to employ a non-accountant, who had proven ability as a manager as Chief Accountant but at the time it was agreed that this would put additional pressure on the senior accountant, who was already under considerable pressure.

Although the discussions with one manager highlighted an underlying cause of the current problems as being down to the management of the section it is clear from the results that a lot of the problems were evident before some of the current managers were in post. Further discussions highlighted that one of the previous managers had been very traditional and "protectionist of people. Under no circumstances was he going to allow his people to be put under pressure and maybe that is part of the root cause". One manager described how, as a result of this attitude "pressures were fielded by management, who are now unwilling to continue to field those pressures". He described how it was possible that "people are kicking against this. They believed their manager was appointed to protect them but this didn't turn out to be the case and they have now turned against him".

People Taking Ownership. It was clear from discussions with the accountants that they believed their managers were responsible for improvement activity and therefore did not accept responsibility themselves. However, one manager pointed out that a number of the accountants do have professional attitudes and described how some had taken the initiative and were making changes to the way they worked.

SECTION THREE

FOCUS GROUPS

It was the original intention of this study to carry out focus groups with Accountancy Services' customers. However, it proved to be impossible to gain the agreement of the Accountancy Services managers to proceed with running a number of focus groups or carrying out any form of customer consultation exercise.

A number of discussions took place between the researcher and managers from Accountancy Services. Each time the researcher had to chase up the managers to get a response as to the way forward. The final response was that it was "not the right time as we have made changes to the service and we think things are improving. We therefore don't want to do anything detrimental to this."

SUMMARY

The scores for the critical success factors for Accountancy Services were the lowest of the four teams. This was attributable to a number of factors, in particular the lack of management support and direction and the failure of the accountants to take responsibility and show initiative.

The absence of a customer focus was also an issue for this service. Improvements were introduced towards the end of this study, but management did not believe consulting customers was important in determining the shape of future service delivery.

Chapter 10

Quality Club Members

INTRODUCTION

Six organisations, all members of the Midland's Quality Club, were approached on two occasions, once in the early stages of the research and again towards the end of the study. The purpose of involving these organisations, all proponents of total quality management, was to validate the benchmarking tool that had been developed as part of the research, and also to ascertain whether any of the problems faced by Authority X in adopting a TQM philosophy were generic.

The organisations were chosen in an attempt to reflect a broad spectrum of organisations. A manufacturing company, sales company, a utility and another local authority were involved, together with an accountancy and a legal firm. Thus the results provide a rich basis for comparing and contrasting experiences in adopting TQM. Three of the Quality Club members are in the same professions as three of the Cannock teams (Accountancy Services, Engineering Services and Legal Services).

Over the period of this study, these organisations demonstrated their commitment to quality. One of the organisations has won more than 50 major awards for excellence in their field and the private sector organisations were able to demonstrate significant improvement in their financial performance, despite considerable market challenges.

In this section a summary of the interviews is given. The benchmarking tool was used to structure these interviews and a score for each of the six organisations was agreed in 1995 and again in 1998. However, the question which refers to professional skills, was not asked as it was not believed to be relevant in this instance as the interviews were geared towards the whole organisation and not sections or specific professional groups. An illustration of the scores is given and the reasons for changes in scores are identified in the interview summaries. In 1998, the organisations also discussed any barriers faced in implementing their total quality management approach and the results of these discussions are summarised.

In order to assess the significance of the critical success factors in the successful implementation of TQM, the organisations measured themselves against the model developed for assessing stages of quality improvement. The results of this exercise are outlined in this chapter.

Benchmarking Scores

The benchmarking tool was used to provide some structure to the interviews carried out with the six organisations in 1995 and again in 1998 (Appendix 2). The discussions centred on the elements of the benchmarking tool and a score was agreed with the interviewee. These scores are illustrated in Figure 10.1.

Figure 10.1

Benchmarking Scores for Quality Club Members

McKinsey Element	Sales, Parts & Service Company	Finance Company	Solicitors	Borough Council	Engineering Company	Manufacturing Company	Authority X
Shared Values	D→D	D→D	D→D	C→D	D→E	D→E	C→C
Strategy	C→C	E→E	D→D	D→E	E→E	E→E	C/D→C/D
Structure	D→D	E→E	E→E	D→D	D→E	E→E	B→D
Staff - Decision Making	E→D	D→D	D→D	C→D	D→D	D→D	B→D
Staff - TeamWork	B→C	D→D	D→D	D→E	E→E	D→D	B/C→D
Style	D-E→E	D→D	D→D	D→E	D→E	D→E	C/D→C/D
Systems	D-E→E	E→E	E→E	B→B	D→D	C→C	A/B→B/C
Skills	E→C	E→C	A→C	A→C	E→E	D→E	A/B→C

Summaries of the interviews with the six organisations provide a brief explanation of how these scores were arrived at.

Comparison with Authority X

To enable a comparison with Authority X to be carried out the results of the interviews with the Chief Executive in 1993 and the Directors' Management Team in 2000 are also presented in this chapter.

The scores assigned to Authority X illustrated in figure 10.1 represent the scores given by the Chief Executive in 1993 and an average of the scores given by the Directors' Management Team in 2000.

SUMMARIES OF THE INTERVIEWS

Sales Organisation

The Quality Development Manager (QDM) of the U.K. company was interviewed in October 1995 and October 1998 for this research. He was located at the Head Office in Staffordshire, but was responsible for co-ordinating quality related issues in all 15 of the company's branches.

Shared Values. D→D. It was clear from the discussions that the QDM believed "the principles of continuous improvement had been accepted throughout the company". There was no change in shared values by 1998, with the QDM still of the opinion that, "there is a firm commitment to improvement throughout the organisation".

Strategy. C→C. In 1995, the QDM explained how there have been "clear attempts to improve the planning process. In the past the budget at the end of the year provided the basis to determine what was to be done the following year, but there has been a move to develop business plans. Current developments are trying to look at business plans, budgets and Investors in People all in conjunction with each other".

Although there had been improvements in the business planning process, as the QDM pointed out in 1998 the company had "a fairly detailed business planning process, but it is not very good at putting indicators in place to monitor progress".

It was agreed that there was no change in score for this element.

Structure. D→E. In 1995, the QDM believed that "everyone is responsible for ensuring the customer is satisfied, whatever their level in the organisation". In 1998, he

still believed that everyone is responsible for customer satisfaction and argued that, "this has always been the culture of the organisation, but now with regards to individual responsibility it is even stronger".

The change in score therefore reflects the change in individuals being more aware of their responsibilities for quality improvement.

Decision Making. E→D. In 1995, the QDM described how "decision making is encouraged all the way down the organisation, at every level". "Employees are encouraged to identify ways in which to improve their job, and are given total authority to take the initiative and make changes to the way they do their job".

In 1998, it was clear from discussions that the acquisition of another dealership has had an effect on decision making. The QDM explained how team briefings had been stopped during the time the organisation was discussing the acquisition of the other dealership and this clearly had a detrimental effect on communication and morale. "I would like to think that we still involve employees, but I know with some of the changes there has been no involvement".

Teamwork. B→C. In 1995, the QDM described how teams play an important role in the company's total quality philosophy. "The approach to teamwork is excellent. Every change comes about as the result of a team". "Teams are put together to tackle significant corporate projects and people are actually taken off their jobs to work on the projects. There are also teams for smaller initiatives. In fact, teamwork seems to be the norm".

In 1998, the view towards teamwork had not changed and there was still a strong culture of teamwork for improvement activities. "In principle, if something has to be improved or we are implementing new systems, groups of employees get together as a team for a particular purpose. Or if a problem is identified then a team is brought together to review it". There also seemed to be a greater sense of the various units working together as a team to perform their tasks, hence the change in score.

Style. D/E→E. In 1995, the QDM described how "there really is commitment to improvement, even in areas where there doesn't always appear to be a lot of measurement of improvement". He believed that, "continual improvement is one

principle that has been accepted very well". However, he believed that the score was somewhere between D and E.

Commitment and support for improvement was very evident in 1998 as the QDM described "there is general encouragement from everywhere to look for continuous improvement". Evidence of total commitment from senior management for a number of improvements was reflected in the change in score.

Systems. D/E→E. In 1995, the QDM described how "there are clear quality procedures for every area" with ISO 9000 being relatively new to the company. By 1998 the philosophy was such that "we are continually emphasising that the procedure manual is not cast in bronze". "Since we started down the road to ISO 9000 there has been a number of improvements to the procedures". This quality management system was now used to promote continuous improvement and this was reflected in the change in score.

Skills. E→C. In 1995, the QMD described how recently "a comprehensive training programme has ensured that everyone has knowledge of quality tools and techniques". The QDM discussed how "the tools and techniques are well accepted".

In 1998, a few years after the initial training, "quality tools and techniques will be used if they are relevant, but probably not very often", and this was reflected in the drop in score for this element.

Engineering Company

The interviews were carried out with the Organisational Practices Manager (OPM) in September 1995 and October 1998.

Shared Values. D→E. In 1995, it was clear that the organisation was committed to quality improvement. The OPM described how, "from the top down there is an innate commitment and belief that this is the right way for the company".

In 1998, the OPM again confirmed his belief that the organisation was committed to quality improvement as the results of an employee survey identify that over 60% say they had been involved recently in improvement activity of some sort.

The OPM's message was that quality has become business as usual and the score had moved from D to E.

Strategy. E→E. In 1995, the organisation had a business planning process and a separate planning process for developing the quality strategy. The OPM envisaged that “eventually the business planning process and the quality plan should be merged, but there is a need to be cautious because we need to be sure we have changed things and can honestly say that it is business as usual”.

In 1998, the OPM described quality as business as usual. The organisation now had a ten-point strategic plan for the organisation, and a business development plan. These were communicated to managers who were then required to draw up their own departmental plans.

In 1995 and 1998 the organisation clearly had well defined service standards with targets for quality and employee development and achieved a score of E on both occasions.

Structure. D→E. In 1995, the OPM described how, “some managers are better than others in realising their responsibilities regarding quality”. The company had introduced a number of Quality Facilitators (QFs) to drive the quality improvement process and it was clear that “there is an element of seeing the QFs as a crutch”. The OPM clearly believed that “quality is not so embedded within the organisation for it to be self-sustaining should the QFs be removed”.

By 1998, the OPM believed “responsibility is clear to all”. He said, “the QFs continue to play a key role in quality improvement, but they also continue to emphasise that responsibility for improvement is down to the individual departments”. By reinforcing individual responsibilities for improvement the score for Structure had changed from D to E.

Decision Making. D→D. In 1995, it was clear from discussions with the OPM that restructuring within the organisation had resulted in a “greater sense of empowerment, as it has allowed people to do things they could not do previously”. He believed employees were “listened to in a way they weren't before”.

In 1998, he described how, employees were encouraged to put forward their improvement ideas, and through team working were involved in making improvements to areas of work that affect them”.

The score remained unchanged at D.

Teamwork. E→E. In 1995 the OPM described how, “company wide issues are tackled by pulling together people from different disciplines and different districts”. “However, most improvement activity takes place at a local level”.

In 1998 he described how teams still played a key role in improvement activity as the company had “cross functional teams looking at projects, but no song and dance is made about it. People see the need to work with others to achieve what is required”. Working together to make improvements is clearly how the organisation operates. The score remains unchanged at E.

Style. D→E. In 1995, the OPM described how there was considerable support for continuous improvement. “Considerable resources have been invested in working for quality and the appointment of Quality Facilitators reinforces the commitment to improvement”.

The organisation had “Team Days”. The first one of these days was held in 1995. The OPM described, “the emphasis is on teams celebrating together”. “Every department sends a team to explain what they have been doing for quality”.

In 1998 the OPM described how the organisation had learnt from their previous experiences and how they had tried to push the message of quality throughout the whole organisation. The results of their efforts were illustrated in the employee survey where over 90% of employees were aware of the organisation's approach to quality.

Systems. D→D. In 1995 the OPM described, “there are a lot of procedures which have been documented and some of the systems have incorporated ISO 9000 principles”, but the company have decided not to follow the ISO 9000 route. There is no change in 1998 and so the score remains a D.

Skills. E→E. The OPM said, “quality was introduced into the company by an ‘awareness cascade’. It was not a training session in the use of tools and techniques”. He described “the aim of the awareness cascade was to stimulate interest in improvement and the QFs role was to stimulate bottom-up ideas for improvement”. “As a result 350 improvement teams have been set up”.

In 1998, the OPM stated that there had been “considerable training in tools and techniques for quality improvement” and “the use of quality facilitators in improvement activities ensures a systematic approach to problem solving is adopted”.

The role of trained QFs had ensured that the organisation had adopted a systematic approach to improvement from the start. The score remained unchanged at E.

Manufacturing Company.

The Head of Quality (HoQ) was interviewed for this study. He was located at the Head Office in Staffordshire, and was responsible for quality development, particularly through leadership development, for all the divisions. The interviews took place in October 1995 and November 1998.

Shared Values. D→E. In 1995, the HoQ described how the culture of the organisation was based on a family ethos of “never content and anyone who joins the company who feels they can stay as they are can forget it, they will soon leave.”

In 1998, the HoQ described how “the market has become increasingly demanding which continually emphasises the need to change.” He continued, “the organisation doesn’t know what it is to say can’t, it is very much can do around here”.

Initial resistance to quality, arising from ISO 9000 being imposed on the organisation, the HoQ believed, had been overcome, and the score had changed from D to E, to reflect this change in attitude.

Strategy. E→E. There had been no change in score for strategy. The HoQ identified in 1995 how the organisation had a comprehensive planning process which required commitment from senior management. The executive directors spent 3 to 4 days every six months and took “a helicopter view of the organisation” using an external facilitator.

“They look at where we are going and the developed plan is then disseminated across the company and this is translated into training, process and quality measures”.

Structures. E→E. In 1995, the HoQ described how “there are no job descriptions, every-one has wide portfolios and are not inhibited by little boxes with clear responsibilities”. “Nobody says it’s not my job”. “Everybody is responsible for quality”. This same approach was described in 1998 and therefore there had been no change in score.

However, the biggest change described by the HoQ had arisen from the change in CEO. The HoQ believed that previously “a very autocratic style has stifled a lot of potential innovation” that such a structure promotes. This was not reflected in the score for Structure but was reflected in the change in score for Style.

Staff – Decision Making. D→D. In 1995, the HoQ described how “people are not expected to take problems to their boss, but solutions”. In 1998, he reaffirmed that people were “not expected to identify problems but resolve them”. He went on to describe how “it is a dynamic organisation, people have got to know when to and when not to do things, but mostly there is support from the top”.

There was no change in score for this element.

Staff – Teamwork. D→D. In 1995, the HoQ described how the company had “invested considerable time and money in leadership development in order to engender a team spirit throughout the company” and this is an approach that continues in 1998.

There was no change in score as there was no evidence of a systematic approach to process improvement.

Style. D→E. In 1995, the HoQ identified that there was commitment to continuous improvement. However, in 1998, he recognised that the appointment of a new Chief Executive had had a “dramatic impact”. “People now see they are being supported”. “The previous CEO was very autocratic and stifled a lot of good work done by his predecessor. This has now been turned around”.

The change in CEO and his visible commitment were reflected in a change in score.

Systems. C→C. In 1992 the company gained company-wide registration for ISO 9000, however the HoQ pointed out that it was greeted with resistance across the company. It was clear that this was because the consultants used to develop the system had introduced a considerable amount of bureaucracy. "Quality and bureaucracy were seen to go hand in hand and therefore there was resistance to quality".

In 1998, the HoQ described how they were "still undoing the harm caused by the consultants who made it overcomplicated". "People say it is a paperwork exercise rather than a tool for quality improvement".

Therefore there was no change in score for this element.

Skills. D→E. The HoQ described how in "1991/92 everyone in the company received training in quality" and quality tools and techniques were in regular use.

By 1998, "the use of flipcharts, fishbones is cultural". Hence the change in score for this element.

Finance Company

The Quality Manager (QM) was interviewed in this research, in October 1995 and December 1998.

Shared Values. D→D. It was clear from discussions in 1995 that the central body constrained the way in which the unit operated. However, the QM believed "the company has a fair amount of autonomy in shaping the general thinking and culture". The traditional thinking associated with banking is believed to have been responsible for "encouraging excessive bureaucracy throughout the organisation" and over time, as the business has seen more autonomy devolved, "there has been a lot of change".

The QM believed, "yes, we do have a culture of continual improvement, but there are barriers to be overcome. We seem to take big steps and then have plateau stages."

The discussions in 1998 highlighted that the organisation had undergone considerable change and "progress has been very slow". However, "despite all the upheaval people are still committed to improvement".

There was no change in score for this element.

Strategy. E→E. In 1995 it was clear that the Head Office played a key role in the business planning process. The business was required to have submitted their plan to the head office by the end of October each year. The plan identified strategic issues, supported by financial information. There were also sub plans, for example information technology and resourcing. Once this plan had been finalised each department manager developed their operating plan, stating clearly their objectives.

Even with all the changes the company had undergone, the discussions in 1998 highlighted that there was still a comprehensive planning process in place and the business was given a very clear strategic direction by the Head Office.

There was no change in score for this element.

Structure. E→E. In 1995 the QM believed that people were clear as to their roles and responsibilities. She described how the business planning process ensured that people were aware of who was responsible for quality and her team provided the necessary support for improvement activities.

In 1998 there had been no change in score for this element. The QM highlighted how at first the organisational changes had resulted in a lack of clarity of roles and responsibilities this had now been cleared up.

Staff. Decision Making. D→D. In 1995, the QM believed that a fair amount of responsibility was given to teams, "we ensure that team leaders have as much information as they want and as they have a clear understanding of the strategic objectives of the organisation they have quite a lot of freedom to make decisions". "All in all they have a fair amount of room to play with. They can bring in extra resources, recruit, yes they have set guidelines and procedures to follow, but they get to make the decision."

It was clear from discussions in 1998 that the recent changes had had an effect upon people's involvement in decision-making. Although there was still a "degree of freedom for people to make decisions" it was felt that there had been a lack of involvement in the recent changes.

The score for this element remained unchanged.

Staff. Teamwork. D→D. In 1995, the QM stated, “as an organisation we definitely work in teams, but these are currently working in confined areas due to the physical barriers in place”. “Teams within functions work brilliantly and it has taken a lot of initiatives and training for us to achieve this”.

It was clear from the discussions in 1998 that the changes had undermined a lot of work that had gone on previously in developing a culture of team work. However, she believed “we still work well in teams, but haven’t progressed as much as I envisaged”.

There was no change in score for this element.

Style. D→D. In 1995 the QM described how there was commitment to improving processes within the organisation. She said, “it has been there a long time. Everyone gets involved and does their best. I think part of it comes from old established mechanisms, such as appraisal”.

In 1998 the QM believed that managers were still very committed to improving their processes and involving their team to achieve this.

The score for this element remained unchanged.

Systems. E→E. In 1995 the organisation was preparing to be assessed for ISO 9000 in January 1996. However the QM pointed out that, “documented procedures although required for ISO 9000 were already in place, as well as many of the controls, due to the nature of the business”.

In 1998, having achieved ISO 9000 the QM described how the quality management system provided a useful framework for reviewing and improving procedures.

There was no change in score for this element.

Skills. E→C. In 1995, the QM explained that there is knowledge of quality tools and techniques for problem solving. However, this knowledge is found within a central

function. It is the role of this central function to facilitate team improvement, using their expertise to help teams in problem solving.

In 1998, the QM described how the restructuring had affected the role of the central function and there was no longer the support for facilitating team improvement. She believed that as a result “there is limited use of the quality tools and techniques, as previously people had been reliant upon our expertise”.

They had been a reduction in this score from an E to a C.

Solicitors

One of the partners, with responsibility for quality, was interviewed for this research in November 1995 and again in January 1999.

Shared Values. D→D. In 1995 the QM described how a marketing survey carried out by the DTI for the organisation had identified that greater efficiencies could be achieved through quality improvement. The organisation made a commitment to work towards the achievement of the quality standard ISO 9000, to develop a more consistent approach throughout the organisation.

At the same time it was decided that a number of other issues should be addressed – customer perception of legal services, in particular slow service delivery and unclear costs.

In 1999, the QM described how ISO 9000 had provided a useful tool for prioritising improvements within the organisation. He also described several further projects that had been undertaken over the past couple of years. He clearly believed there was a feeling of “working together to improve things”.

The score for this element remained unchanged.

Strategy. D→D. In 1995 the QM described how the organisation had a written plan which had general targets, including quality and training.

In 1999, the QM described how the organisation's plan had been reviewed and updated on an annual basis, but he agreed that further work could be done to improve the strategic planning process.

There is no change in score for this element.

Structure. E→E. In 1995, the QM believed that, "responsibilities are clear throughout the organisation, fee earners earn fees, the specialists are pretty clear as to what their responsibilities are and the few who have management responsibilities are clear as to what is required of them".

The QM described how, "the quality management system highlights responsibilities for quality".

In 1999, the QM still believed that people were clear about their responsibilities and there was no change in the score for this element.

Staff. Decision Making. D→D. In 1995 the QM explained how, "ultimately the partners own the business and there is a democracy at this level with decisions made about the allocation of resources". He described how, "the partners are a reasonably liberal lot and believe in trying to get everyone on board with major issues". He described how, for example, the introduction of a quality management system had involved "a great deal of talking to people". The QM believed that, "by and large with major issues people do have an input." "They are consulted more than in most firms, but you can never consult enough".

In 1999 the QM described how people at all levels were kept informed of what was going on within the organisation, though he highlighted that the partners were the main decision making group but "we manage by consensus and try to involve everyone in the process".

There had been no change in score for this element.

Staff. Teamwork. D→D. In 1995 the QM described how there was "a move to develop teams further, to make them more autonomous". He explained how

information was gathered to provide a profile of the team's performance based on hours worked, work in progress generated, bills produced, credit control and job starts.

He described how the teams met to talk about improvement and issues were fed up the organisation. "Each team is led by a partner and any major issues discussed at team meetings are taken to the monthly partners' meeting".

