# PD50175

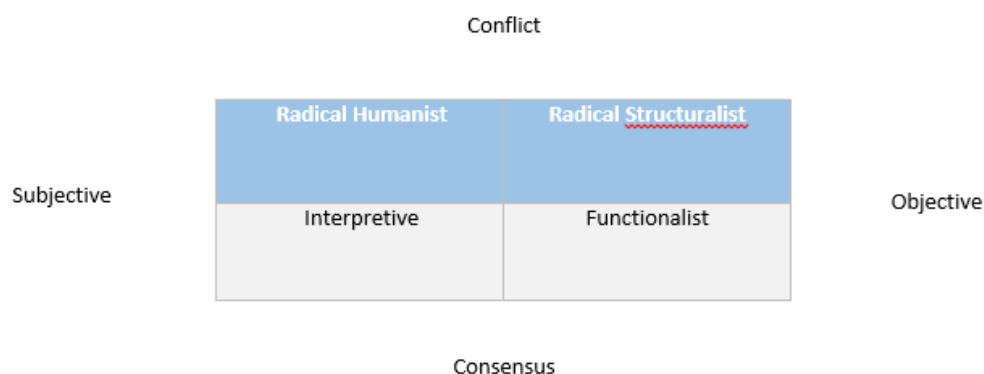# Leadership, Change and Organisational Development

# Unit 4

**Unit 4: Strategic Leadership and the External Environment**

## 1. Introduction

This unit focuses on strategic leadership, and the organisation's external environment and the impact of organisational performance and quality improvement, drawing from the previous three units. It also examines the role of leadership in developing a learning organisation and building organisational capacity in the pursuit of excellence within your organisation and/or community of practice.

The first thing that we would like you to look at concerning the interests of this unit is the relationship between strategic leadership and an organisation's external environment. Let's take a look at some of the key theories and ideas that underpin major schools of strategic thought.

It is perhaps best to start this exploration from the sociology of organisations perspective. In their seminal work Burrell and Morgan (2005), titled Sociological Paradigms and Organisational Analysis, they put forward that organisations can be analysed using a subjective-objective and an order-conflict dimension with respect to how they as social entities 'see' the world. What I am trying to say here is that Burrell and Morgan have developed a framework that helps to analyse how organisations see their world as falling into four general viewpoints, those shown in the diagram below:

Conflict

| | | |
|---|---|---|
| **Radical Humanist** | **Radical Structuralist** | |
| Interpretive | Functionalist | |

Subjective | | Objective

Consensus

Adapted from Burrell and Morgan (2005)

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From a sociological perspective, these key 'World Views' influence organisational behaviour as they reflect some of the values and views of the wider society. To do justice to these perspectives reading Burrell and Morgan (2005) would be the order of the day. However, a summary has been provided for you below:

*Functionalist Paradigm:* Is a view of the world based on seeing it from an objectivist point of view. The view is characterised by a concern for providing explanation of the status quo, social order, consensus, social integration, solidarity, need satisfaction and actuality.

*Interpretive Paradigm:* Is a view concerned to understand the world as it is and understand the fundamental nature of the social world from a subjective experience from the perspective of the participant rather than from the observer of action.

*Radical Humanist Paradigm:* This view of the world is defined by its concern to develop a sociology of radical change from a subjectivist standpoint. Places emphasis on radical change, modes of domination, emancipation and deprivation.

*Radical Structuralist Paradigm*: This view of the world is committed to radical change from an objective point of view, emancipation and potentiality, in an analysis which also emphasises structural conflict, modes of domination, contradiction and deprivation.

Why might such a framework be helpful to us in looking at strategic leadership you might ask?

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Well, I would contend in order to be able to analyse leadership and organisational development in context it is important that we have an understanding of organisations as social entities with a given social structure and that the values and norms of an organisation with being influenced by its social, economic, political and technological environment. This is what Durkheim (1893) referred to as *sui generis* ( a Latin phrase, meaning "of its own kind/genus") meaning that it has an identity of its own as an entity in its own right made up of the dominant values and norms of its social structure. So Durkheim argued that an organisation will be affected by the dominant values and culture of a society and called this influence the 'grand puppeteer'.

