

## **Total quality management in public administration – the case of municipal government**

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### **Abstract**

After a brief analysis of the quality of work that the municipality administration needs, the paper discusses criteria and indicators of quality in public sector. The differences between TQM and CAF are analyzed as well as elements of quality assurance and assessment from stakeholder's point of view. Some aspects of the implementation of TQM in public sector is followed by conclusions concerning suitability of TQM for improving quality in public sector.

**Keywords:** TQM, public administration, municipal government, public-sector, quality assessment

## ***Komplexné riadenie kvality (TQM) vo verejnej správe - prípád miestnej správy***

### ***Abstrakt***

*Po krátkej analýze kvality práce, ktorú miestne správy potrebujú, príspevok pojednáva o kritériách a indikátoroch kvality vo verejnom sektore. Následne poukazuje na rozdiely medzi TQM a CAF, ktoré tak ako aj prvky hodnotenia kvality z pohľadu investorov analyzuje. Zároveň poukazuje na niektoré aspekty implementácie TQM vo verejnom sektore a na závery týkajúce sa vhodnosti využívania TQM na zlepšenie kvality vo verejnom sektore.*

***Kľúčové slová:*** komplexné riešenie kvality - TQM, verejná správa, miestna správa, verejný sektor, hodnotenie kvality

### **Introduction**

Although a monopolist in its field, the public administration has expressed need to provide a high quality of its work. This is especially valid for the municipality level, since its services are often in direct contact with the population that represents the

electorate. The quality of the work of the municipality administration directly reflects to the satisfaction or dissatisfaction of the population.

Tools available to local authority are [1, p. 41]:

- system of complaints and suggestions
- satisfaction poll users
- imaginary paintings
- analysis of lost customers.

Total Quality Management (TQM) is based on a definition of quality. The definition comes from consumer psychology literature. Local administration found TQM very attractive in the sense that it promotes understanding of community needs. TQM helps the administration contain costs public and to improve the services. Local administration may benefit from TQM insofar as it may become a means to increase responsibilities, and diminish revenues and the public's cynicism regarding civil servants' skills. [2, p. 64].

### **1. Quality concepts in the public sector**

TQM is a concept of a recent date. Before it, there was a tendency of the public sector to provide quality services, too. Quality criteria in the public sector have changed over time, and they were seen as [3, p. 669]:

- respect of the norms and procedures,
- efficiency and
- customer satisfaction (customers).

According to the first criterion, it was thought that it was enough to comply with the standards and procedures, whatever they were, to reach satisfying service quality of public administration. At the same time, no one took into account a person - the user and his satisfaction or dissatisfaction with the service.

The second criterion, in addition to the previous, pays more attention to effects that are realized. This, too, means working with no errors. This criterion could be linked to Juran's famous definition of quality as „fitness for use“. [4].

Satisfaction of the third criterion ensures maximum customer satisfaction, because the user becomes sanctity. The activities in this direction began in the USA and Western Europe in the early eighties. Big progress was made with the formation of

the EU. Today, because of the different traditions of administrative law, all European countries still have not achieved the same level.

For a long time there were discussions whether it is possible to equate the public administration with the private sector in terms of TQM because of different goals and different principles of business. But today, such discussions become quite abstract, because now there are more diverse links between public administration, private and volunteer organizations. A modern public administration tends to get rid of activities that can be left to the private sector. So, it can be said that there exist no 'pure' public sector now.

However, one can not simply say that the introduction of the concept of quality similar to business-oriented concept does not bring problems. While TQM is business-oriented on manufacturing and products, here is the orientation to the service. Hence, the management of quality system, which is applicable to manufacturing, is very often inadaptable for service. The reasons are that services are intangible, and depend on numerous factors, especially the human factor, so it is very hard to make the appropriate manufacturing specification. Many services with a large proportion of human work are the heterogeneous. As no less an important factor, there is the fact that both donors and recipients of services are people on very different educational, cultural and all other levels.

While in the production of products it is possible to start with the quality at the very beginning of production, in the case of services, production and consumption coincide. In such a co-production, quality management should consider both the service provider and recipient. Thus, for example completion of various returns and applications requires appropriate forms that are easy to fill and appropriate technical assistance provider, but also an appropriate precision and attention of service user who should submit the completed form. If some participants do not do their part of job properly, it can have unintended consequences later.

Special problem in application of TQM arises in situations when a policy is involved into the public administration's work. The implementation of TQM has proved successful in various public agencies that operate in market conditions, such as public enterprises. TQM is relatively successful at the level of local government, too, because local government operates under some form of market pressure. In government departments and agencies that are focused on policy, thinking on the principles of TQM has no greater representation.