In 1999 the organisation clearly worked as a number of small teams, each team responsible for improvements within its area of responsibility. However, the discussions with the QM highlighted that although ISO 9000 was seen as a driving force for improvement, there was little evidence of systematic team activity looking at process improvements.

There was no change in score for this element.

Style. D→D. In 1995 the QM agreed that there was commitment to continuous improvement, however he pointed out that, "you will always get people who are sceptical" and "even if not everyone is on board, at least management is".

It was clear from the discussion in 1999 that the senior partners were very committed to the process of continuous improvement, but this commitment was not reflected throughout the whole organisation.

There was no change in score for this element.

Systems. E→E. In 1995 the QM described how the quality management system had evolved considerably since its introduction and he believed it would continue to do so. He described how new technology offered possibilities not previously available which have had an impact on the quality of the service provided.

In 1999 it was clear from the discussions that the organisation was using the ISO 9000 system to look at ways of improving their processes. The need to review all documentation to ensure that it complies with the amended standard had provided another "reason for us to look at how we can do things better".

There was no change in score for this element.

Skills. A→A. In 1995 the QM said, "there is little knowledge or use of quality tools and techniques", and in 1999 it was clear that the situation had not changed. There has been no training in the use of quality tools and techniques and they did not appear to be used by the teams in looking at process improvements.

There was no change in score for this element.

Borough Council

The Policy Manager was interviewed in November 1995 and again in January 1999.

Shared Values. C→D. In 1995, the PM described how in the early 1990's a working group was set up to discuss quality issues. As interest in quality grew, Members showed an increasing interest and as a result a "Quality, Equality and Review Committee was set up".

The PM described how a "total quality approach has not been introduced", instead the approach to quality improvement had been by the introduction of a number of initiatives. She continued to describe how "there has been considerable resistance to new initiatives", but "with time people have adopted the ideas whole heartedly". She believed that "there is commitment to improve quality across the organisation".

In 1999, the PM considered that there had been work done on changing the culture within the Council and she believed that this would "assist in improving the organisation as a whole in terms of service delivery".

It is clear from the discussions that there is commitment to improvement evident throughout the authority, hence an improvement in the score from a C to a D.

Strategy. D→E. In 1995 the PM described how "the Council has a three year corporate plan and every department is required to draw up a three year business plan, which should include quality and performance measures".

In 1999, the PM described how the organisation had a comprehensive policy planning and performance review process which reflected the views of their stakeholders. The PM described how the aim was "to ensure that TQM is evident within all our services".

The involvement of stakeholders and the further developments under TQM had resulted in a change in score for this element from a D to an E.

Structure. D→D. In 1995 the PM believed that, "individual responsibilities are clear throughout the organisation and the quality working group is the focal point for quality improvement".

In 1999, the PM described how every employee had a development discussion with their manager where the employee is fully briefed on their role within the Council. The PM believed that employees were therefore aware of their roles and responsibilities.

There has been no change in score for this element.

Staff. Decision Making. C→D. In 1995 the PM described the organisation as "tight loose", with guidelines laid down by the centre and departments then given the freedom to determine what steps are appropriate for them.

In 1999 the PM described how there had been greater empowerment of employees. She described how many teams now have regular team meetings which involve all staff, where decisions about improving services and policies and procedures can be discussed and acted upon.

There clearly was seen to be greater involvement of employees at all levels in the decision making process and as a result the score for this element has improved from a C to a D.

Style. D→E. In 1995 the PM described how the Chief Executive had been involved in giving presentations announcing the Council's commitment to quality. Each department had to outline their departmental initiatives, such as working towards ISO 9000 or a Charter Mark.

The PM pointed out that, "support for quality improvement depends upon the individual director and other priorities the service is faced with at the time".

In 1999 the PM described a number of corporate initiatives and improvement activities that clearly demonstrated the support and commitment of senior management to the process of continuous improvement.

The visible support and commitment from senior management had resulted in an improvement in score for this element from a D to an E.

Systems. B→B. In 1995 the PM stated that “some services have documented procedures, though the majority do not.” “The route to ISO 9000 was discussed by the organisation, however, it was decided that they did not want the documented approach and that cultural issues and the focus on process would be of more value to the Council”.

By 1999 it was clear from discussions with the PM that a considerable amount of work had been done on developing and improving a number of key processes, however few of these had been documented in any detail.

There was no change in score for this element.

Skills. A→C. In 1995 the PM described how “the initiative to introduce quality tools and techniques was not very successful”.

The discussions with the PM in 1999 highlighted that there was still limited use of the quality tools and techniques. “Flowcharts have been used to review some of our processes”.

There was a change in score for this element from an A to a C which reflected the use of some tools and techniques, in particular brainstorming and flowcharting.

Authority X

An interview was carried out with the Chief Executive in 1994 to validate the benchmarking tool and a summary of the results of this interview is presented here. In 2000 interviews were carried out with all of the members of the Directors' Management Team, including the Chief Executive and the average of the scores assigned to the

critical success factors is used in this comparison. For the summary of the discussions in 2000, "Director" is used to refer to a member of the Directors' Management Team.

Shared Values. C→C. In 1994 the Chief Executive described how the Directors' Management Team had committed itself to the adoption of a TQM philosophy, however he believed "it is a slow process and it has taken us two and a half years to reach this stage. Yes, ultimately we are striving for a culture of continuous improvement. This will be achieved once all barriers have been broken down and everyone sees the importance of such an approach and signs up to it".

In 2000 one Director pointed out that "as an organisation there is an implicit wish to do well", but he believed "we are where we should have been eight years ago in terms of TQM". One Director believed that "progress has been slow". It was clear from discussions with another Director that "there is some commitment, but it is patchy", he believed that "the organisation runs a quality 10% who carries with it the 90% who are here just to do the job".

It was clear that there was some commitment to continuous improvement, but it was patchy. There was no change in score for this element.

Strategy. C/D→C/D. In 1994 the Chief Executive explained the changes the organisation had recently gone through and how the business planning and budgetary processes were being developed. He believed that, "the past four years have seen a considerable move forward for the organisation with regards to strategy and planning". He described how the organisation was moving "towards the development of an integrated plan with service level agreements, clear targets, employee development and quality improvements incorporated".

In 2000 the interviews highlighted a mixed view towards corporate strategy. One Director thought "there wasn't any strong corporate drive or strategy that was owned by the organisation". He believed there was "no expression in business plans in terms of quality". One Director pointed out "there are a few groups of best practice".

There was no change in score for this element.

Structure. B→D. In 1995 the Chief Executive described how the review of the organisation structure in 1991 had resulted in a redesign of the organisation structure with new roles and responsibilities. He believed that “lines of responsibility were fuzzy”.

In 2000 all of the Directors agreed that employees were “clear about their responsibilities”. One Director said, “IIP has helped people to understand their role within the organisation better”.

With regards to responsibility for quality, one Director stated that quality was “quite unambiguously the responsibility of managers and Heads of Service are supposed to support managers in that”. One Director believed that “managers were increasingly seen as having that responsibility”.

There was a change in score for this element from a B to a D.

Staff. Decision Making. B→D. In 1995, the Chief Executive described how “there are no clear guidelines about who is able to make decisions and about what.” He believed that “no one will take risks for fear of making mistakes, and it is perceived that mistakes will not be tolerated”.

In 2000, one Director stated, “there is not one model for the organisation”, “most managers would say they involved staff” in decision making, but “staff would say they were not involved”.

There was a change in score for this element from a B to a D.

Staff. Teamwork. B/C→D. In 1995 the Chief Executive highlighted how “TQM had been introduced in the organisation in an attempt to improve teamwork”. He described how the organisation was very much structured by tasks and “improvement teams are few and far between”.

In 2000, the Directors’ Management Team believed that there was a “team culture”. One Director believed that the “organisation works more as a single organisation than anywhere else I have worked”, another Director confirmed that teamwork is “extremely strong”.

There was a change in score for this element from B/C to a D.

Style. C/D→C/D. In 1995 the Chief Executive described how "the Directors' Management Team started the organisation down the TQM route". He believed that they were "quite focused and committed to improving the processes" and the "next stage is to ensure that they bring the rest of the organisation on board with them". He stated that "a few unit managers have become more proactive in improvement activity and are involved with employees in identifying improvement themes".

In 2000 the discussions with the Directors highlighted how they were supportive of improvements within their own service, but as one Director described "there is a lack of interest outside their own patch". One Director believed that there was no commitment to "achieving TQM in a real sense", he said that he was "not prepared to put the necessary effort into making it happen".

There was no change in score for this element.

Systems. A/B→B/C. In 1995 the Chief Executive described how "in the past there were no systems in place, things were passed down by word of mouth, or sitting with Nellie". He said, "we as an organisation are not looking for a regimented system, but to adopt best practice throughout the organisation". He believed "a number of services are now documenting their procedures, with some taking the decision to work towards ISO 9000" and that "other services are also seeing the advantages that can be gained by documenting procedures".

In 2000, the Directors' Management Team believed that "very little had been documented". One Director explained that "everyone works by the seat of their pants and don't have time to document their procedures". One Director described how where "teams have a lot documented, it is because they see it as sensible".

There was some improvement in the number of procedures that had been documented with a number of services having gained ISO 9000, as a result there was an improvement in score for this element from A/B to B/C.

Skills. A/B→C. In 1995 the Chief Executive described how "on the whole, within the organisation problems are solved by fire-fighting, decisions are based on experience."

He believed, "there is no forward planning, the attitude being one of cover my back rather than problem solve".

In 2000, the Directors' Management Team highlighted that quality tools and techniques were used to tackle some problems. One Director believed that "some tools are common, others are not used at all" and another Director explained how you "tend to find quality tools used in early stages of problem solving, looking at new issues".

There was a change in score for this element from an A/B to a C.

REASONS FOR SCORING AN "E"

Figure 10.2 illustrates those organisations that believed they had achieved an E score for the critical success factors.

Figure 10.2 Organisations Scoring an "E"

Critical Success Factor	Organisation Scoring an 'E'
Shared Values	Engineering; Manufacturing
Strategy	Engineering; Manufacturing; Finance; Borough Council
Structure	Engineering; Manufacturing; Finance; Solicitors
Staff. Decision Making	Sales
Staff. Teamwork	Engineering; Borough Council
Style	Engineering; Manufacturing; Borough Council; Sales
Systems	Finance; Solicitors; Sales
Skills	Engineering; Manufacturing; Finance; Sales

Shared Values

It was clear from the results that there were a number of reasons why the organisation had achieved a score of an E for this element. Firstly, because there was clear commitment to continuous improvement from the top of the organisation and quality improvement was driven through the organisation from the top. Within these

organisations commitment to quality improvement was seen to be essential to ensure the long-term survival of the organisation and individuals clearly believed that they were responsible for improvement. As a result there was evidence of commitment by the bottom of the organisation.

Strategy

The organisations that assigned an E for this critical success factor clearly had comprehensive business planning processes in place that were supported by senior management. Employees at all levels of the organisation were involved in drawing up the business plan for their service area.

The business plans had clear targets and service standards, including targets for training and quality.

Structure

There were a number of reasons why the organisations had managed to achieve an E. There was evidence of clear job descriptions, quality management systems, which identified individual or corporate responsibility for quality.

Staff. Teamwork

The difference between those organisations that managed to achieve an E for this element and the other organisations was the organisation's approach to recognition of team improvement activities. These organisations had also gained recognition as an Investor In People (IIP) and believed this had an impact on the development of a teamwork culture.

Style

It was clear from the discussions that those organisations that had managed to achieve an E had senior management teams who were not only committed to continuous improvement, but were also visibly involved in improvement activities, recognising individual and team improvement efforts.

Systems

The organisations that had managed to achieve an E for this element had a quality management system in place, usually ISO 9000, and this framework was used to review and improve all of their processes.

Skills

In the organisations that had scored an E for this element there were different approaches to the support given to service departments in using quality tools and techniques. Once again commitment to IiP was reflected in this critical success factor, as the organisations that had gained recognition clearly believed in the importance of training and development. All of the organisations had comprehensive training programmes that covered not only tools and techniques but other issues such as leadership skills and management development programmes.

Two of the four organisations had a central team that supported the use of quality tools and techniques throughout the organisation.

STAGES OF QUALITY IMPROVEMENT

In the interviews conducted in 1998 the model developed to ascertain stages of quality improvement was used to plot the six organisations involved in this research. The results of this exercise are illustrated in Figure 10.3.

Figure 10.3

Stages of Quality Improvement – Quality Club Members & Authority X

Stages of Quality Improvement	Organisation
<i>Uncommitted</i>	-
<i>Aware</i>	Authority X
<i>Improver</i>	Sales, Borough Council, Finance, Solicitors
<i>Winner</i>	-
<i>Exceller</i>	Manufacturing, Engineering

The benchmarking scores for the organisations highlighted clear links between the critical success factors and the progress the organisation has made in achieving a culture of continuous improvement.

The literature review highlighted the importance of management support and commitment in the successful implementation of TQM, which relate to the Style and Shared Values dimensions of the 9Ss, and it can be argued that these critical success factors have played a key role in determining the stage of quality improvement the organisation is at. This hypothesis is supported by the fact that the Excellers scored an E for Shared Values, Strategy, Structure, Style and Skills. One of the Excellers also scored an E for Teamwork. For the remaining critical success factors the Excellers scored a D, with the exception of Manufacturing, which scored a C for systems. Furthermore, although the other organisations had demonstrated that they had achieved Es for a number of the CSFs, it is especially revealing that none of them scored Es for both Style and Shared Values.

SUMMARY

The interviews carried out with the Quality Club members and subsequent comparison with Authority X highlighted a number of reasons why scores for the success factors were higher in these organisations than those reported in Authority X.

A summary of the reasons for scoring an E as described by the Quality Club organisations is illustrated in Figure 10.4

Figure 10.4
Reasons for scoring an E

Critical Success Factor	Reason for scoring an E
Shared Values	Clear commitment to continuous improvement from the top of the organisation. Commitment viewed as essential for long-term survival of the organisation – there is no choice. Individuals within the organisation believe they are responsible for improvement.
Strategy	Comprehensive planning process, supported by senior management. Communicated to employees who are involved in planning process.
Structure	Clear responsibilities for quality improvement.

Critical Success Factor	Reason for scoring an E
Staff. Decision Making	Involvement of employees in decision-making.
Staff. Teamwork	Encouragement of team improvement activities through team recognition.
Style	Senior management commitment, visibly demonstrated through involvement in improvement activity and recognition of team and individual efforts.
Systems	Quality management system in place, usually ISO 9000 which is used to review and improve processes.
Skills	Comprehensive training programmes – including Leadership skills and management development programmes.

The Five Stages of Quality Improvement Model provided further evidence in support of the critical success factors. Only those organisations that scored an E for both Style and Shared Values were categorised as Excellers.

Part Three - Discussion

Chapter 11

Quality Improvement at Authority X

INTRODUCTION

In Part Two the results of this sustained longitudinal study and the results of the interviews with the Quality Club members were presented. In this chapter all of this rich data are discussed and the implications for quality improvement in a local government context will be considered.

The discussions take place at a number of levels:

- Initially the results of the participant observation exercises will be discussed and reasons for varying degrees of success highlighted.
- Secondly, the critical success factors will be discussed. The results of the benchmarking exercises will be considered with the four teams' scores compared and reasons for changes in scores highlighted. The scores for the corporate view will then be examined and comparisons made with the team scores. Drawing on the results of the interviews with the Quality Club members, comparisons will be made to enable discussion on the generalisability of the research findings.
- What can be learnt about the criticality of the success factors arising from these comparisons will then be discussed.
- A best practice quality improvement model was proposed in the initial stages of this study and the results will be used, in conjunction with the benchmarking results, to test the proposed model.
- Finally, the data collection methods used in this research to ascertain the views of customers on the quality of the service they received will be discussed.

PARTICIPANT OBSERVATION

Over the duration of this research the researcher acted as a participant observer, gathering data on the four teams' process improvement activities. It is clear from the results that each of the four teams responded quite differently to the implementation of TQM, and achieved different degrees of success in securing improvements.

Introducing TQM

TQM was introduced throughout the organisation through a comprehensive training programme. Teams from across the organisation were invited to attend a series of three workshops. These workshops introduced the concept of quality and encouraged the use of quality tools and techniques. In the case of the four teams participating in this study each of the Heads of Service were contacted by the researcher to discuss who should attend the workshops.

□ Engineering Services, Legal Services and Accountancy Services.

In discussion with the researcher the Heads of Services for these teams agreed everyone from their service should attend the workshops.

□ Housing Services.

It was clear from the initial meeting with the Head of Service that Housing Services was not prepared to attend the workshops. The researcher then set up a further meeting with the Head of Service and his managers. There was considerable reluctance to participate in the organisation wide initiative as Housing Services felt they were ahead of the rest of the organisation and it would be a step backward to participate in the workshops. It took a considerable degree of persistence from the researcher before agreement was reached on how Housing Services could progress with TQM. The workshops were tailored to the work being undertaken by improvement teams at that time. For example, one team was looking at the void relet process and the researcher introduced flowcharting to the team. This proved to be a useful exercise as it resulted in a number of areas of duplication in the process being identified and eliminated. The result was a reduction in the time taken to relet void properties. This success improved the credibility of the researcher's role as the organisation's TQM co-ordinator.

Following Up the Workshops

Once the teams had attended the workshops, only the Accountancy Services team and the Engineering Services team continued to meet to tackle the issues they had identified.

Legal Services. The Legal Services team had been reluctant to participate but attendance had not been seen as optional. Once the team had attended the three workshops there was no further quality improvement activity on their part for quite some time.

Engineering Services. The team from Engineering Services prepared solutions to the problems they had identified to discuss with their manager. They were unable to gain his support and with time they became frustrated with the initiative and decided not to continue "wasting their time".

Accountancy Services. Accountancy Services also soon became frustrated and gave up their improvement efforts. The Accountancy Services team produced a list of problems and issues they wanted to raise with their manager. The researcher raised these issues with their manager, but no action was taken in response to the issues raised. The Accountancy Services team clearly believed that improvement was the responsibility of their manager and as he did not take action on any of the points raised by them, they became disillusioned with TQM.

The Early Stages

The introduction of TQM was clearly met with considerable resistance on the part of some of the teams and some managers. As a result, there was little evidence of any improvement in the early stages of this research.

It was interesting to note that the Accountancy Services team's frustration went wider than quality management and the organisation's adoption of a TQM philosophy. At the first workshop the teams made a number of comments about the TQM programme. They thought it would be a "waste of valuable time and we'll achieve nothing at the end of it", or that "our suggestions and opinions are diluted", and questioned "will things change?" Their comments highlighted that there was already considerable frustration aimed at other management initiatives at that time; Investors in People, team briefing, business planning; and that TQM was just viewed as the latest flavour of the month, and they clearly believed nothing would be achieved as a result.

The bottom up approach adopted within Authority X for the introduction of TQM could be seen to give rise to a lack of support for the teams from their managers, which clearly made it more difficult to obtain the teams' commitment to proceed with putting time and effort into something they felt would have no effect.

The Need for a Kick Start

By 1995, there was no evidence of quality improvement activity being undertaken by the four teams. The lack of success of this initial introduction of TQM resulted in the initiative being given a "kick-start". Once again organisation-wide training was undertaken, this time in process management. There had been a number of lessons learnt from the initial TQM training and these were incorporated into the Council's approach to process management:

- Senior management was involved in the delivery of the training to demonstrate their commitment to the process.
- A process owner was appointed for each key process, increasing the sense of ownership.
- Objectives, process measures and a timetable for improvement activity were identified, involving those who do the job in the decision making process.
- Forms were completed on a quarterly basis and progress was reported to the Directors' Management Team.

Housing Services participated in these workshops, possibly because they were not given another option.

This organisation-wide process management system was in place for a number of years, during which time the four teams could be described as putting in a minimal effort in order to be seen to be "playing along".

Legal Services. The team from Legal Services never reported to the Directors' Management Team on their process improvement activity, although the researcher chased up reports on a number of occasions.

Housing Services. Housing Services tackled a number of process improvement projects and measures were put in place to monitor performance of the processes.

However, discussions with managers and members of the team indicated that process improvement activity was a paper exercise done to satisfy the reporting requirements.

Engineering Services and Accountancy Services. Engineering Services and Accountancy Services also appeared to choose processes for improvement that satisfied the reporting process and there was little commitment to actual process improvement activity.

Playing Along

On the surface, it appeared as though process management had been successful. Teams identified processes for improvement, identified process owners, developed process measures and reported on progress on a quarterly basis. However, it was evident there was still a lack of management commitment to TQM, and in general Heads of Service and Directors did not have any involvement in encouraging process improvement activity. Process management was clearly not seen to be a priority by senior management even though the researcher repeatedly reported the need for visible commitment from top management to secure the success of TQM. As a result teams also placed little importance on it.

Later, in 1998, the Directors' Management Team (DMT) agreed that monitoring process improvement activity should be the responsibility of the Heads of Service. The DMT no longer requested monitoring reports. This decision in fact had a detrimental effect on improvement activity. The requirement to produce progress reports for DMT had clearly been a driver for the teams, but once this driver was removed there was a significant reduction in process improvement activity across the whole organisation.

Of the four teams,

- There was no evidence of any process improvement activity undertaken by Engineering Services and Accountancy Services since 1998.
- On the other hand, Housing Services and Legal Services became increasingly proactive in process improvement activity.

Housing Services began to undertake a number of improvement activities and there was evidence of improvements in results. Towards the end of this research, it was the case that people within the housing service were encouraged to identify problems and assist in developing solutions and implementing them. Although, commitment was still

patchy, with some parts of the service more committed to improvement activities than others, it was clear that improvement activity was becoming more entrenched in Housing Services than in any of the other teams involved in this research.