Can you see where these World Views are in relation to 'social organisations' you are involved with, e.g. family, friends and associations and work?

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**Activity 4.1**

4 Philosophical Questions - Answer Yes or No.

- Do you see the World as a place that needs harmony and balance?
- Do you see the World as a place that is always in conflict with itself and those within it?
- Do you think 'reality' is external to yourself and an objective truth?
- Do you think 'reality' is internal to yourself and therefore truth is subjective?

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In answering either yes or no, the above questions can help you consider where your own views might sit in relationship to the above sociological viewpoints. For example a response such as No, Yes, No and Yes would suggest that the view expressed sees the social world as always changing through people individually (subjectively) expressing their views and opinions (in conflict) with other individuals. Therefore, bring about mutually agreed on change (the inter-subjective basis of radical humanism).

An alternative response might be Yes, No, Yes and No which expresses the view that the social world is based on people gaining a consensus for change and this to be carried out in an ordered, rational way and that there is a higher order truth beyond that of the individual that is an objective reality.

We hope that this section has helped to make a connection between an organisation's values and culture and its external environment as the adage of 'the way we act in the world is based on how we see it' would appear to be axiomatic for individuals as well as for organisations.

### 2. Theories of Strategy: Four Competing Paradigms

### Strategic Management Theory

What is strategy and does it matter? This is a question that Whittington (1993) asks in his book of the same title in which he challenges some of the received wisdom purveyed in numerous books on Management. Rather he asks us to consider underlying ideology and worldviews that shape the way that strategy is formed and formulated. Let's take a more detailed look at what Whittington is telling us.

*The Classical Approach to Strategy*

This is the approach with which most of us are familiar; it is the most widely known, and it is the approach adopted in a wide range of management texts. It represents an approach to planning which has not changed very much since the origin of the term "strategy" in military usage, with the scenario of a general presiding at the top of a rigid military hierarchy where:

"Plans were conceived in the general's tent overlooking the battlefield but sufficiently detached for safety. These preconceived plans are executed according to commands transmitted through obedient hierarchies to the officers and men at the front; it is not for them to reason why, but simply to execute orders. The men are sent to do battle, and the objective is simple; victory. Conflict not cooperation is the norm.

Whittington (1998:15)

Complementary to the militaristic influences in the Classical approach which you can recognise in the above quotation is the idea of the rational economic man motivated by self-interest. This idea was contained for example in Adam Smith's "Wealth of Nations" where he expressed the view that personal self-interest was "inherent in the very nature of our being" and so "each individual is continually exerting himself to find the most advantageous employment of whatever capital he can command."

A definition of the classical approach, according to Chandler (1962) is:

> 'The determination of the basis, long-term goals and
> objectives of an enterprise, and the adoption of courses of
> action and the allocation of resources necessary for those
> goals'.

Mintzberg et al. (1998) draw these ideas of the militaristic tradition and the idea of rational economic man together in what he considers as the four "basic premises" which underpin Classical thought. These are:

- That strategy formation should be a controlled process of thought deriving directly from this notion of rational economic man.
- Responsibility for control and consciousness must rest with the chief officer/general/chief executive as the strategist reflecting both the military picture of the single general and the notion of rational economic man.

Strategies are seen basically as orders to be carried out.

Implementation is a distinct phase in the strategy process, only coming after the earlier phase of the explicit and conscious formulation.

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**Activity 4.2**

Has this been your idea or experience of strategy and its development?

Would the basic premises of the Classical approach lie easily with your organisation?

If not, why not?

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The period of greatest prominence for the Classical approach to strategy was the period in the 1960s which was characterised by steady growth in western economic and technological confidence. However, this confidence was dented by the largely unforeseen world oil shocks of 1974 and 1979 and the advances in new technology in the 1980s and 1990s. So as you recognise we are currently living in an era significantly different to the relatively stable and predictable conditions during which the Classical approach predominated. Do we not need, therefore, to question the view of strategy as a hierarchically conceived, rational, future-oriented long-term plan to be implemented by the "foot soldiers" for a great many reasons? The idea of strategy as a process of thinking rather than as an outcome lies more comfortable with our ideas of organisations today. Consider and contract the assertion below made by Mintzberg (1998:373) in Strategy Safari about a shift in thinking about strategy with that of Chandler above.