## 2. Criteria and indicators of quality in public sector

There has always been a desire to present things and events in the simplest and easiest to understand way. In terms of quality of services, use of a single quality index is large and unacceptable risk, because they are very complex processes. Since it is a multidimensional phenomenon, it is preferable to use a set of indicators, although such presentation could become unclear. This set of indicators should include several aspects [5, p. 23]:

- Tangibles
- Reliability
- Responsiveness
- Competence
- Courtesy
- Credibility
- Security
- Access
- Communication
- Understanding the Customer

Formation of sets of criteria is the first step in the process of quality evaluation. For the quality evaluation it is necessary, also, to define appropriate indicators. Indicators have to quantify individual criteria. For services it is turned out to be easier to quantify subjective factors, whether by poll or in some other way. Objective factors are more difficult to quantify. For example, one factor that appears in the work of public administration may be comfort of a waiting room. Although it is possible to measure the temperature in the waiting room, the space in front of the counter and some other things, it does not give a clear picture of the comfort of the waiting room. For this purpose qualitative indicators are more useful, because they give more information.

The search for quality indicators is time-consuming and requires a lot of experience, so it is often better to use „ready-of-the-peg“ Quality Measurement Systems. Such systems include a set of quality indicators covering a wide area.

For evaluating of service quality of public administration, with certain limitations, they may be used ISO 9000 series as internationally recognized standards for quality assurance. In European Community ISO 9000 is adopted as EN 29000. They could be divided into three blocks [6, p. 27]:

- instruction to use, selection criteria (9000);
- guidelines for the development of quality management in one's own responsibility (9004);

- proposals aiming at preventing non-conformity in the framework of contract-guidelines for the development of quality management in one's own responsibility (9001, 9002 and 9003) These standards were integrated into ISO 9001:2000. Revised version puts ISO closer to quality excellence models [7, p. 3].

To increase the quality of service, citizen's charters can be used. „The potential of charters is to express a consensus on a societal model on the behavior and responsibilities, rights and duties, expectations and trust, of politicians in government, civil servants in public services and citizens". [8, p. 30].

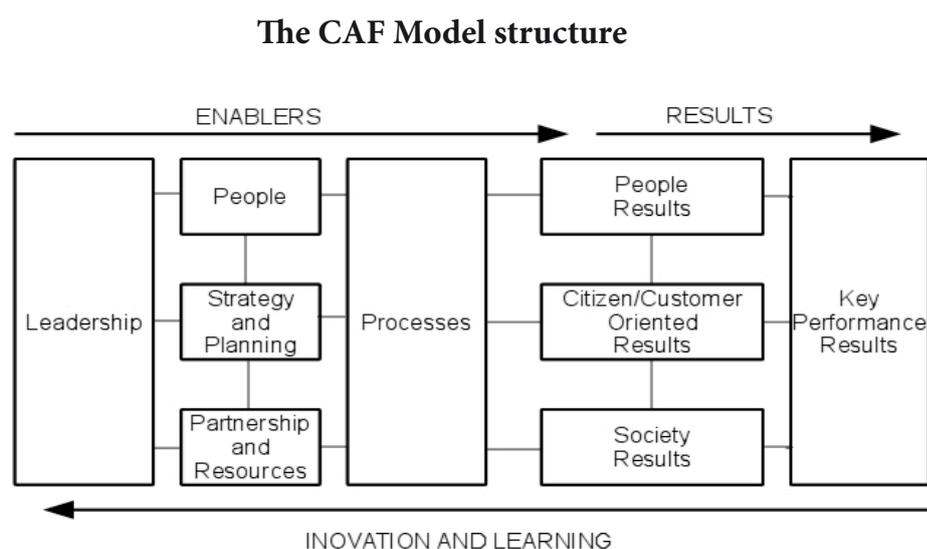
Citizen's charters have been set up in several countries of the EU. For different conceptions of quality different charters are formed.

A diagnosis of the public organization by using appropriate tools can assist it in evaluation of its current conditions. Proper diagnosis can identify the nature of the forces which may support as well as restrain the organization. It can help to build an appropriate strategy, too.

For self-assessment quality excellence models can be used. European Excellence Model is widely used in EU countries.

For public administration the Common Assessment Framework (CAF) become common self-assessment tool. More than 2000 public sector organizations all over Europe have used CAF model. Their number is still growing.

Figure 1



Source: <http://www.eipa.eu/en/topic/show/&tid=191>.

Comparing CAF with the European Excellence Model it can be noticed that CAF is less demanding. It makes it more suitable for organizations that start with the implementation of TQM. CAF is also less systematic.

The CAF has four main purposes [9]:

- To introduce public administrations to the principles of TQM and gradually guide them, through the use and understanding of self-assessment, from the current “Plan-Do” sequence of activities to a full fledged “Plan-Do-Check-Act (PCDA)” cycle;
- To facilitate the self-assessment of a public organization in order to arrive at a diagnosis and improvement actions;
- To act as a bridge across the various models used in quality management;
- To facilitate bench learning between public-sector organizations.