Legal Services was also involved in looking at their processes, though they enlisted the help of an officer external to the team. However, it was clear from their progress, which was slow, that there was little ownership of the process. The decision by the team to work towards Lexcel, a quality standard for legal executives, resulted in the team reconsidering its involvement in improvement activities. The team made the decision this time and there was greater commitment. They believed that Lexcel was relevant to them and clearly were committed to it. Although at times progress was slow, and there was a number of reasons given for this, in particular the demands of delivering the service, the team was clearly more committed to improvement. Towards the end of this study enthusiasm for working towards Lexcel began to wane. The long-term absence of the Head of Service put additional work pressures on the team and this, coupled with the team's low morale arising from the way recruitment was handled, were clearly the causes of this reduction in enthusiasm. However, the Head of Service was very keen to ensure that work on Lexcel continued as soon as possible.

Summary

Through participant observation a number of similarities and differences were highlighted in the teams' responses to the organisation-wide initiative. There were varying degrees of reluctance and cynicism, different approaches to team improvement activity and the outcome was varying levels of success. The key issues arising from the discussion are as follows:

□ Triggers for Change

All of the teams were subjected to a combination of triggers, both internal and external to the team, that initiated change, some more effectively than others. In the case of Engineering Services and Accountancy Services, most of the triggers were external to the team and in fact resulted in little, if any, improvement. On the other hand, Housing Services generated more of the triggers for change themselves than the other teams. It is clear that the most effective triggers for change were those generated by the team itself.

□ **Internal Champion**

The discussions with the teams from Engineering Services and Accountancy Services highlighted that there was no internal leader and with nobody wanting to take responsibility for improvement activity no progress was made. Where there was no ownership, teams learnt to 'play the game' rather than commit to 'real' improvement.

With the teams from Housing Services and Legal Services an internal champion came to the fore as the research progressed. This had an impact on the scores agreed by the teams for the benchmarking exercises as greater improvement activity took place.

□ **Team Autonomy**

Organisation wide initiatives were greeted with resistance and cynicism, particularly when the approach was prescribed. This changed where the team was able to determine how it directed its improvement activities and was able to choose something it felt was particularly relevant to its area of work.

Where teams were given little autonomy the results highlighted that people felt undervalued and as a result there was considerable reluctance to change.

□ **Importance of 'Customers'**

The team's perception of the importance of the customer had an impact on the team's commitment to improvement. Housing Services and Legal Services believed their customers had a key role to play in the delivery of quality services and these teams demonstrated greater support and commitment to process improvement activity than the Accountancy Services and Engineering Services teams. In the case of the teams from Accountancy Services and Engineering Services the customer was seen to be of little importance. For example, Accountancy Services did not see the need to ask the views of their customers in determining the future of the service provided.

□ **Management Support**

The results highlighted a link between team improvement activity and management support. Where line managers were visibly supportive of improvement activity, the teams were more willing to embrace improvement activity. Without the support

and commitment of their line managers, teams ended up frustrated and disillusioned.

Benchmarking Scores

CRITICAL SUCCESS FACTORS

Comparison of the Teams Scores

Benchmarking Scores in 1994. Over the duration of this research, the CSFs benchmarking tool was used with the four teams on a number of occasions. The scores from the first benchmarking exercise carried out in 1994 are illustrated in Figure 11.1

**Figure 11.1
Team Benchmarking Scores in 1994**

	A	B	C	D	E
Shared Values	E	AH	L		
Strategy	A	LE	H		
Structure			AEH	L	
Decision Making		EH	A	L	
Teamwork			AH	EL	
Style	EH	AL			
Systems	EL	A	H		
Skills – Quality Tools	L	EH	A		
Skills – Professional Identity		H		AEL	

Key

Teams

E – Engineering Services

L – Legal Services

A – Accountancy Services

H – Housing Services

Scale

A = No commitment

E = Continuous improvement is embedded

These results show that in 1994 there was generally little support for continuous improvement by the four teams with low scores for Shared Values and Style. There was little direction for quality improvement activity, with low scores for Strategy, a lack of documented procedures, with low scores for Systems, and little knowledge and use of the quality improvement tools, with low scores for Skills.

The low scores for these critical success factors appear to be reflected in the lack of success of process improvement activity at the start of this research. Further analysis

highlights that the higher scores in Structure and Staff – Decision Making and Teamwork, on their own did not result in successful process improvement activities.

Benchmarking Scores in 2000. The final scores agreed by the teams in 2000 are illustrated in Figure 11.2.

Figure 11.2
Team Benchmarking Scores in 2000

	A	B	C	D	E
Shared Values		AE	H	L	
Strategy			AL	EH	
Structure				AEHL	
Decision Making		A	E	HL	
Teamwork		E	A	HL	
Style	A		EL		H
Systems		AE	L	H	
Skills – Quality Tools	A		EHL		

Changes in Scores between 1994 and 2000. The benchmarking exercises identified a number of changes in scores over the period of the longitudinal study. There were changes in scores for the critical success factors for all of the teams. Most of the changes are small positive improvements, though there were a number of instances where the change reflects a drop in score, e.g., in the case of Decision-Making with Accountancy Services and Teamwork for Engineering Services.

- **Shared Values.** There were slight improvements in scores for three of the four teams. The score for Accountancy Services remained unchanged. Accountancy Services and Engineering Services scored lower for this critical success factor than the other two teams.
- **Strategy.** All of the teams reflected a slight improvement, this time the Housing Services and Engineering Services teams had the higher final score.
- **Structure.** The highest overall score of all the critical success factors. A slight improvement was evident for Accountancy Services, Engineering Services and Housing Services, but Legal Services remained the same.
- **Decision-Making.** The scores showed improvements for Housing Services and Engineering Services, with a reduction in score for Accountancy Services.

Legal Services remained the same. Both Housing Services and Legal Services scored a D for this critical success factor.

- **Teamwork.** Another area where Housing Services showed an improvement in score and, along with Legal Services, scored a D. The score for Accountancy Services remained unchanged with a final score of a C. In the case of Engineering Services the score for teamwork fluctuated considerably over the research period, and the final score dropped back to a B.
- **Style.** All of the teams, with the exception of Accountancy Services, showed an increase in score. The score for Accountancy Services dropped.
- **Systems.** There was an increase in score for Housing Services, Engineering Services and Legal Services. The score for Accountancy Services remained unchanged.
- **Skills – Quality Tools.** There was an increase in score for Legal Services, Engineering Services and Housing Services and a decrease in score for Accountancy Services.

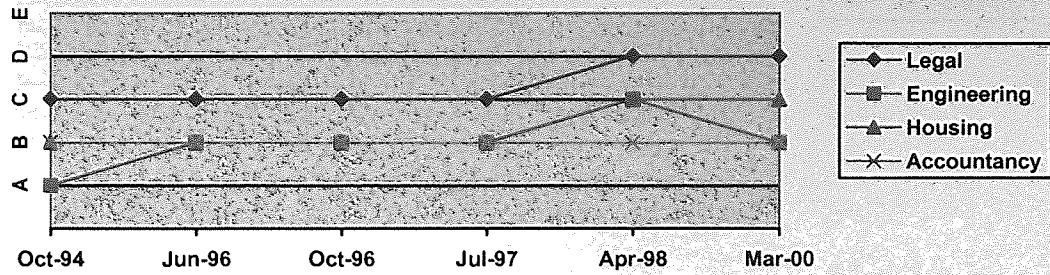
The changes in scores for each of the critical success factors are illustrated in Figure 11.3.

Fluctuations in Scores. The results showed that there were fluctuations in scores for each of the teams against the critical success factors. However, of particular interest were the considerable fluctuations in scores evidenced by the Engineering Services team. Their scores for the critical success factors dipped then increased and often dipped again. This pattern of change was not so evident amongst any of the other teams. The only other team that demonstrated a drop in score for any of the critical success factors was Accountancy Services.

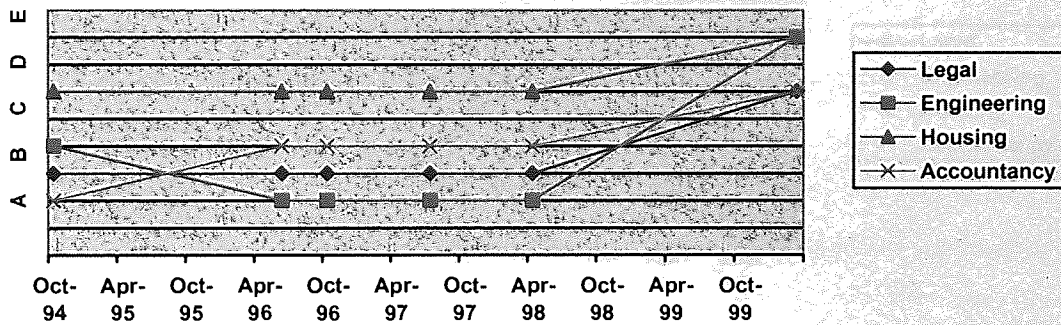
One possible explanation for the fluctuations in scores for the Engineering Services team was that the benchmarking exercise was carried out more frequently for this team than the other teams and this increased frequency was responsible for highlighting greater fluctuations. At the start of the research, the intention was that the benchmarking exercise would be carried out the same number of times with each team. However in practice, the Engineering Services team was more accessible than the other teams and as a result the benchmarking exercise was carried out more frequently with them. The longer interval between the benchmarking exercises for the other three teams gave rise to fewer fluctuations in scores.

Figure 11.3
Team Benchmarking Scores for the Critical Success Factors

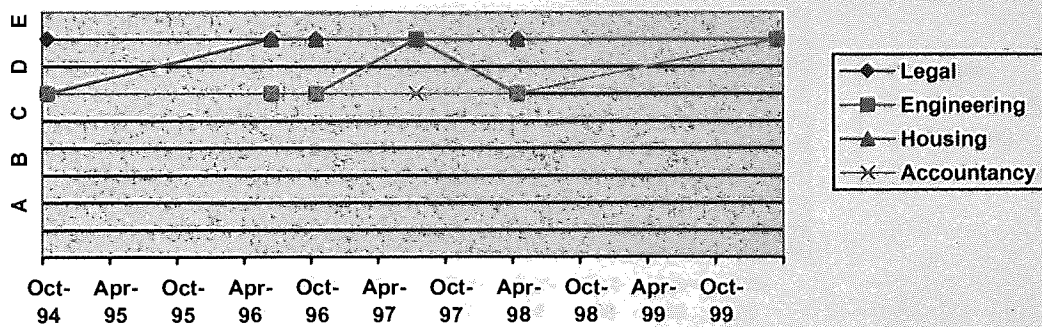
Shared Values



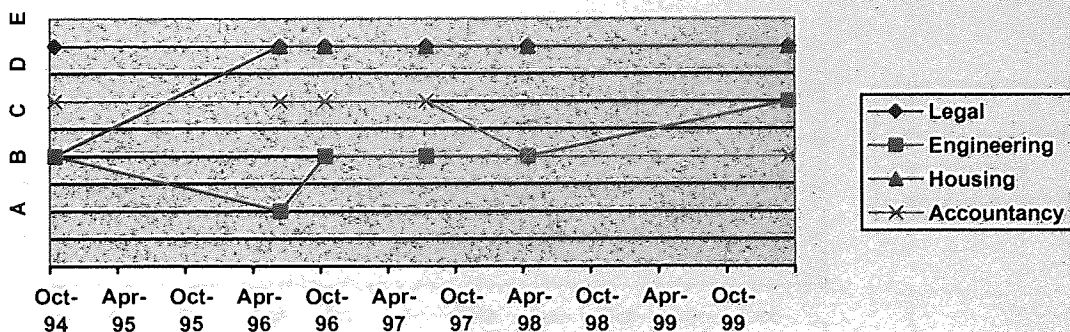
Strategy



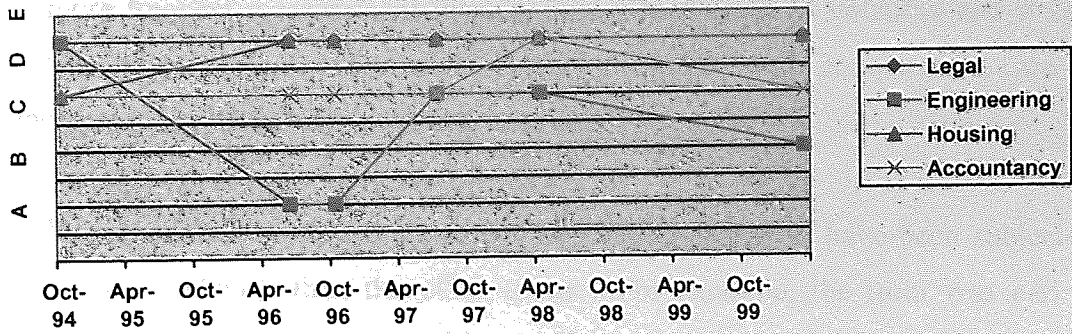
Structure



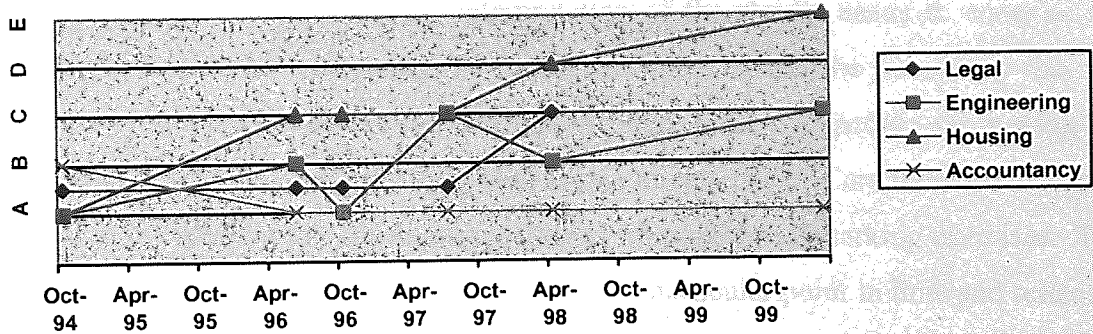
Staff. Decision Making



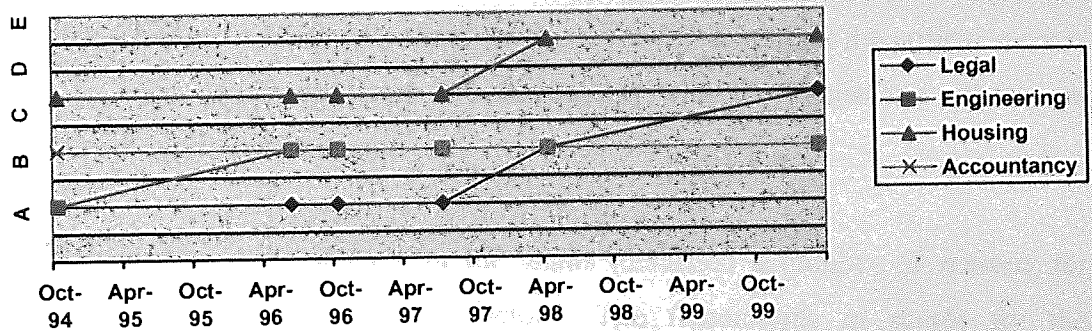
Staff. Teamwork



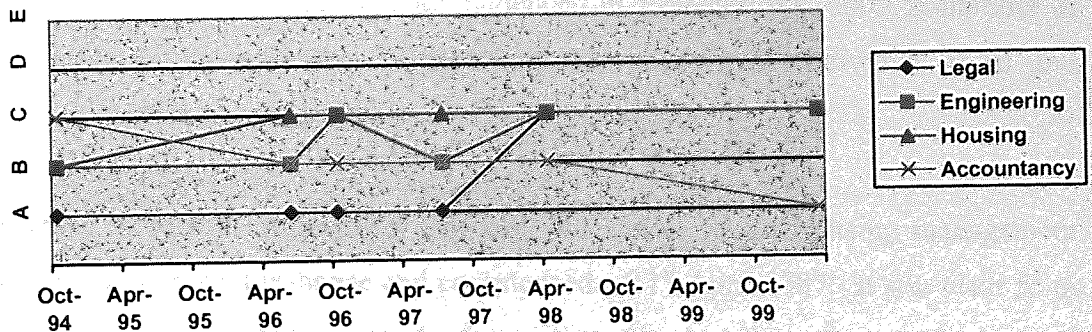
Style



Systems



Skills – Quality Tools



The more frequent measurement reveals quite a high level of volatility and it can be concluded that performance measurement exercises, and comparisons, are very vulnerable to the times chosen to carry them out.

Another explanation is that Engineering Services appeared to have been subjected to more external change than the other teams. For example, the team was part of a restructuring exercise on two occasions, and had a number of changes in work practices imposed on it by their new Head of Service.

It is also clearly the case that any interpretation of the results needs to consider the subjectivity associated with using the benchmarking tool and the possibility that the differences observed are due to the fact that different groups of people are making the judgements or that they have changed their frame of reference. Care therefore needs to be taken in interpreting the information gathered from the benchmarking exercises. The scores represented the perceptions of the teams at a particular point in time and reflected the mood of the team at the time of the exercise. However, in the four case studies presented here, there was substantial stability in the personnel involved over the period of the study.

Reasons for Change in CSFs. Reasons for change in the scores for the critical success factors have been determined from the discussions with the teams and subsequent interviews with senior management.

Shared Values. The discussions with the teams identified a number of reasons for changes against this critical success factor. The fluctuations in scores for the Engineering Services team were linked to the team's expectations when a new Head of Service was appointed. However, over time the team believed that their expectations were not met and the increase in score evidenced in 1996 fell by 2000. A number of other changes in the structure of the team and changes to individual roles and responsibilities were also responsible for this drop in score.

The increase in scores for Housing Services was linked to the housing management contract, which was won in-house and commenced on 1st April 1997. It was clear from discussions that the first twelve months focused on ensuring the contract was managed correctly and once the team was used to the new system more time was then spent on improvements.

The change in score for the team from Legal Services was linked to their decision to work towards the Lexcel standard. At that time, the team was committed and enthusiastic about improving their processes by adopting the Lexcel methodology.

Strategy. The scores for Strategy were clearly linked to the importance the team placed on having a clear direction and a business plan was seen to be important in communicating aims and objectives to them. The changes in scores, as evidenced in Housing Services and Engineering Services, were related to the commitment of the Head of Service to business planning. In the case of Engineering Services, all of the engineers underwent considerable training in business planning and the new manager was committed to drawing up a comprehensive business plan for the section. For the Legal Services team, the new Legal Services' manager was also committed to preparing a business plan for the section for 2000-01.

Structure. The improvement in scores for Housing Services was linked to the team's preparations for CCT, which resulted in clearer roles and responsibilities being identified. The changes in scores for Engineering Services were linked to a number of changes imposed on the team by their new Head of Service. A number of changes in roles and responsibilities were made and at times the team agreed they were not always clear about their roles and responsibilities.

Staff. Decision Making. A number of new managers and a new committee chairman were all responsible for improvements in scores for decision making in Housing Services, whereas new management was responsible for a drop in score for Accountancy Services and fluctuating scores for Engineering Services.

In 1996, Engineering Services described how their new Head of Service believed that Members should make the decisions and as a result the score dropped. However, over time the team described how they hid things from their Head of Service to prevent delays that could arise from a long decision-making process.

Staff. Teamwork. The changes in scores for Engineering Services were attributed to changes in the allocation of work. The Head of Service allocated projects to individuals, whereas previously the team had divided up projects and allocated individual work tasks. A year later the results showed that there was a slight increase in

the score for teamwork as the new system had settled down. However, further changes to the team in 1999 were responsible, once again, for a drop in score for teamwork.

The discussions with Engineering Services in 2000 illustrated that there was some feeling amongst the team that teamwork was really good at the start of the research and there was clearly some resentment that this had been destroyed. The Head of Service defended the changes he had introduced, as he believed they had resulted in improvements in the team's productivity. He believed that the previous arrangements were not conducive to efficient working and with the new arrangements there was an improvement in the timeliness of project delivery, which was accompanied by a reduction in costs.

Style. Increases in scores for Housing Services were attributable, in the first instance, to changes in management. The housing management contract had also had an impact, as it had acted as a catalyst for improvements in service delivery.

The fluctuations in score for Engineering Services were linked to the appointment of a new Head of Service and the team's expectations that things will improve. With time, the team believed that their expectations had not been met and this resulted in a drop in score. Further restructuring and how the team viewed these changes were linked to changes in scores in 1998 and 2000.

The Accountancy Services team believed they had little support from management. Over the course of the research there had been a number of changes in management of the Accountancy Services unit and the team described how at times they had not been managed at all. The team clearly felt isolated and undervalued.

Lexcel was the reason for an increase in score for the Legal Services team. There was a change in management of Legal Services around this time, with a new Head of Service and a new Legal Services Manager. They were both supportive of Lexcel, and the Director also visibly pushed for the team to work towards the standard.

Systems. The change in scores for Systems was most evident for Housing Services having to document their procedures and once the management contract was won in-house further work focused on reviewing and improving the documented procedures.

The decision by the Legal Services team to work towards Lexcel also resulted in an increase in the number of the team's procedures being documented.

Skills – Quality Tools. It is difficult to explain the changes in the scores for the use of quality tools and techniques. The use of the tools appeared to be very ad hoc and the score assigned to this critical success factor related to whether the teams had recently used any of the techniques, such as flowcharting. The only change in score for which an explanation was given by the team relates to the Legal Services team's work on process management, where they were encouraged to use flowcharting.

Skills – Professional Identity. A score for professional identity was assigned by the teams at the start of the research, therefore there is no data available for comparison over time. Even so, this factor had an impact on the teams' improvement activity. In the case of the Engineering Services, the changes imposed on the team by their manager resulted in the team feeling that their professional identity had been attacked and this could be responsible for the team's limited success in improvement activities.

On the other hand, where Legal Services saw the adoption of Lexcel as enhancing their professional identity there was commitment from the team to work towards the standard.