> "Strategy formation is judgemental designing, intuitive visioning, and emergent learning: it is about transformation as well as perpetuation: it must involve individual cognition as well as conflict: it has to include analysing before, and programming after as well as negotiation during, and all of these must be in response to what can be a demanding environment. "

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**Activity 4.3**

As you can see from the quotation above, Mintzberg's view of strategy formulation is at odds with the Classical approach. Think about the implications for you and for your organisation if you were able to take forward some of Mintzberg's ideas.

What would be the implications for the organisation?

What would be the implications for you in terms of the skills demanded from you?

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So we saw from the previous sections, discussions on sociological paradigms and strategic management and what influence they might bear of the world view of individuals and organisations. I would now like to extend this analysis by taking a look at four key strategic management approaches which differ quite fundamentally with respect to the emphasis they place on outcomes of strategy and the processes by which strategy is formed. We will begin with an overview of the four approaches, and you are asked, as you study this, to look for similarities and differences between the approaches, and also to connect what you read with situations and experiences in your own practice.

a) The Classical perspective that held sway from the 1960s onwards was strongly influenced by the military models and the concept of *economic man*, and by the "*organisation as a machine*" metaphor reminiscent of the scientific management school. (Morgan, 1986)
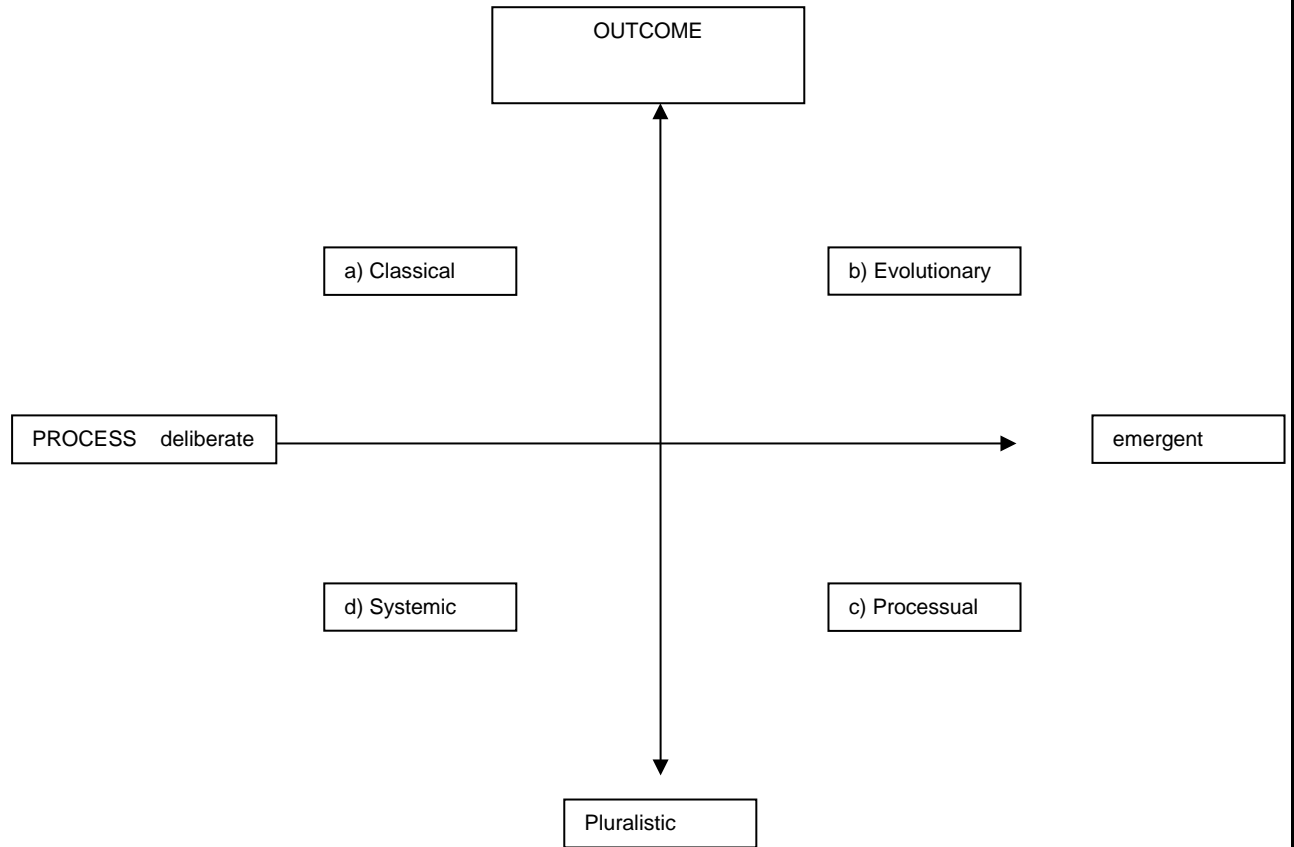
The Classical approach confidently prescribes a rational, detached, sequential approach to strategy and offers this as a universal norm for all of us. Success or failure is determined internally by the quality of managerial planning, analyses and calculation and its capacity to beat the opposition.