### **3. Elements of quality assurance in local administration**

The road to success is more or less unexplored. Long term success requires leadership with vision, a clearly defined mission, a built system of values, specifically defined goals and an established strategy according to the interest groups, as well as efficient resource management of material and human resources. Therefore, a leader in local administration has to gather the employees around common goals and to encourage and motivate them to follow him. A leader knows his goal, he knows the way to the goal and he leads the others on that way. This also means that there are no leaders without followers, and that there can be no leadership without inclusion of the employees.

In order to realize defined goals, the local administration has to establish a strategy for partnership with the interest groups. This has to be based on adequate policies, plans, operational goals and related processes.

The processes are the core of the activities and relevant events in the local administration. They are the most important factor of the organization and the basis for construction of the quality system – within which they have to be rational, functional and efficient. On one side there are internal processes, that take place within local administration and on the other the processes that are established between the local

administration and the environment, which consists of users, financial institutions etc. For the local administration to identify characteristics of the quality of service it needs to identify and manage the related processes, which need to be projected in a manner which produces the required output. The system identification of processes and their connections, management of processes and their connections can be qualified as process approach. Application of the process approach in work is the basis for production of quality.

Modern environment in which local administration works today creates need for efficient management of human resources. The most important question is how to ensure the quality of the employees, their education, development and motivation. Having in mind that the employees on all levels of local administration form its crucial part and that their full inclusion allows utilization of their capacities for production of quality, the role of human resources management is important.

Management of material resources also affects the quality significantly. Local administration has to ensure that resources necessary for the application of strategies and achievement of goals are identified and made accessible. The results of quality in local administration aim to satisfy internal and external users, which should be the main results of the management of the quality in local administration.

Respect from users and their satisfaction should be the main priorities of the local administration. It has to recognize the needs, requests and expectations of its citizens, and to offer them services that satisfy them. In order to follow the satisfaction of citizens, the local administration has to establish communication with them and measure their satisfaction. Special attention should be paid to communication with customers and their loyalty.

The employees are the key element of production in the service sector. Through organization, management and motivation of employees, great results can be achieved. Satisfied personnel can achieve a better level of quality. One of the key premises of quality achievement is establishment of trust and loyalty of the personnel. Team work is one of the ways of cooperation. Team consists of people with different knowledge, capabilities and personalities. In order to achieve the optimal results, the following guidelines should be followed:

- Each employee must be a member of at least one team;

- The main goal of the team is to achieve quality that is satisfactory for the customer;
- Differences in ideas, thoughts and opinions contribute to the achievement of the desired result;
- If an individual has more knowledge, he or she can be included in the team more easily;
- Each employee is a specialist in his field;
- Presentation of the results of the team's work leads to a bigger motivation of the team.

Local administration provides services to customers together with its partners. The business communication should be performed in a manner that is satisfactory for both sides, and through long term cooperation which manifests itself in joint approach to customers. Satisfaction of customers (citizens) should be goal for both the local administration and the partners.

Since the community is also interested in the quality, the results should include the social responsibility of the administration, as well as the elements that could make it recognizable. Successful local administrations aim to look good in the eyes of society. They work in line with laws and regulations and fulfill their duties towards the community. They are recognizable in public through the positive aspects of their work.

The indicators of results in realization of the policies and strategies include financial and operational results and perception by the interest groups. Self-evaluation and benchmarking are useful tools for measurement of quality by the local administration. The achieved results in form of new knowledge and innovations contribute to the work of the administration, creating a spiral of continuous improvement. The success of implementation of policies and strategies is measured through the results of work. The financial and operational indicators are important, in the long term, because they are the only guarantee of success.

#### **4. Quality assessment from stakeholders point of view**

To achieve quality results in the quality assessment it is not enough to obtain the most appropriate assessment instruments. It is very important to define the actors that should take part in the assessment process. The quality is not only a technical

problem, and all analysis based on measuring of technical results could be used for academic purposes only. To obtain full picture of quality, meaningful involvement of key stakeholders is necessity.

Depending of the kind of services, different stakeholders should be involved. It is not same if the service is of personal or social kind. The first could be comparable to private goods, and the second is closer to public goods. Also, it is not same if some process belongs to a group of simple processes, or it is more complex. Complex services require professionals.

Table 1

**Service characteristics and stakeholder involvement  
in quality measurement**

| <b>Characteristics of services</b> | <b>Simple services</b> | <b>Complex services</b> |
|------------------------------------|------------------------|-------------------------|
| personal services                  | users                  | front-line employees    |
| social services                    | politicians            | service professionals   |

*Source: Loeffler, E.: Defining Quality in Public Administration. NISPAcee Conference. Riga, Latvia, 2002. p. 6. ISSN 1553-1392.*

From table 1, it could be seen that with simple and personal services, for example cleaning snow from the sidewalk, the users should participate in quality measurement programs. In the case of social services, politicians have to balance the advantages and disadvantages for different groups of stakeholders.