Summary of the Issues Raised by the Teams' Scores. In addition to the points identified from participant observation the results of the teams' benchmarking exercises identified a number of issues that have affected the scores for the critical success factors and the teams' success with improvement activity. These can be summarised as follows:

- Changes in legislation had an impact, although teams sought to minimise the effect.
- Restructuring and changes in work processes imposed on the teams triggered a negative response and resulted in a drop in scores for some of the factors.
- Attitude played an important role in the success of the teams. The team's attitude was influenced by the way in which their professional identity was managed. Where professional identity was attacked the team was cynical and negative about change. On the other hand, where the team was given the freedom to make their own decisions they embraced improvement.

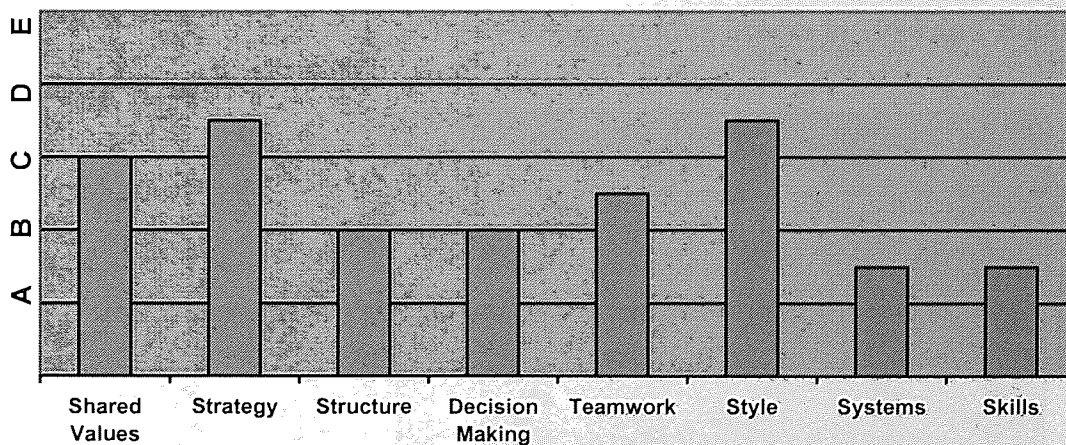
Directors' Management Team's Benchmarking Scores.

To provide further depth to the discussions, the CSFs benchmarking tool was also used to gather the views of the authority's top management. An interview was carried out with the Chief Executive at the start of the research and the results of this interview highlighted the Chief Executive's perceptions of the authority's position against the critical success factors (Figure 11.4).

A second interview was held with the Chief Executive in 2000, again using the benchmarking tool. By 2000, it was clear from discussion that he considered that there had been a number of changes and these were reflected in the critical success factors. At this stage similar interviews were also held with the Directors to ascertain the degree of consensus at the top management level. The results of these discussions show that, although the Chief Executive and the Directors each had slightly different perspectives on the improvement activities of the organisation, there was very little difference in the scores assigned for each of the critical success factors, as illustrated in Figure 11.5. An average score has been used to provide a Directors' Management Team view in 2000 and this has been compared with the Chief Executive's scores for 1994 (Figure 11.6).

Figure 11.4

Chief Executive's Benchmarking Scores in 1994



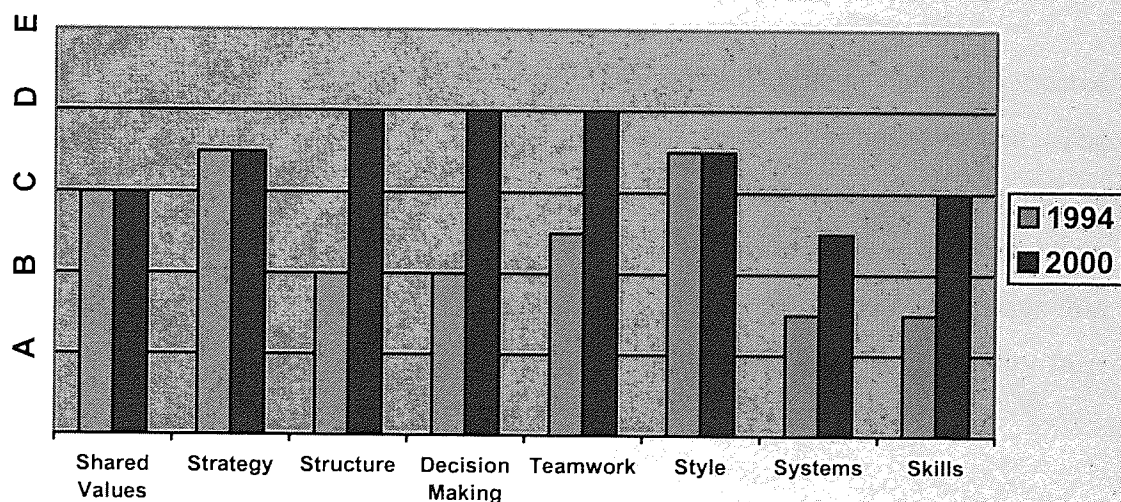
The top management team's scores for 2000, which include the Chief Executive's scores, highlighted that the Chief Executive's view generally accords to that of his management team. This gives greater credibility to the benchmarking scores assigned in 1994 based on the Chief Executive's score alone.

A further assumption made was that the Chief Executive and top management view provided a corporate view for the local authority. This corporate view has then been used to enable comparisons with the teams' results to be carried out. Analysis of this comparison considered whether the scores of the teams were consistent with the corporate view. If this was not the case, possible reasons for any variation are discussed.

Figure 11.5 - Scores for the Critical Success Factors Assigned by the Top Management Team in 2000.

	Senior Management Team Member			
	C.E.	2	3	4
Shared Values	C	C	C	C/D
Strategy	C	C	C	D
Structure	D	D	D	C
Staff – Decision Making	D	D	D	D
Staff – Teamwork	D	D	D	D
Style	D	C	C	D
Systems	C/D	B	B/C	B
Skills	C	C	B/C	C

Figure 11.6 Comparison of Senior Management Benchmarking Scores in 1994 and 2000



The results show that over time there were improvements in the benchmarking scores from the corporate viewpoint for a number of the critical success factors – Structure,

Decision-Making, Teamwork, Systems and Skills. The scores for Shared Values, Strategy and Style remained the same.

A number of the corporate activities provided some explanation for the change in scores. For example, the achievement of the Investors in People award has helped to clarify people's roles and responsibilities. One director described how the organisation has changed significantly over the past five years, "largely because of the need to bid for funding, an increasing emphasis on networking and working in partnerships, have made us more outward looking". He believed that as a result of these changes officers have been given greater freedom in decision-making and teamwork had been encouraged to enable the organisation to deliver on its promises.

Some change in score for Systems could have arisen from a number of teams within the organisation becoming registered for ISO 9000, a nationally recognised quality assurance standard, and by other teams realising the benefits of documenting their procedures. The majority of the organisation still only had a very limited number of their procedures actually written down.

An increase in project management, arising from the authority's success in winning external funding, resulted in the development of a project management system that encouraged the use of Gantt charts, and this possibly had an effect on the score for Skills.

There was no change in scores for Style, Shared Values and Strategy and this reflected the senior management's lack of commitment to continuous improvement. The interviews with the Directors' Management Team confirmed that they were not as committed to TQM as they believed they should be. One senior manager described how TQM "needs senior management drive, but it is not there", "there are other things that are more exciting" and it was easier to "focus on things that have more reality than continuous improvement".

Another senior manager confirmed that "process management should be driven from the top", "it is highly desirable, but it is not working at all". He believed that to make process management work "is hard work". He described how, unless there was clear support for process management, managers would be reluctant to embrace such an approach particularly as it required considerable time and effort for what, at present,

they could see little benefit. One director also agreed that process management would only work if it "is not seen to be optional".

The results also highlighted that there was no clear direction given for quality management. One director commented that, "I don't think there is any strong corporate drive or strategy owned by the organisation in terms of quality".

Comparison with the Teams

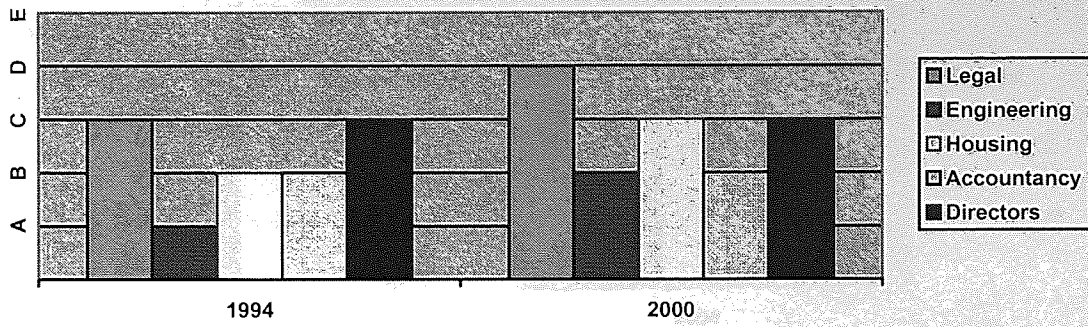
A comparison of the teams' results with those of the Chief Executive in 1994 and the Directors' Management Team in 2000 illustrated that although there were differences in 1994 the scores in 2000 were closely related. Figure 11.7 illustrates this comparison.

A summary of the comparison of the team scores with the corporate view is provided in Figure 11.8.

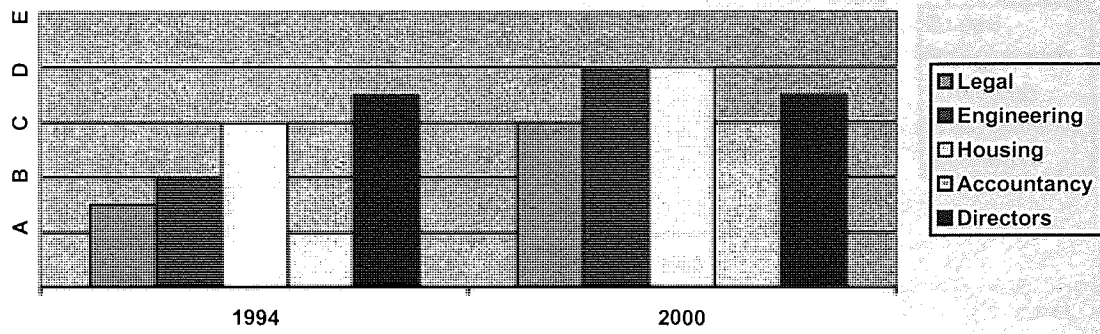
These tables give a sense in which the Chief Executive's responses in 1994 were generally polarised, compared to the other teams – i.e., either higher or lower than them. However, by 2000 the average responses of the Directors seem to be more in a line with the average of the four teams. It could be argued that averaging over a number of people reduces the level of variation in scores given, and thereby the 1994 judgements of the Chief Executive may be a little over-exaggerated. However, as highlighted above the top management team's scores for 2000, which include the Chief Executive's scores, highlight that the Chief Executive's view generally accords to that of his management team. It is likely that the Chief Executive's scores were higher than the team's at the start of the research because his score took into account his involvement in the recent introduction of TQM and a number of other initiatives, such as Investors in People and business planning. There was a delay in the 'messages' being passed down the organisation and this is reflected in the scores assigned by the teams at this time.

Figure 11.7
Benchmarking Scores for the Critical Success Factors

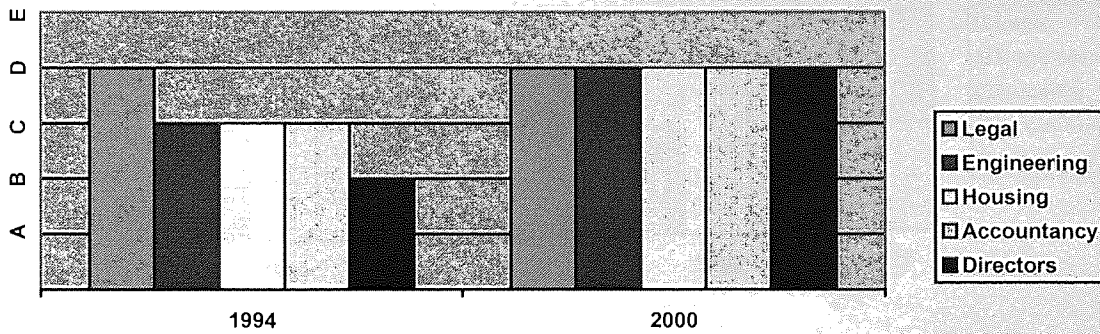
Shared Values



Strategy



Structure



Staff. Decision Making

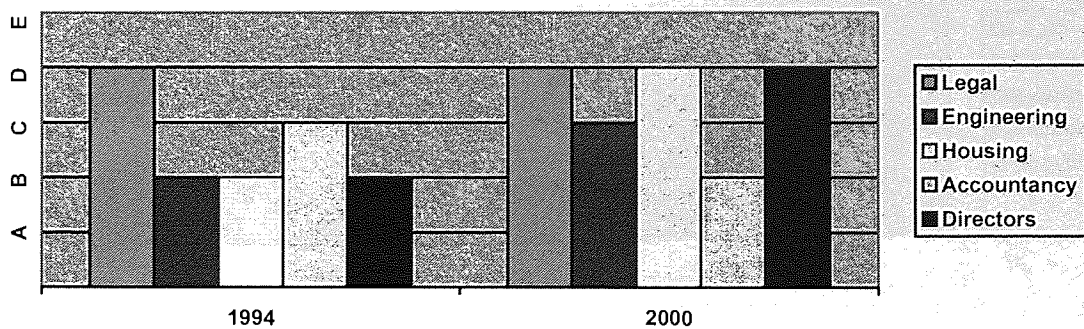
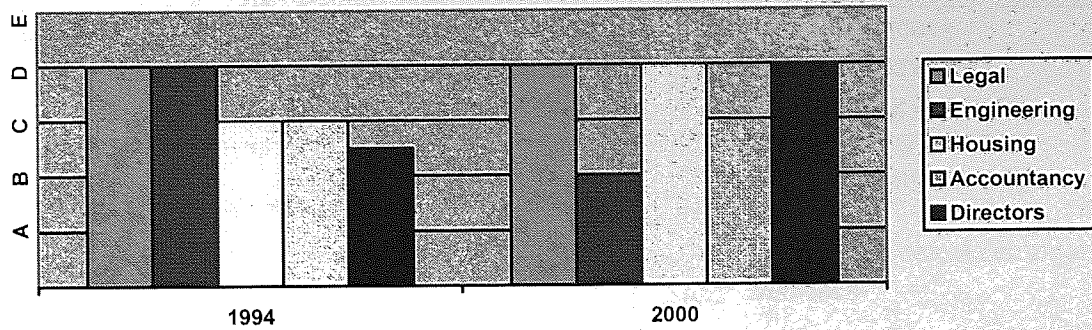
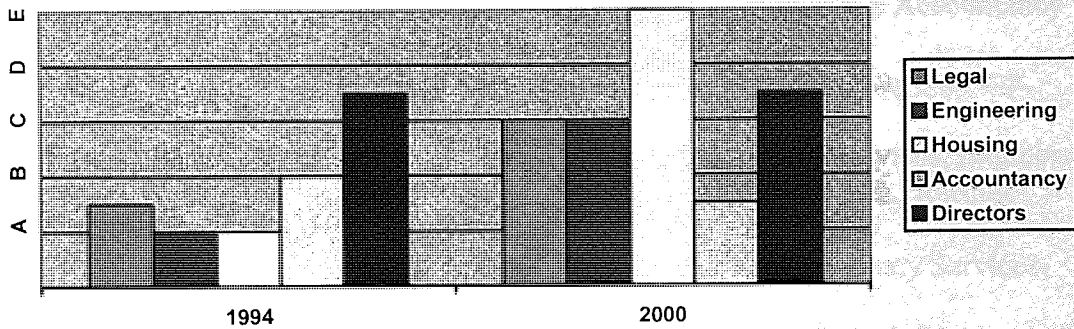


Figure 11.7 (continued)
Benchmarking Scores for the Critical Success Factors

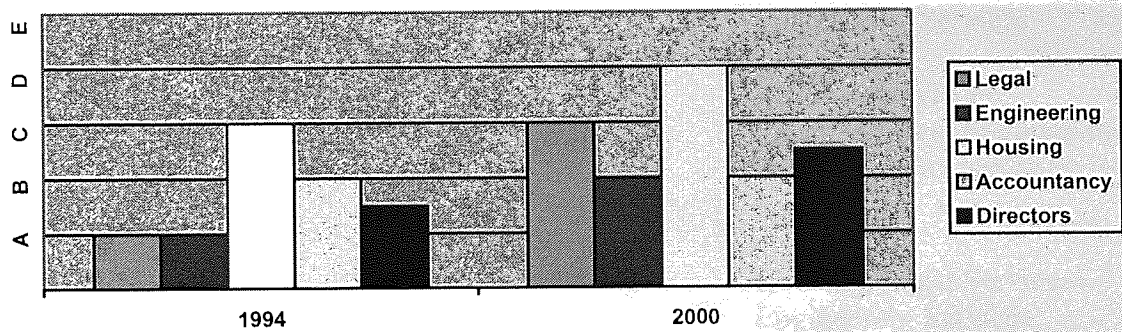
Staff. Teamwork



Style



Systems



Skills

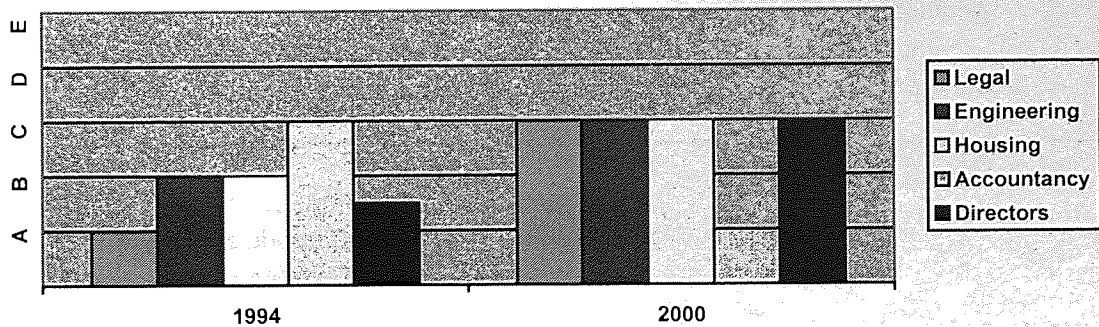


Figure 11.8
Comparison of the Team Scores with the Corporate View

Success Factor	1994	2000
Shared Values	Legal Services= Housing, Accountancy, Engineering Services -	Legal Services+ Housing Services= Engineering Services, Accountancy Services-
Strategy	All -	Housing, Engineering Services + Legal Services, Accountancy Services-
Structure	Legal Services, Accountancy Services+ Engineering Services, Housing Services=	Legal Services, Housing Services& Accountancy Services= Engineering Services, -
Staff. Decision Making	All +	Legal Services, Engineering Services & Housing Services= Accountancy Services-
Staff. Teamwork	All +	Legal Services, Housing Services& Accountancy Services= Engineering Services -
Style	All	Housing Services+ Legal Services, Engineering Services & Accountancy Services-
Systems	Accountancy, Housing Services+ Legal Services, Engineering Services -	Housing, Legal Services+ Engineering Services, Accountancy Services-
Skills	Accountancy, Engineering Services & Housing Services+ Legal Services-	Legal Services, Engineering Services & Housing Services= Accountancy Services-

Key

- = Team score is the same as the corporate view
- + Team score is above the corporate view
- Team score is below the corporate view

Reasons for the Differences. The interviews carried out with the teams and the Directors' Management Team highlighted a number of possible reasons for changes in scores over time. It is interesting that the senior management team's explanations for change were not the same as those given by the teams and yet the end result appears to be very similar. Senior management talked about corporate initiatives, such as Investors in People, team briefing, business planning however, the only reference made to these initiatives by the teams related to the corporate approach to business planning and was given as the reason for changes in scores for Strategy (Figure 11.9).

Figure 11.9

Summary of the Reasons for Changes in Scores for the Critical Success Factors.

<i>Critical Success Factor</i>	<i>Senior Management's explanation</i>	<i>Team explanation</i>
Shared Values	<ul style="list-style-type: none"> • There is no drive for continuous improvement activity. 	<ul style="list-style-type: none"> • High expectations with the arrival of a new Head of Service (Engineering Services). • The award and commencement of the contract following a CCT exercise (Housing Services). • Team decision to improve processes through a recognised methodology (Legal Services).
Strategy	<ul style="list-style-type: none"> • Although there have been a number of corporate initiatives in support of this success factor there is no change in score for senior management. 	<ul style="list-style-type: none"> • How the service views the importance of business planning. This has improved through training and the appointment of new managers, Head of Service (Legal Services, Housing Services, Engineering Services).
Structure	<ul style="list-style-type: none"> • The Investors in People Standard has helped to clarify people's roles and responsibilities. • Restructuring has resulted in clearer roles and responsibilities. 	<ul style="list-style-type: none"> • Preparations for CCT (Housing Services). • Imposed changes in work practices have resulted in a reduction in scores as they gave rise to unclear roles and responsibilities (Engineering Services).
Decision Making	<ul style="list-style-type: none"> • There is greater freedom in decision making arising from the need to delivery SRB projects. 	<ul style="list-style-type: none"> • The appointment of new managers – for some teams this has resulted in improvements in scores, (Housing Services) for others a reduction in score (Engineering Services, Accountancy Services).