b) The Processualist perspective held sway in the 1970s drawing upon psychology as a discipline to raise doubts about the extent to which the model of the "organisation as a machine" was an appropriate model/metaphor. The Processualists share with the Classicists an inward-looking stance, but their inward-looking is more concerned with political bargaining processes, making patient adjustments to the organisation and the building of what the organisation needs regarding core competencies and capabilities of its members.

c) The Evolutionists that held sway in the 1980s which were characterised by increasing competition, and as a consequence the survival of the organisation was of paramount interest. In the era where competition, complexity and change were becoming more evident, questions were becoming raised about the appropriateness and effectiveness of medium and long-term planning, and interest was being renewed about Darwinian ideas on survival. Drawing from biological and economic disciplines, attention was being directed for example to the pressing concerns of day to day viability, survival and keeping options open.

d) The Systemic perspective became evident in the 1990s proposing that if we want to understand what is going on in our organisation and among our competitors, then we need to be more sociologically sensitive. In previous decades the influence of Systemic approaches had been peripheral, but during and since the 1990s it has become much more prominent, taking a relativist position and arguing that strategy making depends very much on the social context and therefore should be undertaken with sociological sensitivity.

To illustrate the basic similarities and differences between the four paradigms, Whittington presents the model given below. He suggests that "the four paradigms differ fundamentally along two dimensions, the outcomes of strategy and the process by which it is made. These differences can be depicted according to the intersection of the two axes. The vertical axis measures the degree to which strategy either produces profit maximising outcomes or deviates to allow other possibilities to intrude. The horizontal axis considers processes reflecting how far strategies are the product of deliberate calculation or whether they emerge by accident, muddle or inertia.

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| | OUTCOME | |
|---|---|---|
| a) Classical | | b) Evolutionary |

PROCESS    deliberate ──────────────────────────────→ emergent

| d) Systemic | | c) Processual |

Pluralistic

Generic perspectives on strategy: Whittington (1997:3)

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**The Four Approaches in a Little More Detail**

a) Classical

Although the Classical approach can be seen to draw its assumptions from the militarist ideals of Ancient Greece and the economics of eighteenth-century Scotland, the rational planning model it offers is still attractive to many organisations, particularly those who value a strong hierarchical leadership. For the Classical school, the strategy is best made through rational analyses undertaken one step removed from the hurly-burly of the action. This detached, rational viewpoint, however, is challenged by the Evolutionists who warn that to invest in any single strategic plan is to court disaster and instead options should be kept open. The Processualists to challenge the detached approach of the Classicists, seeing effective strategies as emerging directly from intimate involvement in everyday operations, while the Systemic approach argues that strategies must be related to the particularity of the social context!

b) Evolutionists

Evolutionists criticise classical economic theories of competition as too simplistic, sterile, abstract and unrealistic.
"Competition is not a matter of detached calculation but a constant battle for survival in an overpopulated, dense and steamy jungle ... human beings may be at the top of the ecological chain, but they are still members of the ecological community."