Complex services need professional staff involvement. For example, in the case of personal services, like financial consultations, front-line staff such as money agents will be the most appropriate stakeholder to assess the quality of the service. If services are more complex as, for example, advising the population in situations of floods, or recently the toxic sludge pollution disaster in Hungary, then service professionals such as the research departments of the national agency for crisis situations or Hydro Meteorological Institutes can have more information about potential consequences and risks of specific actions.

**5. The implementation of TQM in public administration**

The implementation of TQM has to be planned. It is a product of a direct decision by the management, which in this case are the politicians from the local administration. The decision is made based on citizen's initiative, or initiative of a group of

citizens within the bodies of the public administration. It can often be a result of the leadership's initiative. The main reasons for making such a decision are based on:

- Reduction of the costs of operation;
- Bigger efficiency of departments of the administration;
- Bigger productivity;
- Improvement of the image of the institution;
- Improvement of the working conditions of the employees; and
- Improvement of planning.

As always, the first steps are to accomplish a diagnosis in which it is good to differentiate between <sup>[10, p. 6]</sup>:

- quality control or the checking of the services;
- quality insurance or the checking of the way the regulations are obeyed and the analysis of the processes that take place within.

After the diagnosis, it is necessary to prepare detailed analysis that includes:

- the creation of possible strategies and policies;
- the selection of the most appropriate model;
- the necessary budget for TQM implementation; and
- editing of the documents for consideration.

That analysis should be performed by a founded committee and by department that administrates quality.

Final decision on acceptance of TQM implementation brings management of the public institution: local government or public authorities.

## **6. Difficulties in implementing TQM in public administration**

When the implementation of TQM in public administration is not successful, the blame is put on everyone except from the executive personnel, although in practice, a failure most of the time has its roots in this level. But it is not only the uninterested personnel. TQM is generally user – oriented, where user pays for the service and presents a part of a target group that is known to the side offering the service, and for which the offering side can prepare and supply adequate service. In case of public administration and TQM, the administration has to provide the service to the community as a whole. The users thus become very diverse in many ways and it is not possible

to approach the user as individual. The problem becomes much more complex and the task is harder to realize.

Besides that, one of the obstacles to successful implementation of TQM in public administration is tradition. Well established habits and methods of work are hard to change from roots. It can be necessary to work on two fronts:

- On step – by – step, but constant introduction of new technologies of work
- On big systematic changes in the organization of the public administration

In first case, education in the field of use of computer technologies of a big part of the population is required. If the strategy is well planned, with several simple but successful starting steps, it is possible to increase the standards of public services and encourage the users to accept them.

In second case, systematic changes can be brought in by political decisions and direct influence of the government and its ministries. Having in mind that the reforms are implemented by the staff of the public administration, it is possible to provide efficient mechanisms for their implementation. In case of big structural changes, implementation of new technologies and new organization of work, there is usually a need for change in structure and number of employees, which can present a special problem. This means that this kind of reform should be observed within a bigger picture and followed by other measures, especially in the social domain.

## **Conclusions**

Quality public administration has to increase customer satisfaction with public services. It has to be done through transparent processes and accountability by use of democratic dialogue. It could be done through enriching conventional business concepts of quality by a democratic concept of quality which perceives public agencies as catalysts of civic society and citizens as part of a responsible and active civic society.

It is not difficult to conclude that various quality improvements in public administration have increased user satisfaction. At the same time, the financial crisis of 2007 to the present has resulted in a decrease in trust in national governments, parliaments and the civil services. This shows that there is no linear relationship between service quality and trust. As B. Bouckaert and Uusikylä [12] point out perceptions of quality come from very specific observations of public services whereas trust refers to the government machinery in general. According to them, it may be possible to establish a relation between satisfaction about a certain service and trust in that service but it is

not clear how satisfaction about specific services influences trust in government, especially since government cannot be considered as an accumulation of public services.

More broadly, an excellent public agency is not only excellent service provider, but it must be excellent in the discharging its political and social responsibilities its constituency. For example, excellent service provision does not guarantee that the streets are clean if citizens throw trash on the streets. It is necessary to teach children from an early age, at home and at school, appropriate civic behavior and manners in order to create a clean environment. Shortly, quality improvement requires a responsible civic society, too.

Quality indicators should not only focus on measuring service quality as provided by an individual organization but also on the service system, and the overall quality of life in a specific jurisdiction. [7].

TQM is not able to deliver public services more efficiently in all cases. It is also evident that its implementation can be fraught with a slew of inefficiencies. Its influence on important values that are cherished in the public sector could be destructive.

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