<i>Critical Success Factor</i>	<i>Senior Management's explanation</i>	<i>Team explanation</i>
Decision Making		<ul style="list-style-type: none"> • Changes in the degree to which senior managers believe Members should be involved in the decision making process (Engineering Services)
Team Work	<ul style="list-style-type: none"> • There is greater teamwork to ensure projects are delivered as promised. 	<ul style="list-style-type: none"> • Changes in the way work is allocated. (Engineering Services) • Changes to team autonomy. (Housing, Engineering Services)
Style	<ul style="list-style-type: none"> • There is no change in score for Style, and the interviews highlight a lack of senior management commitment to TQM. 	<ul style="list-style-type: none"> • Changes in management. • For one team CCT has resulted in a commitment to improvement (Housing Services). • Support from senior management for new initiatives that have been determined by the team (Housing Services).
Systems	<ul style="list-style-type: none"> • A number of managers are seen to be committed to documenting procedures with a number of sections now having ISO9000 accreditation. 	<ul style="list-style-type: none"> • CCT has driven the requirement for documented procedures (Housing Services). • Recognition by the team of the need to document procedures (Legal Services).
Skills	<ul style="list-style-type: none"> • The development of a project management system and its emphasis on the use of Gantt charts is seen to encourage the use of tools. 	<ul style="list-style-type: none"> • Recognition by the team of the benefits of using tools and techniques.

It is also possible to explore to what extent the scores of the teams reflect the corporate view in 2000. In most cases, where there is a clear discrepancy between the team score and the corporate view some explanation can be given for this.

Shared Values. The Legal Services team out performed the corporate view. The team took ownership of the need to improve the quality of the service provided, which does not appear to be either what was expected of teams or what was the practice for the

organisation in general. On the other hand, Engineering Services and Accountancy Services appeared to perform below the corporate view. The results highlighted how both of these teams were disillusioned and lacked any motivation for continuous improvement.

The results indicated that the top management view of the organisation was rather optimistic as they thought people were more committed to improvement than they actually were. This appears to support the view that teams were good at 'playing the corporate game'.

Strategy & Structure. On the whole, the scores for the teams were reflected in the corporate view. It could be argued that the corporate initiatives had been responsible for driving change in these factors, in particular the approach to business planning and increased delegations to Officers.

Staff. Decision Making. The difference in score for Accountancy Services and the corporate view can be explained by a lack of regular team meetings and little involvement in decision-making.

Staff. Teamwork. The Engineering Services team's score did not reflect the corporate view. This can be explained by the considerable amount of intervention into the way the Engineering Services team worked, which from the team's point of view destroyed team spirit. This degree of intervention had not been experienced by any of the other teams in this research, and it can be assumed from the results that such degrees of intervention were not the norm for the organisation.

Style. Of all the factors the variation of the teams' scores around the corporate view was the most diverse for this factor. Legal Services and Engineering Services appeared to be the only teams that reflected the corporate view. Accountancy Services' score was significantly below the corporate view and Housing Services was significantly above. For Housing Services, the results highlighted that there was commitment to continuous improvement from senior management within the service and also from Members. It was clear that this support for change was not evident to the same extent in any of the other services in this research. One assumption is that this commitment was exceptional in comparison to what happened within the organisation.

Systems. Housing Services and Legal Services scored above the corporate view and it was clear that their commitment to documenting procedures either through the requirements of CCT or the voluntary decision to work towards Lexcel were not the organisation norm.

Skills. The scores for the teams were fairly representative of the corporate view, with the one exception of Accountancy Services who scored slightly below.

Summary. By carrying out the benchmarking exercise with top management and subsequently comparing these scores with the teams' scores a number of further issues were identified:

- In the initial stages of TQM, corporate scores were generally higher than those of the teams. Over time there was less variation in scores between the corporate view and the teams.
- Corporate initiatives, such as Investors in People and business planning, had a positive effect on some of the scores, although the impact was only slight.
- Style- which appeared to be the most important of the critical success factors had the most diverse scores.

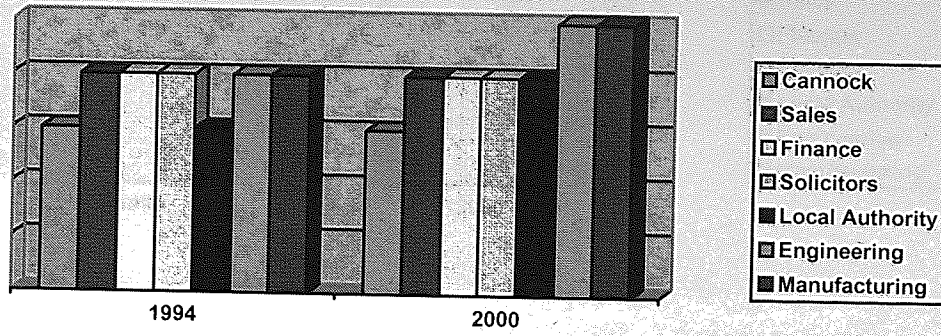
Comparison with Other Organisations

Further depth was added to the data by carrying out interviews with the Quality Club members and then comparing the benchmarking scores assigned by these organisations with Authority X. Figure 11.10 highlights a comparison of the scores for each of the critical success factors.

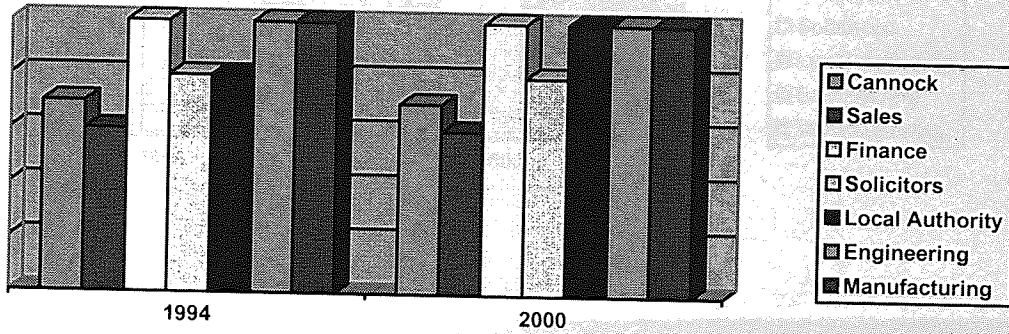
This comparison also shows that in spite of everything Authority X was catching up with the other organisations. This seems to be the case for Structure, Decision Making, Teamwork and Skills, and to some extent for Shared Values. However, it was falling behind, perhaps, in Style. However, as Shared Values and Style are particularly important for the successful implementation of TQM, this was not really very good news for the authority.

Figure 11.10 Comparisons of Local Authority Scores with Quality Club Members

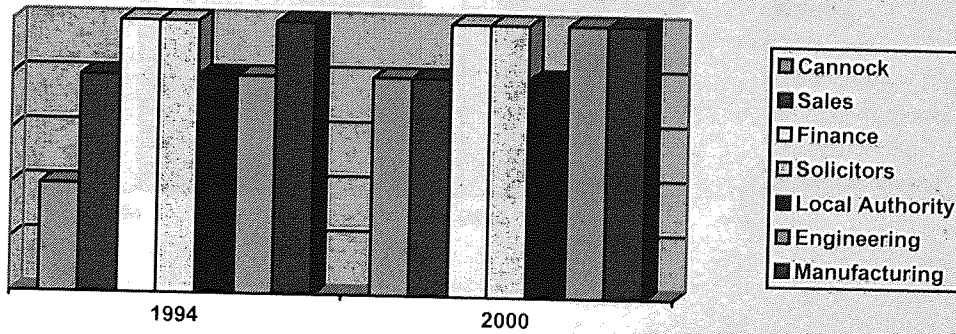
Shared Values



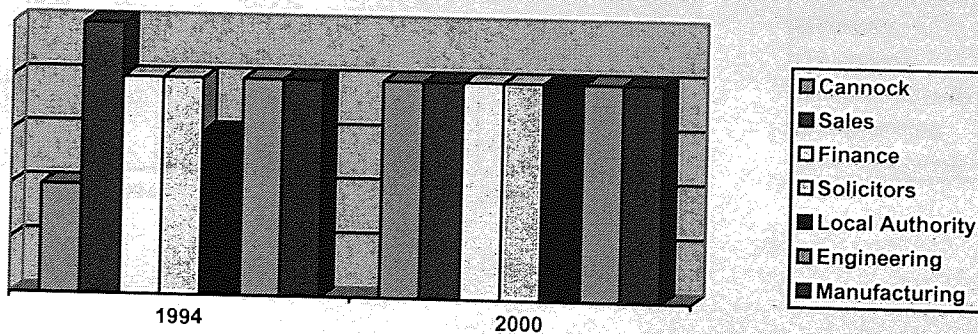
Strategy



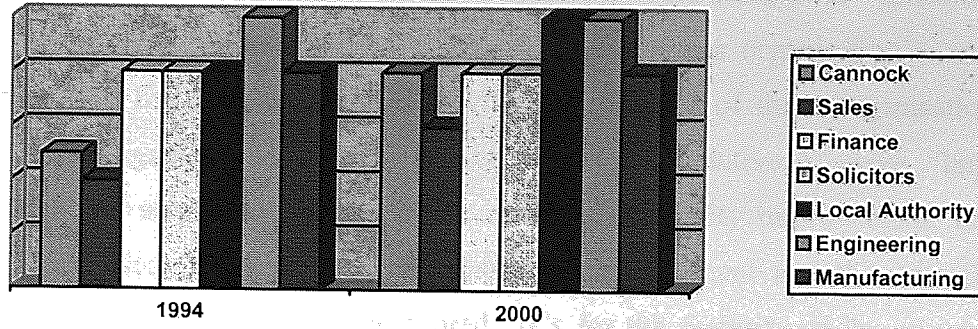
Structure



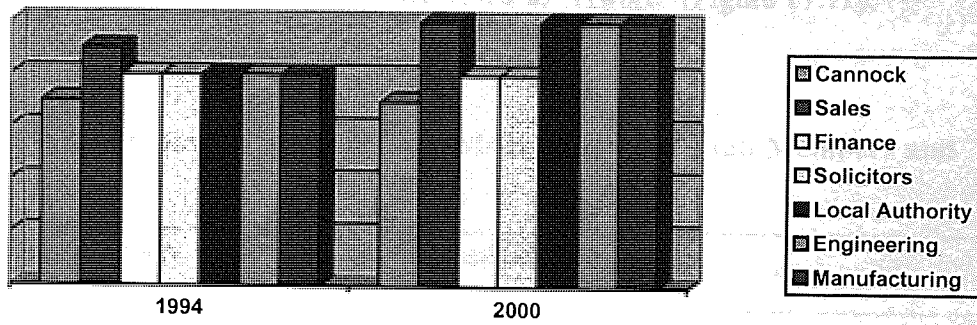
Staff. Decision Making



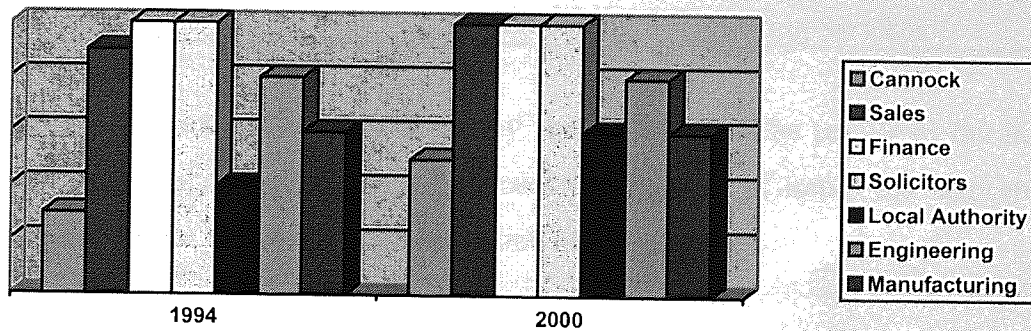
Staff. Team work



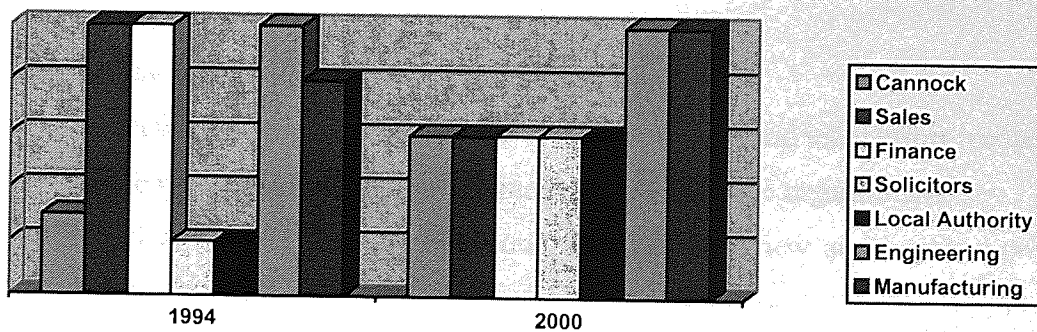
Style



Systems



Skills



The five stages of quality improvement model, developed for this research (Chapter 3), illustrated that two of the Quality Club members were classed as “Excellers” – the Manufacturing organisation and the Engineering Services organisation – and quality improvement had become embedded within the culture of these organisations. The other four organisations, of which, one was a local authority, were “Improvers”. Although the stages model is a crude measure of quality improvement, the results highlighted clear links between the stages of improvement and the critical success factors. Those organisations that scored “E”s for the majority of the critical success factors were “Excellers”, compared with Authority X who did not score an “E” for any of the factors and could at best be described as “Aware” (Figure 11.11).

Figure 11.11
Five Stages of Quality Improvement Model – Quality Club Members and Authority X

Stages of Quality Improvement	Organisation
Uncommitted	-
Aware	Authority X
Improver	Sales, Borough Council, Finance, Solicitors
Winner	-
Excellor	Manufacturing, Engineering Services

Reasons for Success as Evidenced by the Excellers. The results of the interviews with the Quality Club members emphasised a number of issues that appeared to be essential for the successful implementation of TQM:

- Quality improvement needs to be viewed as essential for survival.
- The organisation needs to have a clear strategic direction.
- Individuals within the organisation need to believe they are responsible for quality and embrace that responsibility.
- Teams need to be involved in decision-making.
- Team improvement activity needs to be encouraged and team effort recognised.
- There needs to be strong commitment at the top of the organisation.
- Quality management systems should be used to review and improve processes on an ongoing basis.
- Good management and leadership skills are essential and organisations should invest in developing these skills.

These results highlighted the importance of Style and Shared Values, as these factors underpin the majority of the issues identified above, and therefore play a key role in the successful implementation of TQM.

Summary of the Issues Raised

The critical success factors provide a framework against which it is possible to explain why the local authority has had limited success in introducing TQM to some extent, when comparisons are made with the Quality Club Members. In particular, the lack of senior management commitment, no clear direction for quality and little evidence of encouraging the participation of employees, have been the main barriers to process improvement at the authority. The critical success factors provide a framework for the discussion of these issues.

Shared Values.

- The results highlighted the problem of attitudes in Engineering Services and Accountancy Services and how these attitudes have had a detrimental effect on the team's improvement activities. These attitudes were reflected in low scores for Shared Values for these teams.
- There was reluctance to change evident within all of the teams, particularly when change was imposed on the team from outside. Externally imposed changes triggered defensive and negative responses and were met with a considerable degree of cynicism.
- The need to believe quality improvement was essential for survival was not evident to any great extent, although Housing Services and Legal Services acknowledged the need to improve services.

Strategy.

- A Corporate Plan, the first Council's Business Plan and Committee Service Plans all made reference to quality, but it was clear that the contents of these documents were not given the appropriate management support and there was little evidence that the words were translated into actions.
- The emphasis had been placed on preparing written plans and not on developing a clear strategic direction, which appears necessary for success.

Structure.

- The whole of the local authority was not involved in the process of improvement.
- Although the Directors' Management Team agreed that they work well together as a team, individually they were only interested in their part of the organisation.
- There was "a lack of interest outside of your own patch".
- The Council operated in silos, where there was little evidence of functional integration.

Decision-Making.

- There was involvement in decision making, but it was clear from the interviews with the Directors' Management Team, that they "still keep the final decision" for themselves.
- Appreciation, recognition and thanks from higher levels in the hierarchy were rare.

Style.

- The issue of leadership and commitment to quality improvement clearly had an impact on the behaviours of the teams in response to quality improvement activity, whether it was externally imposed or a response developed internally by the team itself. For example, the results highlight that in Housing Services once senior management were committed to quality improvement there was evidence of greater success in adopting TQM.

Skills.

- Skills appeared to have limited impact on the success of the local authority in process management.
- At one stage over 40 employees received facilitation skills training, enabling them to facilitate a team's improvement activities. It was intended that these facilitators would facilitate their own departmental team's improvement activities and to facilitate inter-departmental improvement activities. However, these facilitators have had little if any opportunity to use their skills in facilitating improvement teams.
- The lack of support for TQM could be responsible for limited use of the quality tools.

□ It can be concluded that the low scores assigned to Skills – Quality Tools is linked to Style. Where the organisation did generally support improvement activity quality tools were not used.

□ Leadership skills and management development were available, but the level of investment fell considerably short of that evidenced in the Quality Club organisations.

Criticality of the Success Factors

The results of this research support the proposition that Style is key to the success of improvement activities for the four teams. In the case of housing, where initially the service agreed they were simply playing along, changes in management and greater support and commitment to process improvement were the main triggers for change. Where there was little evidence of support, as was the case with the Accountancy Services and Engineering Services teams, this was reflected in the team's lack of progress in improvement activities.

For Legal Services, their initial scores identified that they had a number of the other critical success factors in place, for example they scored highly on Teamwork, Decision-Making and Structures. However, there was no commitment to improvement activity, either from their senior management or from the team itself, and so initially process improvement was not a success.

Accountancy Services also had better scores for Structure, Decision-Making and Teamwork than their scores for Style and Shared Values and clearly had little success with improvement activities.

The team from Engineering Services had a number of changes in their score for Style. However, even though this score showed an improvement, there was little commitment from the team to continuous improvement, and therefore little success in terms of improvement in processes.

In the context of this research, it can be concluded from the results that some of the critical success factors appear to have more influence than others in supporting and embedding change. The results confirm that Style is key to the successful implementation of TQM and is the most critical of the success factors. However, the results also highlighted that management, once committed to improvement, must be

able to motivate their teams to want to improve (Shared Values), otherwise success will be limited.

The results for Housing Services demonstrated that improvements in Systems, Teamwork, Decision-Making, Structure and Strategy were linked with the team's success in process improvement activities. However, it was not possible to determine the impact these factors had on improvement activities.

The results showed that the Legal Services team had high scores for Structure, Decision-Making and Teamwork at the start of the research but little success with improvement activity. It can be concluded from these results that only small improvements in Shared Values, Strategy and Systems were responsible for changes in the team's approach to process improvement activity.

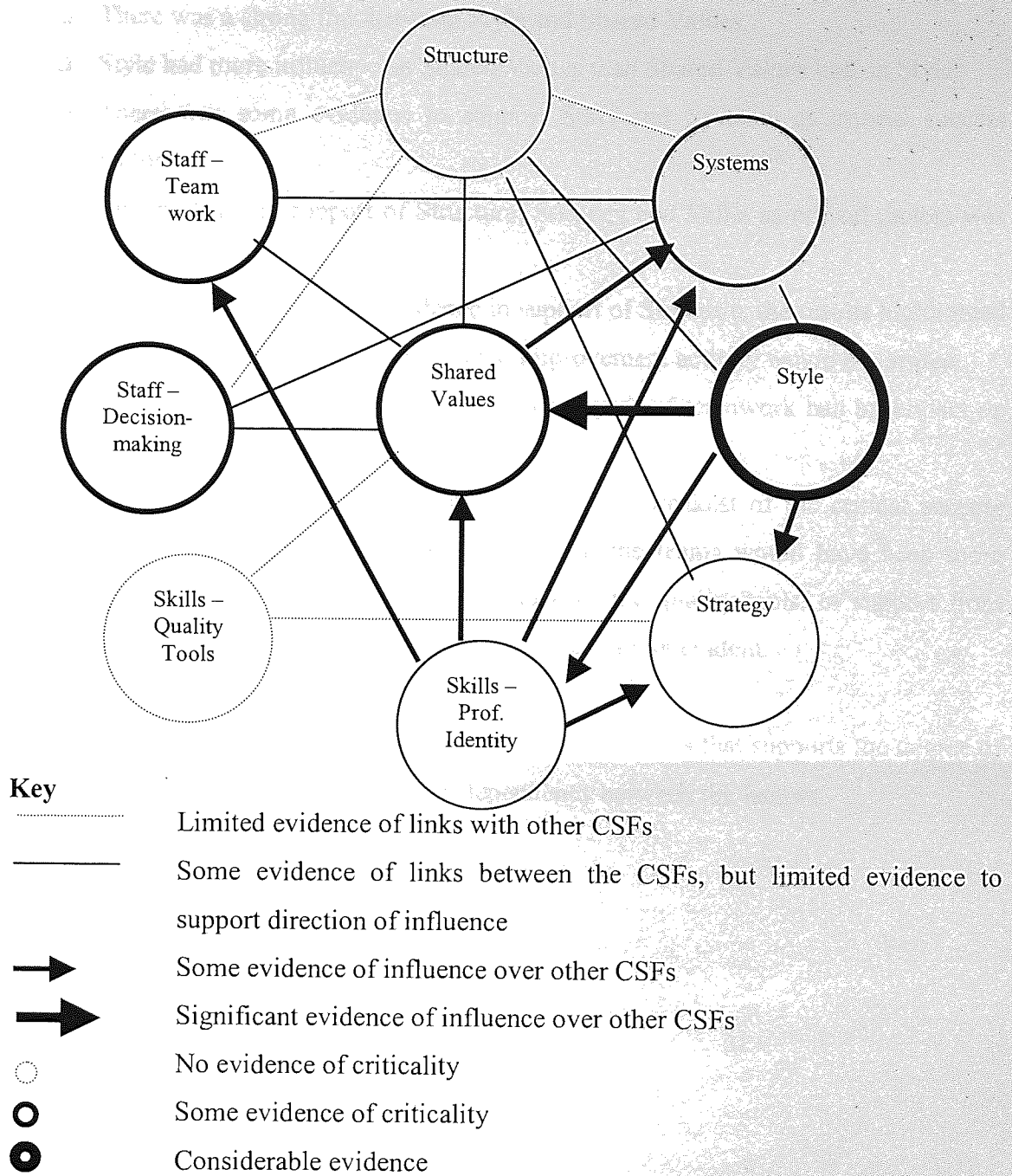
The results showed that the other success factors, with the exception of Skills- Quality Tools, did indeed give some support to improvement activity, though further research would be needed to determine the degree of criticality of these factors.