So for the Evolutionists, strategy, as conceived by the Classicists, can be a dangerous delusion. In the Darwinian sense if there is a process of natural selection then underperformers will be sifted out. So as an alternative to spending (or perhaps wasting) time on a major long-term strategy, the

An evolutionist would not place so much attention on trying to anticipate change, outguess the market and outmanoeuvre the opposition. Instead, there would be an encouragement to experiment with many different smaller initiatives and wait to see which would flourish and which would fail. The organisation could then build on the successes and prune the failures - in other words letting the environment do the selecting.

c) Processual

The Processualists share some scepticism with the Evolutionary approach about the Classical rational decision-making process. The foundations of the Processual approach derive from the American Carnegie School and most prominently Richard Cyert, James March and Herbert Simon.

Processualists agree about the futility of Classicist's long-term planning but are less pessimistic about organisations which do not find an appropriate environmental fit. This criticism of the Classical approach centres around the human ability to consider more than a handful of possibilities at any one time. They also point to our human bias when interpreting data to do so according to what our personal preference is, and being very much prone to accept the first satisfactory option which is presented. Laudable sentiments such as 'environmental scanning', 'data analysis' and 'comparison of strategic options' tend in practice to be flawed and incomplete. Processualists query the merit of the jargon and the rationality of human nature and point to the frequency of decisions being made on the basis of alliances and trade-offs.

In addition, the Processualists point to the fact that in practice Classical sequence of the formulation of strategy first and implementation second, often gets reversed and in fact what counts as strategy is actually discovered in action, in what we can or are able to do. The sources of superior sustainable performance for an organisation more often lie internally in our capacity to exploit our distinctive resources, rather than externally in attempting to position our organisation in the right place, the right markets. In this case, "strategy" involves building core competencies within the organisation rather than chasing every opportunity. In this Processualist view strategy becomes a process, of being inwardly aware, and has many characteristics of a craft rather than a science.

"Doubting top managers' capacity to prescribe effective strategies in the splendid isolation of their executive suites, Mintzberg (1987) proposes the metaphor of strategy as a 'craft'. The craftswoman is intimately involved with her materials: she shapes her clay by personal touch, imperfections inspire her to artistic improvisation, hands and mind work together in the process of constant adaptation. So should it be with strategy? In a world too complex and full of surprises to predict, the strategist needs to retain the closeness, the awareness and the adaptability of the craftsperson, rather than indulging in the hubris of long-range planning. For Mintzberg, crafting strategy is a continuous and adaptive process, with formulation and implementation inextricably linked. "

d) Systemic Perspectives on Strategy

In contrast to Evolutionary and Processual theorists, Systemic theorists retain faith in the capacity of organisations to plan and act effectively in their environments. But they differ from the Classicists in their refusal to accept Classical rationality. They place importance on the sociological context in which the organisation operates.

"A central tenet of the Systemic theory is that decision makers are not simply detached calculating individuals interacting in purely economic transactions, but people rooted deeply in densely interwoven social systems.
In the Systemic view, the norms that guide strategy derive not so much from the cognitive bounds of the human psyche as from the cultural rules of the local society. The internal contests of organisations involve not just the micropolitics of individuals and departments but the social groups, interests and resources of the surrounding context. The variables of the systemic perspective include class and professions, nations and states, family and gender".   Whittington (1997: 28)

The Systemic theorists challenge the universality of any single mode of strategy. They take a more relativist stance than the Classicists, arguing that both the ends and means of strategy depend upon the character of the prevailing social systems and therefore in some social contexts even the rationality of the Classical theorists may be appropriate.

For professional practitioners the particular advantage of the Systemic approach lies in its heightened sociological sensitivity and in alerting individual practitioners:

> *"to the key elements of the social systems in which they work,*
> *the Systemic approach can widen the search for resources and*
> *deepen the appreciation of competitors. Every strategist should*
> *analyse his or her immediate social system in order to grasp the*
> *variety of social resources and rules of conduct available."*
> *(ibid:38)*

In exploring their situation sociologically, sensitised practitioners can, for example, exploit the Classical approach to strategic management where it can provide technical answers or by the enhanced legitimacy which glossy displays may offer. In planning, moves and countermoves systemically aware practitioners would not assume that a competitor's perspective would be the same as one's own, and would recognise that a competitor's political power may be as important as the quality of goods or services.

With increased globalisation, there is an increasing need for a systemic sensitivity to the diversity of cultures and practices. The Classical approach has emerged as culturally highly specific, originating as it did in Du Pont and General Motors in the USA in the 1920s, and though it may work well in certain contexts and through the inclusion of Classical rationality in strategy planning will continue to have its place, it will not translate everywhere or all the time. This is the significant point. The rich complexity of most societies now offers a plurality of resources and norms of conduct which are capable of enabling and legitimising a range of organisational patterns and behaviours. This opens up the potential for strategists to build unique and creative strategies.

Peter Senge (1990: 3), a leading advocate for systems thinking as the bedrock for organisational leadership, argues learning organisations are:

> '…organisations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together.'

The dimension that distinguishes learning from more traditional organisations is the mastery of certain basic disciplines or 'component technologies'. The five that Senge identifies are said to be converging to innovate learning organisations. They are:

- Systems thinking
- Personal Mastery
- Mental models
- Building a shared vision
- Team learning

**Systems thinking – the cornerstone of the learning organisation**

A great virtue of Senge's work is the way in which he puts systems theory to work. *The Fifth Discipline* provides a good introduction to the basics and uses of such theory – and the way in which it can be brought together with other theoretical devices in order to make sense of organisational questions and issues. Systemic thinking is the conceptual cornerstone ('The Fifth Discipline') of his approach. It is the discipline that integrates the others, fusing them into a coherent body of theory and practice (*ibid.*: 12). Systems theory's ability to comprehend and address the whole, and to examine the interrelationship between the parts provides, for Senge, both the incentive and the means to integrate the disciplines.

We learn best from our experience, but we never directly experience the consequences of many of our most important decisions', Senge (1990: 23) argues with regard to organisations that we tend to think that cause and effect will be relatively near to one another. Therefore, when faced with a problem, it is the 'solutions' that are close by that we focus on. Typically we look to actions that produce improvements in a relatively short time span. However, when viewed in systems terms, short-term improvements often involve very significant long-term costs.

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For example, cutting back on research and design or staff development can bring very quick cost savings, but can severely damage the long-term viability of an organisation. Part of the problem, Senge argues, is the nature of the feedback we receive. Some of the feedback will be reinforcing (or amplifying) – with small changes building on themselves. 'Whatever movement occurs is amplified, producing more movement in the same direction. A small action snowballs, with more and more and still more of the same, resembling compound interest' (Senge 1990: 81). So, we may cut our advertising budgets, see the benefits in terms of cost savings, and in turn further trim spending in this area. In the short run, there may be little impact on people's demands for our goods and services, but longer term the decline in visibility may have drastic results. An appreciation of systems will lead to recognition of the use of, and problems with, such reinforcing feedback, and also an understanding of the place of balancing (or stabilising) feedback.

Senge advocates the use of 'systems maps' – diagrams that show the key elements of systems and how they connect. However, people often have a problem 'seeing' systems, and it takes work to acquire the basic building blocks of systems theory, and to apply them to your organisation. On the other hand, failure to understand system dynamics can lead us into 'cycles of blaming and self-defence: the enemy is always out there, and problems are always caused by someone else' (Senge 1990: 231).

When discussing strategy as a contested concept, you will be aware of the discussion ending on a knife edge of advantages and disadvantages. We close this section of the Unit by reference to the Mintzberg *et al.* (1998) text "Strategies for Better or Worse" in which he examines the advantages and disadvantages of familiar views.

The strategy sets direction - it can change the course, but any predetermined course in unknown waters can take us on collision with an iceberg!

The strategy focuses effort - otherwise, people could be pulling in different directions, but without peripheral vision, the strategy can become too heavily embedded in the fabric of the organisation.

The strategy defines the organisation - it provides a convenient way to comprehend what the organisation does, but it can be defined too simply so that the rich complexity is lost.

The strategy provides consistency - it reduces ambiguity and provides order simplifying and explaining what is going on, but creativity thrives on inconsistency - by finding new combinations of hitherto separate phenomena. Strategies like theories are not reality. No one has ever touched or seen a strategy so that the price of having a strategy can have a misrepresenting or distorting effect. This is the price of having a strategy!