The results showed that Shared Values appeared to 'lag behind' changes in the other critical success factors.

Drawing on the results of this research, the McKinsey Model has been adapted to highlight the criticality of factors as identified by the four teams (Figure 11.12). The McKinsey model reflects how the factors investigated in this research all influence an organisation's functions. It indicates that the factors are all interconnected in such a way that progress towards improving organisational effectiveness can only be achieved by focusing on all areas.

Figure 11.12

Authority X Model for Criticality of Success Factors.



The results of this research highlight that some of the factors were more critical than others, and that one factor may even be irrelevant (Skills – Quality Tools). The results also highlight a number of links between the factors and the direction of influence between a number of factors. The adapted model illustrates the links that were supported by the results of this research and highlights those links that were weak.

The model highlights that:

- Style was the most critical of all the success factors.
- Shared Values was the second most important.
- There was a strong link between Style and Shared Values.
- Style had more influence on Shared Values than Shared Values had on Style.
- There was some evidence to support Staff and Systems as critical success factors.
- The evidence in support of Structure, Strategy and Skills as critical factors was limited.
- Although there was little evidence in support of Structure, the results highlighted that should this factor not be evident, improvement activity would be limited.
- Involvement in decision-making and the degree of teamwork had an impact on the team's success.
- Skills – Quality Tools was highlighted as the weakest of the critical success factors. However, it could be argued that the teams would have been more successful if greater use had been made of the quality tools, or support from management encouraging the use of tools was more evident.

Figure 11.13 highlights the evidence arising from the results that supports the degree of criticality of the success factors and any dependency between the factors.

Figure 11.13

Evidence Supporting the Criticality of the Success Factors

Critical Success Factor	Evidence
Shared Values	Commitment of the Legal Services team and the Housing Services team to continuous improvement resulted in a greater degree of improvement activity. Limited commitment on the part of the Engineering Services and Accountancy Services teams is reflected in limited improvement activity.
Strategy	Engineering Services and Housing Services scored the highest for this factor, providing evidence that without commitment and support (Shared Values and Style) a high score for this factor is not reflected in the degree of improvement activity that is undertaken.
Structure	All of the teams scored highly for this success factor and therefore there was no evidence for a link between this factor and the team's success. However, there was also no evidence to support the view that without a high score for this factor Housing Services would still have demonstrated considerable improvement activity.
Staff. Decision-Making	Accountancy Services and Engineering Services scored the lowest for this factor, providing evidence that involvement in decision-making was linked to the team's success.
Staff. Teamwork	Accountancy Services and Engineering Services scored the lowest for this factor, providing evidence that levels of teamwork are linked to the team's success.
Style	High levels of support and involvement of senior management was reported by the Housing Services team and this was reflected in the team's success.
Systems	Housing Services and Legal Services had the greatest degree of documented procedures from which it could be concluded that the degree of documentation is linked to improvement activity.
Skills. Quality Tools	The use of quality tools and techniques is limited and there is little evidence to support any links between this factor and improvement activity.
Skills. Professional Identity	The professional identity of Legal Services was responsible for the team's commitment to developing Systems, reviewing its Strategy and for a high score in Teamwork. For Engineering Services, erosion of professional identity has resulted in little evidence of improvement activity.

Why Do the Teams Respond Differently?

The critical success factors have provided a useful framework for identifying a number of reasons for the differences in scores between the four teams and the corporate view. However, although it has been possible to gain some understanding of the reasons for the differences and triggers for change, the results have yet to highlight why the responses of the teams should be so different. For example, what made Legal Services decide to take ownership of their own destiny and work towards the Lexcel Standard, and on the other hand why were Accountancy Services and Engineering Services so negative and lacking in motivation?

The results highlighted that process management was most readily adopted in Housing Services. The main explanation given for this by the team and housing managers was a change in management (new Head of Service and Policy and Development Manager). However, there were similar changes in the other teams, with new managers appointed for all of the teams over the course of the research. It is possible that in the case of Housing Services the new managers had greater commitment to improvement than in the other services, but this clearly does not paint the full picture. Consideration will now be given to some of the reasons for the difference. External factors, in particular Government legislation will now be discussed to determine whether they were the differentiating factor. Internal factors, such as professional identity and instability, will also be discussed.

External Factors – Legislation. Although at the start of the research all of the four teams were to be subjected to the pressures of external competition, in the end the only team that had to go through a tendering exercise was Housing Services. This external trigger for change could provide some explanation for why the response from Housing Services was more positive than from the other teams. Housing Services clearly had to embrace the concept of continuous improvement to be able to survive in a competitive environment. However, the results highlighted that the significant changes in commitment to improvement arose some time after the CCT exercise and although this process was responsible for triggering improvements in a number of the success factors, in particular Systems, it does not provide an explanation for the improvements in Style and Strategy.

It is possible that the introduction of legislation requiring greater tenant participation was responsible for triggering the change in Style. Housing Services was required to

involve tenants in the decision making process and it is possible that this process resulted in greater commitment to improvement.

The other teams were not exposed to external triggers to the same extent as the Housing Services team, however because differences in scores and levels of success with TQM also existed between the other three teams it is not possible to conclude that external triggers were the only reason for the differences.

Professional Identity. This research focused on professional services and the CSFs benchmarking tool used by the teams was developed to include a question on the teams' professional identity. The results highlighted that Housing Services had a weak professional identity, whereas the other teams had a strong professional identity, believing that considerable specialist knowledge was required to enable the job to be carried out.

The results highlighted that the Engineering Services team had been subjected to a considerable amount of change, usually imposed on it by its manager. These changes threatened the degree of autonomy experienced by the team and also, as highlighted in the benchmarking exercise, the team believed that its professionalism had been attacked as a result. It is possible that this erosion of the team's professional identity was responsible for their defensive and very negative response to change.

Further consideration of whether professional identity played a significant role in determining the team's response to triggers for change, can be given by considering the response of the Legal Services team. Corporate initiatives were clearly greeted with a great deal of cynicism and resulted in a lack of success. Only when the team identified a process for improvement, which their professional body, the Institute of Legal Executives supported, did commitment to improvement become very evident. There was also greater autonomy evident within Legal Services than Engineering Services, as the Legal Services team had the freedom to make the decision to work towards Lexcel, that level of autonomy was not evident within Engineering Services.

The ability of the team to sustain its professional identity and thereby to maintain a strong self-image through a high degree of professional identity is a further explanatory factor for the differences between the teams.

Although, Accountancy Services had not been subjected to the same degree of intervention experienced by Engineering Services, the results highlighted how Accountancy Services had felt that their professional identity had been eroded, not so much through changes in their roles but as a result of the perception of the organisation. The results highlighted that the team felt that in the past they had been derided by the organisation and had not received the support they needed from their management to improve their self-image.

It can be concluded that professional identity was not a barrier in itself to improvement. However, the results highlighted that if the organisation eroded the identity of professional groups by devaluing teams or imposing change on teams then professional identity became an inhibitor. On the other hand, where the organisation supported a team's professional identity, giving the team freedom to make decisions, professional identity appeared to support improvement activity.

Instability. Over the duration of the research all of the teams were subjected to at least one restructuring exercise. Again, Engineering Services was subjected to a number of changes in structure. The results highlighted that these restructuring exercises had a significant impact on the human aspect of the organisation. Although these changes might prove to be more efficient, as was the case argued by the engineer's Head of Service human factors were put in jeopardy, for example rapid change can destroy tacit knowledge. The results highlighted that the engineers appeared to be unable to cope with the degree of change to which they had been subjected. They were very defensive, which could be seen to be classic behaviour of people who had not bought into change. It can therefore be concluded that the frequency of change and the way in which change was managed are further explanatory factors for the differences between the teams.

SUMMARY

The results of this longitudinal study provide evidence to support a number of important points in relation to the implementation of TQM in a local authority context. In particular, through participant observation and the use of the benchmarking tool within Authority X the following issues were highlighted:

- **Organisation-wide initiatives.** There were varying degrees of reluctance and cynicism, different approaches to team improvement activity and the outcome

was varying levels of success. Organisation-wide initiatives need to be tailored to individual teams' requirements to reduce the resistance to change.

- **Triggers for change.** All of the teams were subjected to a combination of triggers, both internal and external to the team, that initiated change, some more effectively than others. The most effective triggers for change were those generated by the team itself.
- **Internal Champion.** In cases where there was no internal leader little improvement activity was undertaken. It was also clear that without ownership teams learnt to 'play the game' rather than commit to 'real' improvement.
- **Team autonomy.** Where teams were given little autonomy the results highlighted that people felt undervalued and as a result there was considerable reluctance to change.
- **Importance of the customer.** The team's perception of the importance of the customer had an impact on the team's commitment to improvement.
- **Management support.** The results highlighted a link between team improvement activity and management support. Where management were visibly supportive of improvement activity, the teams were more willing to embrace improvement activity. Without the support and commitment of management, teams ended up frustrated and disillusioned.
- **Legislation.** Changes in legislation had an impact, although teams sought to minimise the effect.
- **Imposed change.** Restructuring and changes in work processes imposed on the teams triggered a negative response and resulted in a drop in scores for some of the factors.
- **Attitude.** Attitude played an important role in the success of the teams. The team's attitude was influenced by the way in which their professional identity was managed. Where professional identity was attacked the team was cynical and negative about change. On the other hand, where the team was given the freedom to make their own decisions they embraced improvement.

The interviews carried out with the Quality Club Members provided a basis for comparison of the results at Authority X with a number of other organisations, all proponents of TQM. These interviews highlighted a number of further reasons why Authority X experienced limited success with its implementation of TQM:

- The need to believe quality improvement was essential for survival was not evident to any great extent.
- The emphasis had been placed on preparing written plans and not on developing a clear strategic direction, which appears necessary for success.
- The Council operated in silos, where there was little evidence of functional integration.
- Appreciation, recognition and thanks from higher levels in the hierarchy were rare.
- Leadership skills and management development were available, but the level of investment fell considerably short of that evidenced in the Quality Club organisations.

The results of the benchmarking exercises, carried out within the local authority and at the Quality Club Members, provided evidence to support a number of amendments to the model of criticality for success factors.

SERVICE QUALITY FROM THE CUSTOMERS' VIEWPOINT

Two methods of data collection were used in this research to ascertain the views of customers on the quality of the service they received. Engineering Services used customer focus groups and Legal Services and Housing Services used the SERVQUAL instrument. Accountancy Services did not participate in any exercise to gather customer feedback.

The results of the three exercises were presented in Part Two.

The Results

The ten dimensions of service quality identified by Parasuraman et al were used to enable comparison between the results.

Housing Services. Tenants had high expectations of the quality of the service they received. Their perceptions of the actual service were significantly lower. The biggest gaps between perceptions and expectations were recorded in the Reliability and Responsiveness dimensions.

The Servqual index indicated that Understanding the Customer and Credibility were also areas of concern.

The results highlighted that only 51% of respondents were satisfied with the standard of service they received.

No action was taken by Housing Services in response to the results of the questionnaire.

Legal Services. With Legal Services the weighted scores emphasised that Reliability was an area of concern. The other areas where there was a significant gap between expectations and perceptions was in the Competence and Responsiveness dimensions.

The frequency with which customers used the service had an impact on the results. Different dimensions were identified as areas of concern by those using the service frequently and those who used it less frequently.

As with Housing Services, the results highlighted that only 51% of respondents expressed satisfaction with the standard of service they received.

In response to the results, the team developed and introduced systems in an attempt to improve Reliability and Responsiveness and thereby improve levels of customer satisfaction.

Engineering Services. The results from the focus groups highlighted that Communication was the most important dimension, but discussions indicated that there had been improvements in this area. The dimensions where the groups expressed greatest concern were Responsiveness and Competence.

The team met on a number of occasions to address the results of the focus groups and developed an action plan to implement their planned improvements. However, the initial enthusiasm dwindled and there was little evidence of any real improvements in processes.

In summary, the results highlighted:

- Tangibles were the least important to the customers of the three services.

- Reliability was the most important dimension for Housing Services and Legal Services and although this dimension was perceived to be important by customers of Engineering Services, Responsiveness and Communication were the most important.
- Responsiveness was also seen to be an important dimension by Housing Services' and Legal Services' customers.
- Competence was identified as the second most important dimension by Legal Services' customers.

Weighting of the Ten Dimensions

Reliability and Responsiveness were given equal greatest weighting by Housing Services respondents. Respondents of the legal services questionnaire also gave Competence a high weighting. The greatest differences between perceptions and expectations were in the dimensions given the greatest weighting by respondents. One reason for this is that customers prioritised the dimensions based on their current perceptions of the service they receive, i.e., the dimensions where they perceived the greatest difference between their expectations and perceptions were the most important to them. Whatever the reason, gaps between perceptions and expectations reflect an inability of the service to address the important issues.

Links between Overall Satisfaction and the Perception – Expectation Gap

The results demonstrated clearly that there was a strong correlation between overall satisfaction with service delivery and the overall gap measured in the SERVQUAL model. This suggests that some of the concerns in the literature may be exaggerated. Figure 11.14 illustrates how the SERVQUAL index, which reflects the gap between perceptions and expectations, reduces as levels of satisfaction with the legal service increase. For example, where customer satisfaction is lowest, i.e., a score of 1, the SERVQUAL index is -0.34 and this can be compared with a SERVQUAL index of -0.06 where the highest level of customer satisfaction is reported.

Advantages and Disadvantages of Data Collection Methods

Focus Groups.

There were a number of issues highlighted with arranging and facilitating the focus groups for Engineering Services:

- The issue of who are the customers posed a problem in identifying appropriate people to participate in the discussions
- The focus groups were made of representatives from a variety of interest groups, and some of those participating had a greater awareness of the service than others. At times, those with the greatest knowledge tended to dominate and steer the discussion.
- Due to the qualitative nature of the results it was difficult to quantify the problems raised by the groups
- Although the results highlighted satisfaction with a number of issues, when the results were reported back to the engineers they focused on the negative issues and were demoralised by the results.

SERVQUAL.

The use of the SERVQUAL questionnaire by Legal Services highlighted a number of issues with this method of data collection:

- SERVQUAL proved to be useful for identifying the dimensions of quality that required most immediate attention.
- The results of Legal Services, where single variable analysis has been used against multiple variables and the analysis of variance on columns highlights the richness of the SERVQUAL approach.
- The SERVQUAL instrument, by its nature produces a number of negative scores. Presenting the scores in this way resulted in a considerable degree of reluctance by the team to accept the results.
- The negative scores were interpreted as negative comments about the service received and the team became very defensive.
- The team was uncomfortable with the quantity of figures presented to them and this too contributed to the team misunderstanding exactly what the results were saying.

- There was a lack of qualitative information that team members would have found useful to clarify what experiences respondents were relating to in determining their scores. However, by using the ten dimension model it was possible to give feedback on the individual questions that were asked which partially improved the detail of the response provided.

Presentation of Results.

The biggest issue associated with the use of the SERVQUAL instrument was the presentation of the results to the teams. The results needed to be presented in a more positive and understandable way. The tables of figures could be replaced by graphs, which simply illustrate the gaps between expectations and perceptions and highlight those dimensions that are above the SERVQUAL index. Figure 11.15 illustrates the results of the Legal Services questionnaire in table form and Figure 11.16 illustrates the results in a simplified graphical form.

The graph illustrates the weighted score for the difference between perceptions and expectations for each of the ten dimensions. However, the scores have not been identified as negative scores. The SERVQUAL index is marked on the graph and variation above this index illustrates areas for concern that need to be addressed. As in Figure 11.15 it is clear that Reliability is the dimension that requires immediate attention.

Figure 11.15
Table of Results of the Legal Services Questionnaire

	Expectations	Perceptions	Difference	Weight	Score
Tangibles	3.60	4.14	0.54	0.03	0.02
Reliability	6.74	3.21	-3.53	0.19	-0.66
Responsiveness	6.58	4.49	-2.09	0.13	-0.27
Competence	6.83	5.06	-1.78	0.16	-0.28
Courtesy	6.37	5.83	-0.53	0.06	-0.03
Credibility	6.66	5.19	-1.47	0.11	-0.17
Security	6.83	5.62	-1.21	0.09	-0.10
Access	5.84	4.62	-1.22	0.08	-0.09
Communication	6.44	4.38	-2.07	0.09	-0.18
Understanding the customer	6.36	4.47	-1.89	0.07	-0.14
				Index	0.20

Figure 11.16

Graphical illustration of the results of the Legal Services Questionnaire



SERVQUAL index = 0.20

Ten dimensions v Five dimensions.

The original ten-dimension SERVQUAL instrument was used in this research. By combining the results of the dimensions, to reflect the five-dimension model, the results for Legal Services would have been quite different (Figure 11.17). The critical issues identified by the 10-dimension model would have been hidden. This would have been the case particularly for Competence.

Figure 11.17

Weighted Scores for Legal Services using the Five Dimension Model

	Expectations	Perceptions	Difference	Weight	Score
Tangibles	3.60	4.14	0.54	0.03	0.02
Reliability	6.74	3.21	-3.53	0.19	-0.66
Responsiveness	6.58	4.49	-2.09	0.13	-0.27
Assurance	6.66	5.43	-1.23	0.10	-0.12
Empathy	6.21	4.49	-1.72	0.08	-0.14
Index					-0.23

The results using the five-dimension model highlight two areas for concern – Reliability and Responsiveness. The scores for the other three dimensions are significantly above the index and the service could conclude that customers are satisfied with these dimensions. However, this is not the same picture painted by the ten-dimension model. Competence is below the index and Communication is only slightly above the index, which illustrates two further areas that required the team's attention.

Summary

In summary,

- The customer feedback exercises illustrated that on the whole Reliability and Responsiveness were the dimensions where there was the greatest concern.
- Only 50% of customers expressed satisfaction with the housing and legal services they received.
- The results illustrated a link between gaps in perceptions and expectations and customer satisfaction.
- Frequency with which a service was used also had an impact on levels of satisfaction.
- Presentation of results was important as teams tended to be very defensive about the negative picture they believed the results portrayed. This defensiveness made it difficult to gain the teams support to make improvements
- Using the five-dimension model would have given slightly different results to the ten-dimension model and, in the case of Legal Services, would have failed to highlight some of the issues of concern.
- There was limited response by the teams to implement any improvements as a result of the feedback exercises.

BEST PRACTICE QUALITY IMPROVEMENT MODEL

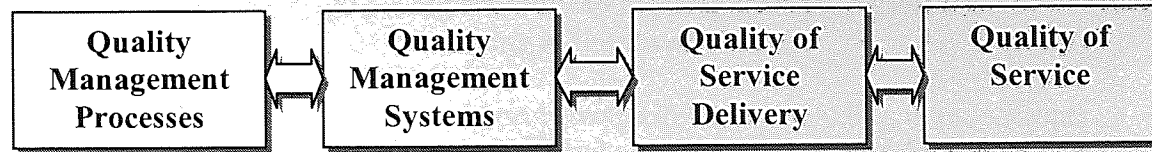
Introduction

In Chapter 3, a model of best practice for quality improvement was proposed for investigation in this research (Figure 11.18). This model indicated links between Quality Management Systems, Quality Management Processes, Quality of Service

Delivery and Quality of Service. These links have been explored in the course of this research.

Figure 11.18

Best Practice Quality Improvement Model (Proposed)



Links between the QMP, QMS and QSD

Drawing on all of the discussion of the results presented so far the Best Practice Quality Improvement Model proposed in Chapter 3 was revisited. The results emphasised that this original model was too simplistic, particularly as it did not support the complex inter-relationship that appeared to exist between all levels of the model nor did it illustrate the different degrees of influence the levels exerted over each other. An improved model is therefore proposed, taking on board these key points.

The results provided evidence that supported the links between the QMP, QMS and QSD levels and also indicated the degree of influence. The key points raised by the results of this research are illustrated in Figure 11.19.

The results indicated that the model proposed in Figure 11.18 was too simplistic. Each of the elements is clearly inter-related with each of these elements having a varying degree of influence over the other elements. The improved Best Practice Quality Improvement Model is presented in Figure 11.20.

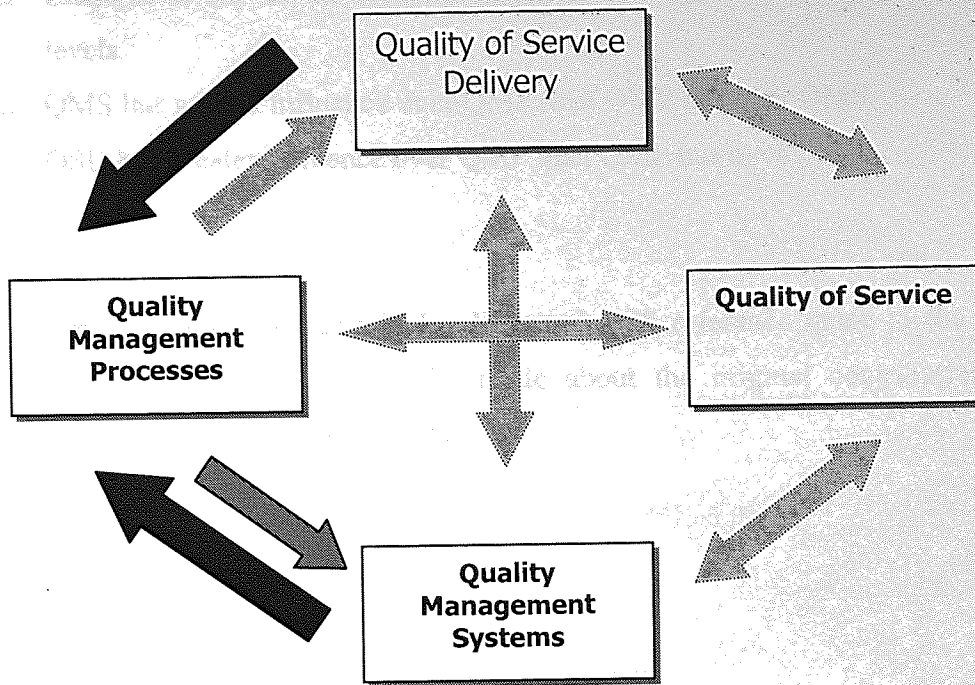
Figure 11.19

Evidence Of Association Between Elements Of Model Of Best Practices

<i>Association</i>	<i>Evidence</i>
<i>QSD – QMP</i>	In the case of Legal Services and Engineering Services, the teams responded to the results of customer focused exercises by carrying out activities to improve their processes, the aim being to improve QSD.
<i>QMS – QMP</i>	Improvements in QMS, including improvements in financial management systems, introduction of a comprehensive business planning process and supporting training, teams being encouraged to document procedures, and increase in delegation to officers, and greater empowerment of individuals have resulted in improvements in QMP. Changes in QMP have resulted in changes in QMS. For example, documentation of procedures undertaken by teams has had an impact on the organisation score for this factor.
<i>QSD – QMS</i>	No direct evidence to support the link between these elements, but it can be assumed from the results that improvements in QMS will drive improvements in QMP which will result in improvements in QSD.