## 3. Problem Solving, Continuous Improvement and Sustainable Leadership

Picking up on the work of Senge (1990) and Dixon (1999) around the importance of taking a systems approach to organisational development, Grint (2008) developed a view that when considering any organisational change we should take account of the nature of the problem that is being addressed. Grint advocates that organisational problems, in the main, can be categorised into three types: Tame, Critical or Wicked.

*Critical Problem* – that is a crisis by its nature requires very little time for decision-making and action and is often associated with an authoritarian approach to problem resolution. Here, there is no uncertainty about what needs to be done and takes unilateral action that does not require consultation and discussion with followers.

Examples of a Critical Problem would be a major train crash, a military attack or a loss of employment, etc.

*Tame Problem* – may be complicated but is resolvable through unilinear acts and is likely to have occurred before. Therefore, there is a limited degree of uncertainty concerning the problem, and it can be dealt with as a management issue. Grint suggests that Tame Problems are similar to puzzles for which there is always an answer, so the manager needs to apply the appropriate standard operating procedure (SOP) to solve the problems. Examples here would be timetabling the railways, building a school, training an army, planned heart surgery, etc.

*Wicked Problem*- is complex rather than complicated meaning it cannot be removed from its environment, solved, and then returned without affecting the environment, so we need to look for a systemic solution. Also, there is no clear relationship between its cause and effect. Grint argues that this type of problem is intractable such as trying to develop the National Health Service (NHS) based solely on a scientific approach – that is providing everyone with all the services and medicines they require based on medical need. But with all the non-medical aspects of running the NHS such as an ageing population, advances in medical knowledge and expertise and an infinite demand on finite resources. There cannot be a scientific solution to the problem of the NHS as we cannot provide everything to everybody and at some point, there has to be a decision about who gets what under what criteria, a political decision. Grint goes further to discuss that a Wicked Problem needs to be explored and considered collaboratively and the leadership role is to facilitate this with those that have a key stake in the problem.

Grint suggests that in most texts you read about change management the following '10 Commandments' would be key elements of any process:

- An accepted need to change
- A viable vision/alternative state
- Change agents in place
- Sponsorship from above
- Realistic scale and pace of change
- An integrated transition programme
- A symbolic end to the status quo
- A plan for likely resistance
- Constant advocacy
- A locally owned benefits plan

Grint argues that such a recipe is rational, but in the vast majority of cases, it does not work. General formulas do not work because all situations are uniquely different and therefore have to be tailored to the specific organisational context and the specific problems it is facing.

Grint's thesis is that a way forward is in the analysis of the type of problem or problems an organisation is facing and how management and leadership should be applied to finding solutions to these problems.
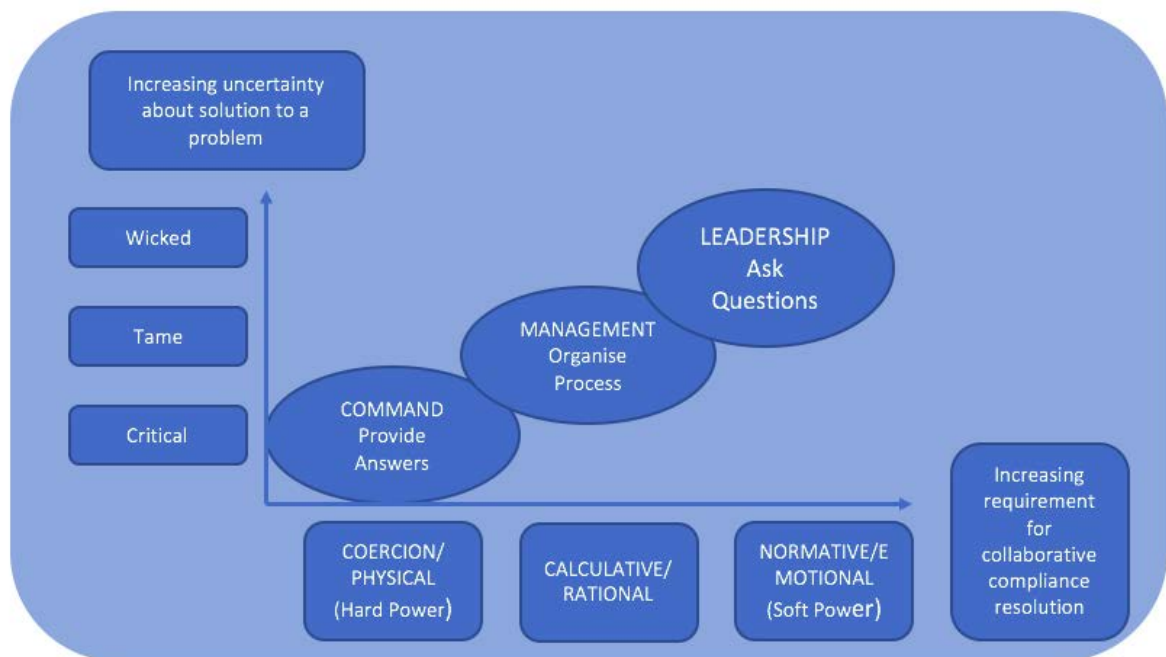
Fig. Typology of problems, power and authority