Figure 11.20

Best Practice Quality Improvement Model (Improved)



Key



Strong evidence to support strong association



Some evidence to support association



Limited evidence supporting association

The improved model highlights the strong degree of influence QMS and QSD had over QMP. It also highlights that QMP also had influence over QSD and QMS, although to a lesser degree.

Although there was limited evidence to support the interrelationship between Quality of Service and the other elements of the model, it can be assumed that because QSD is one component of Quality of Service, its interrelationship will be similar to that of QSD, i.e., Quality of Service has a strong degree of influence over QMP.

Summary

In summary, the results of this research support a more complex Best Practice Quality Improvement model than that initially proposed. This improved model

emphasises greater interrelationships between the different levels of the model and highlights different degrees of influence between these levels:

- Changes in any of the levels result in some degree of change at the other levels.
- QMS has greater influence over QMP than QMP has over QMS.
- QSD has greater influence over QMP than QMP has over QSD.

In Chapter 12, these findings will be discussed with reference made to the TQM literature so that conclusions can be made about the original contribution this research has made to this field of study.

Chapter 12

Conclusions & Recommendations

INTRODUCTION

This sustained longitudinal study, carried out in a single authority investigated the implementation of a Total Quality Management (TQM) philosophy in professional local government services. With the researcher acting as change agent and participant observer, this research has shadowed the developments of quality improvement and process change at a central level within a local authority, Authority X, and within specified professional services.

The rich data collected from this research has enabled more rigorous analysis of several important issues:

- Triggers for change in local government;
- Resistance of local government professionals to change;
- Barriers to quality improvement in local government;
- Critical success factors for the successful implementation of TQM in a local government context; and
- The problems associated with participant observation and other methodological issues

Drawing on the discussions in Part Three, this chapter highlights the conclusions that can be drawn from this research. These conclusions are divided into two sections. In Section One, conclusions are drawn about the issues that relate to the successful implementation of TQM in local government. In Section Two, the conclusions relate to the research methodology and the strengths and weaknesses of the different data collection methods. The refinement of standard approaches and approaches developed for this research are also discussed.

SECTION ONE

QUALITY IMPROVEMENT WITHIN LOCAL GOVERNMENT

At the start of this research, the literature review identified that a large majority of what was written about TQM in public services was polemical and based on limited empirical evidence. This section seeks to draw a number of significant conclusions relating to the important issues identified above.

Triggers for change in local government

Acting as a participant observer, the researcher was in a privileged position to observe and record the actions of four teams of professionals within a local authority. The results of these observations are detailed in Part Two - Results.

These results highlight the different actions undertaken by the teams in response to an organisation-wide initiative to adopt a TQM philosophy. There were varying degrees of success experienced by the teams. One question that faced the researcher that arose from this was, "What triggered change?"

The literature review highlighted the role of government intervention in securing change within public services and this was evident amongst a number of the cases reviewed (pp51-56). The results of this study were not so clear. All of the teams participating in this study were to be subjected to government intervention in the form of CCT, but it was clear that this had little, if any, impact on triggering change within the teams. That is, with the exception of Housing Services. Though, it should be noted, that the impact on Housing Services, the only service that was finally subjected to a formal tendering process, was fairly minimal with the team responding by documenting their procedures. There were other triggers that clearly generated greater improvements.

An analysis of the observations and benchmarking exercises carried out with the teams identified that all of the teams were subjected to a combination of triggers, both internal and external. The results highlight four main triggers for change:

- i) external triggers
- ii) changes in management
- iii) restructuring

iv) empowerment of the professional

It can be concluded from the results that a combination of triggers both internal and external to the team have initiated change, some more effectively than others:

- Organisation wide initiatives had little impact on triggering change in process improvement activity, unless there was acceptance by the team of the need to improve.
- Where a team was empowered to determine its future, there was a positive impact on the team's process improvement activities.
- The extent to which the team was subjected to change in the form of new legislation, and the support the teams receive from their manager in responding to these external pressures had an impact on the team's response.
- Changes in management, where new managers were supportive of continuous improvement had a positive impact on the team's improvement activity.

It can be concluded from the results that where the triggers for change are generated within the team itself these triggers are more likely to result in sustained improvements. External triggers, on their own, result in little, if any, improvement.

Resistance of local government professionals to change

There is considerable debate within the literature about the greater resistance to change evident within public services due, in part, to the role of the professional. There is evidence that since the start of this research there has been an erosion of the role of the professional in public service (for example, Shaw (1995) and Davies and Kirkpatrick (1995)) and quality initiatives have been used to strengthen management which then exerts a considerable degree of control over the professionals.

The changes imposed on the Engineering Services team followed this trend and aimed to incorporate professional work with managerial concerns. The reduction in professional autonomy that resulted gave rise to low morale and there was little evidence of any team improvement activity. The erosion of professional identity clearly made the team resistant to change. Further evidence was provided by the Legal Services team, which was able to develop its professional identity and as a result there was team support for improvement activity.

The literature highlights that any quality initiative relies on the co-operation of employees and the results of this research support the argument that when employees feel that their professional autonomy is under threat, securing co-operation in these circumstances is a difficult task. It can be concluded from these results that for any quality initiative to be successful, and in order to reduce resistance to change, professional identity must be supported.

Barriers to Quality Improvement

The comparison of the results of the Quality Club Members' interviews with Authority X highlights that these organisations were more successful in the implementation of TQM than Authority X. The reasons for this were identified in Chapter 10. The results raise the question of whether or not it is possible to transfer TQM from manufacturing to the public sector. The literature review highlights a number of differences between the private and public sector and argues that these differences will have an impact on the application of a TQM philosophy within the public sector.

At the start of this study, the work with the four teams highlighted a number of issues that related to the barriers identified in the literature:

- **The Nature of TQM.** No team developed a meaningful definition for quality;
- **The Characteristics of Public Services.** There was difficulty in determining who the customers were; and
- There was some debate about the nature of the service and how it did not easily lend itself to the principles of TQM.

The Nature of TQM. The difficulty associated with defining quality at a team level was also evident in the inability of the top management to set a corporate direction for quality. The development of a strategic direction, including quality was encapsulated in one of the critical success factors – Strategy. It can be concluded from the results that where a team or organisation has not developed a strategy, improvement activity is likely to be limited.

The results highlight that the Quality Club organisations did not face the same difficulty in determining their strategic direction as that experienced by Authority X.

The Borough Authority, one of the Quality Club Members, evidently did not experience this difficulty, and so it can be concluded that although the nature of TQM poses a barrier to local authorities, this barrier is not insurmountable and needs to be overcome if quality improvement is to be successful.

The Characteristics of Public Services. Stewart (1992) argues that the public sector is more resistant to change than organisations within the private sector and she provides empirical evidence to support this belief. At the start of this research, there was considerable resistance to change within Authority X. This degree of resistance was not evident within the Quality Club Members, with the exception of the Borough Council. The interviews with the Borough Council identified that there had been considerable resistance to change in the early stages of their quality programme.

Incentives for Change. The results highlight that survival provided a strong incentive for change within the private sector organisations, an incentive that was not present within Authority X at the start of this study.

It can be argued that the recent introduction of Best Value legislation has addressed some of the differences between private and public sector organisations. The increased threat of competition has given public services a greater incentive for change. The impact of this was evident in Authority X towards the end of the study. The resistance to change evident within Legal Services was greatly reduced as the team began to work on Lexcel. One of the reasons given for this was the need to prepare for Best Value.

It can be concluded from this research that in the early 1990s there was considerable resistance to change to be found within the local authority. The driving forces and incentives for change were less apparent than within the private sector organisations. This resistance was overcome by strong management and visible commitment to improvement, as was the case with Housing Services, and can be further influenced by government intervention, for example through the requirements of Best Value.

Restructuring. The literature review highlighted how local authorities tend to respond to the requirement for change by restructuring. This was the case within Authority X. All four teams were subjected to a number of restructuring exercises.

In most cases, these exercises failed to address the issues that needed tackling and there was no evidence of improvement as a result. With the Engineering Services team each restructuring exercise was responded to with greater resistance and the result was even lower morale.

This links with another issue identified within the literature. In their summary of the principles of TQM, Ghobadian and Speller (1993) identify that the control of the human process is vital, possibly more so than the control of the technical process. This research provides some empirical evidence to support this theme. In the cases of Engineering Services and Accountancy Services, the human processes were ignored. The emphasis was solely on the control of the technical process and this gave rise to a number of problems. The result was limited success in quality improvement.

The customer is problematic. A number of conclusions can be drawn in relation to the concept of the customer in public service provision. Firstly, the results highlight that where a service acknowledged the importance of its customers there was a greater likelihood that quality improvement would be implemented with greater success. Secondly, the ease with which a service could identify its customers influenced the service's view of the importance of the customer and therefore had an impact on the service's success in implementing TQM.

It can be concluded that, although the definition of the customer is problematic, the identification of the customer and acknowledgement of the importance of the customer play an important part in the successful implementation of TQM.

Critical Success Factors

So far in this chapter a number of conclusions have been drawn about the triggers for change, the resistance of local government professionals to change and the barriers to quality improvement in local government. This research sought to develop a benchmarking tool based on the critical success factors (CSFs benchmarking tool) to identify the criticality of a number of factors, identified in the literature, in the successful implementation of a TQM approach. A number of conclusions can be drawn from the results of the benchmarking exercises:

- There is evidence to support the criticality of all the success factors identified from the literature review. Low scores for the critical success factors are reflected in the lack of process improvement activity.
- There is evidence to support the inter-relationship of the factors as presented by the McKinsey 7Ss model (Figure 3.2). High scores for some factors do not on their own have a positive effect on process improvement activities.
- There is evidence that some of the critical success factors appear to have more influence than others in supporting and embedding change. This contribution to the current state of knowledge was illustrated in Figure 11.12, where the McKinsey model was developed based on the evidence arising from this research, with the criticality of the factors and the degree of influence between the factors highlighted.

The Best Practice Quality Improvement Model

In Chapter 3, a model of best practice for quality improvement was proposed for investigation in this research. This model indicated links between Quality Management Systems, Quality Management Processes, Quality of Service Delivery and Quality of Service.

The results of this study emphasised that the original linear model was too simplistic and needed to support the complex inter-relationship that appeared to exist between all levels of the model. The degrees of influence that the levels exerted over each other also needed to be illustrated. The improved model was presented in Figure 11.20. From this model it can be concluded that, above all, there firstly must be senior management commitment to quality, and this needs to be supported by quality objectives. Secondly, individuals within the organisation must be motivated to work towards the organisation's quality improvement objectives. To achieve this, there is evidence that a number of issues must be borne in mind:

- Organization-wide initiatives need to be tailored to meet the needs of individual teams. Within this, the empowerment of the professional needs to be considered, in particular in determining the way quality is to be addressed.

- There needs to be incentives for change. Government intervention can provide a trigger for change provided that it is supported by management within the authority.
- Focusing on human processes above technical processes will give greater results.
- All of the other critical success factors have a role to play in improving the quality of service delivery.

SUMMARY

The results highlight that there has been limited success in the implementation of TQM at Authority X. However, the reasons for this limited success have been identified and used to develop a Best Practice Quality Improvement Model. The model is based on evidence which supports links between QMS, QMP and QSD and the requirements of the critical success factors.

Drawing on the results it is also clear that although public services are different to the private sector and that these differences can pose barriers to the successful implementation of TQM it can be concluded from this research that these barriers can be overcome through careful planning and commitment to successful implementation.

SECTION TWO

THE METHODOLOGICAL APPROACH

Introduction

A wide variety of sources and methods of data collection were used in this research and it is these methods that will now be discussed with any conclusions drawn.

Case Study Approach.

The case study approach gave rise to a number of issues for the researcher. In particular, this research combined quantitative and qualitative data collection methods to give greater confidence to the results of the study. This approach of triangulation gave rise to a considerable amount of rich data. It was a very difficult

task to catalogue all of this information, analyse it and present the findings in a meaningful way.

The other issue associated with a case study approach is that generalisation of the results of case studies is often suspect because there are too many elements that are specific to the groups and the organisation. To try and overcome this four cases were chosen for this research and care has had to be taken in the presentation and discussion of the results.

Participant Observation.

In carrying out this action research it was clear that the literature raises a number of issues in this research context:

- the relationship between researcher and participants;
- objectivity of the results;
- generalisability of the results; and
- changes in the observation field.

The relationship between researcher and participants. The researcher had two roles within the organisation, one as a researcher, the other as an employee. The perceptions the participants had of the researcher could have a significant impact on the success of the action research. It was therefore essential that participants were aware of which role was being carried out by the researcher at each point of contact. Access to the teams was generally as a researcher but at times there was a blurring of roles, in particular when the researcher acted in the capacity of change agent, required by the job, whilst at the same time gathering data through observation of the participants, required by this research.

Although the role of the researcher was explicit, it was clear that at times participants viewed the researcher as a member of staff from the Chief Executive's Secretariat, when in fact the role at the time was as researcher.

Objectivity of the results. The literature argues that this method of data collection gives rise to issues of subjectivity and data validity. The greater the length of time the researcher spends in the organisation will also affect the relationship between the researcher and participants and clearly could have an effect on the objectivity of the

results reported. As Quality Manager, the researcher's job had been to introduce quality management throughout the organisation. Limited success could affect the objectivity of the results as the Quality Manager seeks to pass blame for failure by linking the results to the activities of the participants. The recording of data therefore played a key role in minimising the problem of subjectivity of the results. As a researcher it was important to ensure accurate and detailed records were kept and it was in this role that the researcher also discussed the findings arising from the benchmarking exercises with the teams in an attempt to verify the findings. It should be noted that this research does not rely solely on participant observation, but is supplemented by using other methods and approaches, including quantitative ones, in order that a more comprehensive understanding of the results is reached.

The issue of confidentiality placed constraints on the researcher. Information was gathered in this study on the mutual feelings of the manager and the team about each other and about each other's performance. In order that this information could be used to add significant value to the results of this study, the results were written up and the individuals concerned were consulted, in order to gain their consent to publish the information.

Generalisability of the results. The generalisability of the results is also raised as one of the disadvantages arising from using action research. A number of external organisations were involved in this research in an attempt to overcome the rather context specific nature of the results.

Changes in the observation field. Over the duration of the research there was a number of changes in the observation field. There were also changes in the role of the researcher within the organisation. Initially employed on a two-year contract the researcher was appointed to a permanent post of Quality Manager in March 1995. Although it was intended that this post would continue to focus on process management, the organisation's priorities changed and the researcher became involved in other areas of work, such as business planning and management development.

In November 1999 the researcher was appointed to the new post of Head of Business Scrutiny and Performance Monitoring. This change in role of the researcher is linked to a change in status. The work priorities and workload also changed in line

with the increase in status and regular contacts with the teams became more difficult as the research progressed. It is also possible that the team's perception of the role of the researcher changed, but there was no evidence of reluctance on the part of the teams to participate in the research. In fact, the lack of co-operation that was experienced on the part of Accountancy Services in carrying out user focus groups highlighted that the teams' perception was the researcher was acting in her capacity as a researcher in gathering information and not as the Head of Business Scrutiny. This was also evidenced by the lack of response of Housing Services to the results of the SERVQUAL questionnaire.

There were also a number of changes in the membership of the teams participating in the research and it is possible that this has affected the results. Due to the nature of the research there are other factors that could have affected the results, for example, the team's attitude on the day the benchmarking exercises were carried out. The results therefore need to be carefully interpreted and such factors need to be borne in mind. Wherever possible, records were made of changes in circumstances and these are described along with the results of the research.

Although participant observation clearly has many advantages it was with some degree of caution the researcher carried out the role of participant observer. The subsequent interpretation of the results was also handled with care. To assist in overcoming some of the problems associated with participant observation, the CSFs benchmarking tool was used to provide some quantitative data, albeit still very subjective in nature.

Interviews. A number of semi-structured interviews were carried out as part of this study. These interviews were held with the Chief Executive and top management of Authority X, the teams' managers and Heads of Service and the members of the Quality Club. All of these semi-structured interviews were based on the questions of the CSFs benchmarking tool. One of the problems with this method of data collection is that the researcher is reliant on what the interviewee has to say and there is rarely little evidence available to support their view.

This issue was particularly prevalent with the Quality Club interviews. These interviews gave rise to higher scores for these organisations than the scores for Authority X. These scores were obtained by interviewing the person within each of

the organisations who was responsible for the co-ordination of a quality management approach. It could be argued that the scores were high as they reflected the enthusiasm of the person being interviewed. In order to validate the results of this method of data collection, the score assigned by the interviewee to each of the critical success factors was explored through the interview and the interviewer needed to be convinced that there was evidence the organisation had achieved what the interviewee was claiming.

Focus Groups

Focus groups were used to gather views from the customers of the Engineering Services team. This was a useful method for gathering large amounts of customer feedback data. However, the results are not representative and cannot be taken as generalisations. Care had to be taken in the interpretation of the results.

The focus groups also gave rise to other problems not encountered with the other data collection methods used in this research. At times one individual dominated the focus groups and it was their agenda that tended to steer the discussion. This dominance could have affected the results. However, the two focus groups centred their discussions around similar issues from which it can be concluded that the dominance by particular individuals did not appear to affect the overall results of the focus group discussions. Focus groups should be used to highlight issues for further investigation.

SERVQUAL Questionnaire

There is clearly an ongoing debate into service quality and its measurement and there are possible more areas of disagreement than agreement. This research required data that would support customers' views of the service they received from the teams participating in this research. The debate about the link between service quality and customer satisfaction and the appropriateness of the perception-expectation measure of quality, although important, did not appear to significantly affect the usefulness of the SERVQUAL instrument in this research context, as it provided a framework from which useful customer feedback could be obtained and discussed.

To overcome some of the issues raised about the dimensions of service quality, the original ten-dimension model was used.

The use of the SERVQUAL instrument gave rise to a number of issues:

Presentation of results. Presenting the information to the teams was met with considerable resistance and in the case of Housing Services no action was taken in response to the questionnaire.

The SERVQUAL instrument by its nature produces a number of negative scores and it was these scores that resulted in the teams' defensive response. The negative scores in the view of those receiving the information clearly presented a worse picture than in fact was the case. There was also a level of discomfort amongst the members of the Legal Services team with the quantity of figures presented to them in tables and this too could have resulted in the team misunderstanding exactly what the results were saying. It can be concluded that particular attention needs to be given to how results are presented when this instrument is used.

Ten Dimensions v Five Dimension. The original 10-dimension SERVQUAL instrument was used in this research. However, by combining the results of the dimensions, to reflect the more recent five-dimension model, the results for Legal Services would have been quite different. The critical issues identified by the 10-dimension model would have been hidden, as was the case particularly for competence.

Qualitative Data. The other shortfall in using SERVQUAL on its own was the lack of qualitative information. Members of the Legal Services team clearly felt it would have been useful to have been able to clarify exactly what experiences respondents were relating to in determining their scores. One of the benefits of using the ten-dimension model is that it is possible to give feedback on the individual questions that were asked and this would partially improve the detail of the response provided to Legal Services.

Recommendations. The SERVQUAL model proved to be a useful model in this research for obtaining measures of customer satisfaction. It is recommended that the original 10 dimensions are used and that consideration is given to the presentation of the results. This research recommends that graphs are used rather than tables in presenting the scores and that no reference is made to negative scores, the gap

between expectations and perceptions and the SERVQUAL index provide a sufficient indicator for areas of concern.

Wherever possible, it is recommended that qualitative information is gathered to support the findings of the SERVQUAL questionnaire.

SUMMARY

All research tools in social sciences have significant limitations. This research, through an approach of triangulation aimed to minimise any such limitations and gave rise to a number of issues to be considered in carrying out future research:

- Multiple case studies enabled the results to be compared and contrasted.
- Participant observation gives rise to a wealth of rich data. The recording of events in an organised way is essential for this method of data collection. Even so care must be taken in considering the value to be placed on the data that has been gathered by this approach.
- Where interviews are used as a method of data collection there is a need to substantiate the comments made as best as possible. This can be achieved by a variety of methods, for example a document review or questionnaire. The interviews with the Quality Club Members could have been followed up by an employee questionnaire and this would have given greater validity to the results of the interviews.
- Focus groups provide a useful method for gathering large quantities of data, but the results arising from this method are not representative, and should therefore be used appropriately.
- SERVQUAL provides a useful model for identifying issues of concern in relation to the quality of service, as perceived by the customer. It is recommended that the ten-dimension model is used and that care is taken when presenting the data. Where appropriate further qualitative exercises should be undertaken to provide greater depth and understanding to the issues identified.

FUTURE RESEARCH

It is suggested that further research should be carried out, building on the progress of this research and providing further empirical evidence in support of the models and tools developed for this research.

Best Practice Quality Improvement Model

This research has tested and developed a Best Practice Quality Improvement Model. The model identifies four elements – Quality Management Processes, Quality Management Systems, Quality of Service Delivery and Quality of Service. The findings of this research illustrate links between some of these elements, however due to the time restrictions on this research it has not been possible to provide empirical evidence to support all of the links and degrees of influence. It is therefore recommended that further research be carried out to provide greater strength to the association between QMS, QMP, QSD and Quality of Service identified in this research.

CSFs Benchmarking Tool

To test the generality of the results further research could be extended to include other teams within the Council.

Wider Application

A number of points of best practice were drawn from the results of the Quality Club interviews. However, the results were based on interviews carried out with one individual in each organisation. Further research could be carried out to provide a broader base from which these conclusions were drawn, in particular by extending the research to include other people within the Quality Club organisations and to other organisations.

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Semi-Structured Interviews

Shared Values

How committed is the team/organisation to continuous improvement?
What evidence is there of improvement activity?

Strategy

How are the team/organisation made aware of objectives for the service?
What role does quality play in determining the strategic direction?
How important is employee training and development?

Structure

How do you ensure that roles and responsibilities are clear to all?
Who is responsible for quality?

Staff – Decision Making

What level of involvement do staff have in decision making?

Staff – Teamwork

How is the service organised?
What emphasis is placed on teamwork? Does the team work well together?
How much team improvement activity takes place?
Examples?
What incentives are there for teams to work on improvement activities?

Style

How important is the principle of continuous improvement to you?
How are you actively involved in demonstrating your commitment to improvement?
What improvements have you made recently?
What were the outcomes? How do you believe this affected the team?
How do you communicate proposals for change with the team?
What support do you give the team in improvement activities?
How do you encourage ideas for improvement?

Systems

To what extent have you documented your procedures?
Do you have any quality systems in place? If so, what? What benefit have you derived from these?

Skills – Quality Tools

What use is made of quality tools and techniques?
What evidence is there to support their use?
How do you encourage teams to use the tools and techniques?
What training is given to ensure team members have the knowledge and understanding to carrying out improvement activities and use the quality tools and techniques?

Amended CSFs Benchmarking Tool

Shared Values.

Does the organisation believe in the need for continual improvement?

- (A) There is no commitment to continual improvement
- (B) A few individuals see the importance of continual improvement
- (C) *A number of units see the need for continual improvement*
(Previously: The unit sees the need for continual improvement but does not receive management support)
- (D) There is commitment to continual improvement *throughout the organisation*
- (E) Systems are in place to ensure commitment to continual improvement.

Strategy.

Is there a plan which outlines the allocation of resources?

- (A) No plan
- (B) Plan based on last year's achievements
- (C) Plan based on previous performance with some measures to improve efficiency
- (D) Long term plan, analysis of strengths and weaknesses, to produce clear targets and allocation of resources
- (E) Integrated plan with well defined service standards, includes quality, employee development etc.

Structure.

Are there clear lines of *responsibility*? (no longer includes authority).

- (A) There are no clear lines of *responsibility*
- (B) There is some identification of *responsibility*
- (C) *Individuals are generally aware of their own responsibilities, but these are not clear to others*
(Previously: on the whole, there are clear lines of authority, responsibility, but some confusion in a few areas).
- (D) *On the whole the lines of responsibility are clear to all, but some confusion in areas*
(Previously: Authority and responsibility are clear to all).
- (E) *Responsibility is clear to all, for all processes and quality improvement.*
(Previously: Roles of authority and responsibility are clear for all processes and for quality improvement).

Staff – Decision Making.

What involvement is there in decisions *affecting day to day operations*?

(Previously: decisions affecting the unit?)

- (A) Senior management make decisions and the service is informed on a 'need to know' basis
- (B) The service has some input into decisions made by senior management
- (C) Open channels of communication result in decisions being made between senior management and the service unit manager
- (D) Employees in the service unit have some input into decisions made by the service unit manager
- (E) All employees are actively involved in decisions affecting them, receiving relevant and timely information.

Staff - Teamwork.

Is there a teamwork approach in the unit?

- (A) There are no common processes and all members of the unit work individually
- (B) Small teams within the unit work on similar processes or one-off projects
- (C) The unit is divided into small teams, working together
- (D) The unit works clearly as a team in performing its tasks
- (E) There is systematic team activity, looking at process improvement.

Style.

Is there commitment to improving processes?

- (A) *There is no commitment to looking at process improvement*
(Previously: The unit is too busy carrying out every day activities to look at process improvement)
- (B) Improvement ideas put forward by employees are not followed up
- (C) *In some units ideas are listened to and managers feed them into their plans*
(Previously: The unit)
- (D) *In some units managers are actively involved with employees in identifying improvement themes and working on these.*
(Previously: The unit)
- (E) *There is commitment throughout the organisation to continual improvement.*
(Previously: There is commitment from senior management to continual improvement within the unit)

Systems.

Are there clear written procedures?

- (A) There are no guidelines, each individual determines how they will carry out the task
- (B) *Some units have guidelines for their main processes*
(Previously: The main processes within the unit have some guidelines)
- (C) *Some units have written procedures for all activities*
(Previously: There are written procedures for all activities carried out)
- (D) *Some units have systems in place to review continually all processes, seeking long term improvement*
(Previously: Written procedures state clearly the process owner and who is responsible for quality)
- (E) *All units have a quality management system and work towards continual improvement.*
(Previously: Systems are in place to review continually procedures, seeking areas for improvement)

Skills – Quality Tools.

What use is there of the quality tools and techniques?

- (A) There is *little* knowledge of tools and techniques (Previously: no knowledge)
- (B) *There is significant knowledge of tools and techniques, but they are not put into practice*
(Previously: The unit is aware of such tools and techniques)
- (C) *Some units use tools and techniques to tackle a few problems*
(Previously: Quality tools and techniques are used)
- (D) *Some units use tools and techniques to systematically tackle most problems*
(Previously: All problems are tackled systematically with the use of tools and techniques)
- (E) *Tools and techniques are in regular use throughout the organisation*
(Previously: Tools and techniques are in regular use by service unit members, tackling problems and improvement themes, striving towards continual improvement).

Skills – Professional Identity.

What impact does your professional identity have on the service?

- (A) There is no association with a professional body and no specialist knowledge is required.
- (B) Some specialist knowledge is required to perform a few of the tasks.
- (C) Specialist knowledge is required to meet performance requirements.
- (D) Specialist knowledge is essential and strong association with a professional body ensures everyone is kept up to date.
- (E) Links with a professional body and high specialist knowledge are used to review processes systematically.

HOUSING SERVICES QUESTIONNAIRE

The purpose of this questionnaire is to assess the opinions of tenants about the quality of housing services provided by Cannock Chase District Council. **Your** opinions are important for my research, but they will also help the Council in planning for the future.

There are no right or wrong answers, so please be as honest as possible. Without your frank answers results from this survey will be meaningless.

At the beginning of each part of the questionnaire you will find brief instructions, please read these carefully **before** you start to give your answers.

Read each statement carefully before answering, but don't spend too long on any one.

Many thanks for your assistance.

PART ONE

INSTRUCTIONS: Based on your experiences as a customer of Housing Services, please think about the quality of service you would expect to receive from an "excellent" Housing Service provider. Please show the extent to which you think an excellent Housing Service provider would possess the features described by each of the following statements. If you feel that a feature is *not at all essential* for excellent Housing Services, circle the number 1. If you feel a feature is *absolutely essential* circle 7. If your feelings are less strong, circle one of the numbers in the middle. There are no wrong or right answers - all we are interested in is a number that truly reflects your feelings regarding the delivery of excellent Housing Services.

		Not at all Essential					Absolutely essential	
1.	Excellent Housing Services will have modern looking reception areas.	1	2	3	4	5	6	7
2.	Employees at excellent Housing Services will be smart in appearance.	1	2	3	4	5	6	7
3.	When excellent Housing Services promise to do something by a certain time they will do so.	1	2	3	4	5	6	7
4.	Offices of excellent Housing Services are sufficiently staffed to meet the needs of their customers.	1	2	3	4	5	6	7
5.	Excellent Housing Services will not expect customers to wait in long queues.	1	2	3	4	5	6	7
6.	Excellent Housing Services will acknowledge written correspondence from customers promptly.	1	2	3	4	5	6	7
7.	Excellent Housing Services will ensure competent officers are available to meet the needs of their customers.	1	2	3	4	5	6	7
8.	Employees at excellent Housing Services have up to date knowledge of the service.	1	2	3	4	5	6	7
9.	Excellent Housing Services will have employees who have a professional attitude.	1	2	3	4	5	6	7
10.	Employees in excellent Housing Services will be polite when answering telephone calls.	1	2	3	4	5	6	7
11.	Excellent Housing Services will give the customer confidence in their ability to provide the required services.	1	2	3	4	5	6	7
12.	Employees of excellent Housing Services will be truthful with customers.	1	2	3	4	5	6	7
13.	Excellent Housing Services will maintain the confidentiality of their customers.	1	2	3	4	5	6	7
14.	Excellent Housing Services will give the customer the confidence that answers given will be correct.	1	2	3	4	5	6	7
15.	Excellent Housing Services will provide easy access to all of their services.	1	2	3	4	5	6	7

16.	Excellent Housing Services will be open at times to suit their customers.	1	2	3	4	5	6	7
17.	Materials associated with the service (such as newsletters) will be free from jargon.	1	2	3	4	5	6	7
18.	Excellent Housing Services will keep customers informed of any decisions which might affect them.	1	2	3	4	5	6	7
19.	Excellent Housing Services will have the customer's best interests at heart.	1	2	3	4	5	6	7
20.	Employees at excellent Housing Services will understand the specific needs of their customers.	1	2	3	4	5	6	7

PART TWO

INSTRUCTIONS: Listed below are ten features which relate to excellent Housing Services. We would like to know how important each of these features is to you. Please allocate a total of 100 points among the ten features according to how important each feature is to you - the more important a feature, the more points you should allocate to it. Please ensure that the points you allocate to the ten features listed below add up to 100.

1. The appearance of the Housing Services facilities. points
 2. The Housing Services ability to perform services as promised. points
 3. The Housing Services ability to provide a prompt service. points
 4. The knowledge of the Housing Services employees. points
 5. The courtesy of the Housing Services employees. points
 6. The truthfulness of statements made by Housing Services. points
 7. The confidentiality experienced in dealing with Housing Services. points
 8. The accessibility of Housing Services. points
 9. The ability of Housing Services to keep the customer informed. points
 10. The individual attention the Housing Service provides to its customers. points
- Total points100... points**

PART THREE

INSTRUCTIONS: The following set of statements relate to your feelings about Cannock Chase Council's (CCC) Housing Services. For each statement, please show the extent to which you believe CCC's Housing Services has the feature described by the statement. Circling a 1 means that you *strongly disagree* CCC has the feature and circling a 7 means that you *strongly agree*. If your feelings are less strong, circle one of the numbers in the middle. There are no wrong or right answers. Again, all we are interested in is a number that best shows your perceptions about CCC's Housing Services.

	Strongly Disagree						Strongly Agree
1. CCC has modern looking reception areas.	1	2	3	4	5	6	7
2. Employees at CCC are smart in appearance.	1	2	3	4	5	6	7
3. When CCC promises to do something by a certain time it will do so.	1	2	3	4	5	6	7
4. Offices of CCC are sufficiently staffed to meet the needs of their customers.	1	2	3	4	5	6	7
5. CCC Housing Services do not expect customers to wait in long queues.	1	2	3	4	5	6	7
6. CCC Housing Services acknowledge written correspondence from customers promptly.	1	2	3	4	5	6	7
7. CCC Housing Services ensure competent officers are available to meet the needs of their customers.	1	2	3	4	5	6	7
8. Employees at CCC Housing Services have up to date knowledge of the service.	1	2	3	4	5	6	7
9. CCC Housing Services has employees who have a professional attitude.	1	2	3	4	5	6	7
10. Employees in CCC Housing Services are polite when answering telephone calls.	1	2	3	4	5	6	7
11. CCC Housing Services gives the customer confidence in their ability to provide the required services.	1	2	3	4	5	6	7
12. Employees of CCC Housing Services are honest with customers.	1	2	3	4	5	6	7
13. CCC Housing Services maintain the confidentiality of their customers.	1	2	3	4	5	6	7
14. CCC Housing Services give the customer the confidence that answers given will be correct.	1	2	3	4	5	6	7
15. CCC Housing Services provide easy access to all of their services.	1	2	3	4	5	6	7
16. CCC Housing Services are open at times to suit their customers.	1	2	3	4	5	6	7

- | | | | | | | | | |
|-----|----------------------------------------------------------------------------------------|---|---|---|---|---|---|---|
| 17. | Materials associated with the service (such as newsletters) are free from jargon. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 18. | CCC Housing Services keep customers informed of any decisions which might affect them. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 19. | CCC Housing Services have the customer's best interests at heart. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 20. | Employees at CCC Housing Services understand the specific needs of their customers. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

PART FOUR

INSTRUCTIONS: The following statements relate to how satisfied you are with the overall service you receive from Cannock Chase Council's Housing Services. Once again, circling a 1 means that you *strongly disagree* with the statement and circling a 7 means that you *strongly agree*.

- | | | Strongly
Disagree | | | | | Strongly
Agree |
|----|----------------------------------------------------------------------------------|----------------------|---|---|---|---|-------------------|
| 1. | I am satisfied with the house/flat I am renting from CCC. | 1 | 2 | 3 | 4 | 5 | 6 7 |
| 2. | I am satisfied with the location of this house/flat. | 1 | 2 | 3 | 4 | 5 | 6 7 |
| 3. | I am satisfied with the standard of service I receive from CCC Housing Services. | 1 | 2 | 3 | 4 | 5 | 6 7 |
| 4. | Overall CCC has satisfied my housing needs. | 1 | 2 | 3 | 4 | 5 | 6 7 |

PART FIVE

INSTRUCTIONS: To assist in our understanding of the results of this questionnaire please answer the following questions which relate to descriptions of your own household.

1. Please tick one box which most closely describes your household:
 With or expecting children Single person household without children Childless couple
2. Is there anyone in this household who is retired? **Yes/No** (delete as applicable)
3. Is there anyone in this household who has a disability which impedes independent life? **Yes/No** (delete as applicable)
4. Is there anyone in this household who is registered disabled? **Yes/No** (Delete as applicable)
5. How many people live in the property?.....
6. How many bedrooms does the property have?.....
7. Do you think you are overcrowded? **Yes/No** (delete as applicable)
8. How long have you lived in this property?

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE.

LEGAL SERVICES QUESTIONNAIRE

ABOUT THIS QUESTIONNAIRE

The purpose of this questionnaire is to assess your opinions about the quality of services provided by Legal Services. We recognise the importance of maintaining the highest standards of service for our customers and **your** opinions are important in helping us to plan for the future.

There are no right or wrong answers, so please be as honest as possible. Without your frank answers results from this survey will be meaningless.

INSTRUCTIONS

At the beginning of each part of the questionnaire you will find brief instructions, please read these carefully **before** you start to give your answers.

Read each statement carefully before answering, but don't spend too long on any one.

Please return your completed questionnaire to Jennifer Bond, Chief Executive's Secretariat, by the 15th May.

Many thanks for your assistance.

PART ONE

INSTRUCTIONS: Based on your experiences as a customer of Legal Services, please think about the quality of service you would expect to receive from an "excellent" Legal Service provider. Please show the extent to which you think an excellent Legal Service provider would possess the features described by each of the following statements. If you feel that a feature is *not at all essential* for excellent Legal Services, circle the number 1. If you feel a feature is *absolutely essential* circle 7. If your feelings are less strong, circle one of the numbers in the middle. There are no wrong or right answers - all we are interested in is a number that truly reflects your feelings regarding the delivery of excellent Legal Services.

		Not at all essential					Absolutely essential	
		1	2	3	4	5	6	7
1.	Excellent Legal Services will have modern looking equipment	1	2	3	4	5	6	7
2.	Employees at excellent Legal Services will be smart in appearance.	1	2	3	4	5	6	7
3.	When excellent Legal Services promise to do something by a certain time they will do so.	1	2	3	4	5	6	7
4.	Offices of excellent Legal Services are sufficiently staffed to meet the needs of their customers.	1	2	3	4	5	6	7
5.	Employees in excellent Legal Services will demonstrate a willingness to help customers.	1	2	3	4	5	6	7
6.	Excellent Legal Services will acknowledge correspondence from customers promptly.	1	2	3	4	5	6	7
7.	Excellent Legal Services will ensure competent officers are available to meet the needs of their customers.	1	2	3	4	5	6	7
8.	Employees at excellent Legal Services have up to date legal knowledge as appropriate.	1	2	3	4	5	6	7
9.	Excellent Legal Services will have employees who have a professional attitude.	1	2	3	4	5	6	7
10.	Employees in excellent Legal Services will be polite when answering telephone calls.	1	2	3	4	5	6	7
11.	Excellent Legal Services will give the customer confidence in their ability to provide the required services.	1	2	3	4	5	6	7
12.	Employees of excellent Legal Services will be truthful with customers.	1	2	3	4	5	6	7
13.	Excellent Legal Services will maintain the confidentiality of their customers.	1	2	3	4	5	6	7
14.	Excellent Legal Services will give the customer the confidence that answers given will be correct.	1	2	3	4	5	6	7
15.	Excellent Legal Services will provide easy access for all of their customers.	1	2	3	4	5	6	7

16.	Excellent Legal Services will be available at times to suit their customers.	1	2	3	4	5	6	7
17.	Communications associated with the service will be of a high standard.	1	2	3	4	5	6	7
18.	Excellent Legal Services will keep customers informed of any decisions which might affect them.	1	2	3	4	5	6	7
19.	Excellent Legal Services will have the customer's best interests at heart.	1	2	3	4	5	6	7
20.	Employees at excellent Legal Services will understand the specific needs of their customers.	1	2	3	4	5	6	7

PART TWO

INSTRUCTIONS: Listed below are ten features which relate to excellent Legal Services. We would like to know how important each of these features is to you. Please allocate a total of 100 points among the ten features according to how important each feature is to you - the more important a feature, the more points you should allocate to it. Please ensure that the points you allocate to the ten features listed below add up to 100.

1. The appearance of the Legal Services facilities. points
 2. Legal Services ability to perform services as promised. points
 3. Legal Services ability to provide a prompt service. points
 4. The knowledge of Legal Services employees. points
 5. The courtesy of Legal Services employees. points
 6. The truthfulness of statements made by Legal Services. points
 7. The confidentiality experienced in dealing with Legal Services. points
 8. The accessibility of Legal Services. points
 9. The ability of Legal Services to keep the customer informed. points
 10. The individual attention Legal Services provides to its customers. points
- Total points100... points**

PART THREE

INSTRUCTIONS: The following set of statements relate to your feelings about Cannock Chase Council's (CCC) Legal Services. For each statement, please show the extent to which you believe CCC's Legal Services has the feature described by the statement. Circling a 1 means that you *strongly disagree* Legal Services has the feature and circling a 7 means that you *strongly agree*. If your feelings are less strong, circle one of the numbers in the middle. There are no wrong or right answers. Again, all we are interested in is a number that best shows your perceptions about CCC's Legal Services.

		Strongly Disagree					Strongly Agree	
1.	Legal Services has modern looking equipment.	1	2	3	4	5	6	7
2.	Legal Services employees are smart in appearance.	1	2	3	4	5	6	7
3.	When Legal Services promises to do something by a certain time it will do so.	1	2	3	4	5	6	7
4.	Offices of Legal Services are sufficiently staffed to meet the needs of their customers.	1	2	3	4	5	6	7
5.	Legal Services demonstrates a willingness to help customers.	1	2	3	4	5	6	7
6.	Legal Services acknowledges correspondence from customers promptly.	1	2	3	4	5	6	7
7.	Legal Services ensures competent officers are available to meet the needs of their customers.	1	2	3	4	5	6	7
8.	Employees in Legal Services have up to date legal knowledge as appropriate.	1	2	3	4	5	6	7
9.	Legal Services has employees who have a professional attitude.	1	2	3	4	5	6	7
10.	Employees in Legal Services are polite when answering telephone calls.	1	2	3	4	5	6	7
11.	Legal Services gives the customer confidence in their ability to provide the required services.	1	2	3	4	5	6	7
12.	Employees in Legal Services are honest with customers.	1	2	3	4	5	6	7
13.	Legal Services maintains the confidentiality of their customers.	1	2	3	4	5	6	7
14.	Legal Services gives the customer the confidence that answers given will be correct.	1	2	3	4	5	6	7
15.	Legal Services provides easy access for all of their customers.	1	2	3	4	5	6	7
16.	Legal Services are available at times to suit their customers.	1	2	3	4	5	6	7
17.	Communications associated with the service are of a high standard.	1	2	3	4	5	6	7

18.	Legal Services keeps customers informed of any decisions which might affect them.	1	2	3	4	5	6	7
19.	Legal Services has the customer's best interests at heart.	1	2	3	4	5	6	7
20.	Employees at Legal Services understand the specific needs of their customers.	1	2	3	4	5	6	7

PART FOUR

INSTRUCTIONS: The following statement relates to how satisfied you are with the overall service you receive from Legal Services. Once again, circling a 1 means that you *strongly disagree* with the statement and circling a 7 means that you *strongly agree*.

		Strongly Disagree					Strongly Agree	
1.	Overall, I consider the cost of the Legal Services I receive to be reasonable.	1	2	3	4	5	6	7
2.	Overall, I am satisfied with the way in which Legal Services completes my instructions.	1	2	3	4	5	6	
3.	Overall I am satisfied with the standard of service I receive from Cannock Chase Council's Legal Services.	1	2	3	4	5	6	

Finally, to assist in our analysis of the results please indicate how often you use Legal Services by ticking the most appropriate box:

- Weekly
- Monthly
- Every couple of months
- A couple of times a year
- Once a year or less frequently

THANK YOU FOR COMPLETING THIS QUESTIONNAIRE.