The diagram above taken from Grint (2008) shows what he argues is the relationship between the 'wickedness' or increasing uncertainty about any solution to a problem and the need for increasing requirement for collaborative compliance and resolution. As shown this has implications for consideration to the relevant management and leadership approach taken to address the problem and has resonance with what was discussed in Unit 2 of this module concerning theories of leadership.

**Continuous Quality Improvement**

In the next section, we want to look at the influence and ideas of the schools of thought outlined above on continuous quality improvement and quality assurance. As we have seen in our discussions about the schools of strategic development and management, there has been a move away from traditional hierarchical forms of organisational leadership and management to those that are flatter with more distributive leadership and delegation.

This change has arguably come about because of the changing environment that organisations find themselves in with respect to changes in the political, economic, social and technological environment which require responses and changes to organisational structures and systems. One such key development has seen organisations change their structures from top-down command and control hierarchies to what has become known as the 'inverted pyramid'. The major change is that senior management is there to provide strategic direction, support and provide direction to those that work at the 'front-line' or customer/client interface of the organisation. A more systemic approach to the operation of the organisation is pursued, and quality assurance and continuous improvement become a devolved responsibility across the organisation.

The following section now looks at concepts and models of quality improvement that have been influenced by this thinking and by the work of key exponents of quality management such as Deming (2000) and Juran (1998).

Deming (2000) thought that by adopting appropriate principles of management, organisations could increase quality and simultaneously reduce costs (by reducing waste, rework, staff attrition and litigation while increasing customer loyalty). The key is to practice continual improvement and think of the organisation as a system, not as bits and pieces.

In the 1970s, Deming's philosophy was summarised by some of his Japanese proponents with the following 'a'-versus-'b' comparison:

When people and organisations focus primarily on quality (defined by the ratio below), quality tends to increase, and costs fall over time. However, when people and organisations focus primarily on *costs*, costs tend to rise, and quality declines over time.

Juran (1998) was one of the first to write about the cost of poor quality. This was illustrated by his "Juran trilogy", an approach to cross-functional management, which is composed of three managerial processes: quality planning, quality control and quality improvement. Without change, there will be a constant waste, during change there will be increased costs, but after the improvement, margins will be higher, and the increased costs get recouped.

The following models of quality improvement have been informed to an extent by the work in this area of Deming and Juran since their seminal work in the area of quality improvement the latter part of the last century.

**'Kaizen'**

Perhaps the most widely known Japanese business term is Kaizen, which is frequently translated as "continuous improvement".

Kai can be translated as 'modify' and zen as 'goodness'. Kaizen applies anywhere and everywhere in the organisation and can arise from an individual, team or another group. The principle of Kaizen is of fundamental importance as it indicates a distinct management and organisational philosophy that respects the professionalism and autonomy of workers.

The closest systematic educational equivalent of Kaizen, apart from the improvements that teachers routinely make to their own practice as part of their continuing professional development as reflective practitioners, is the notion of action research.

Continuous improvement, in education as in Japanese industry, concerns improving people and improving systems and processes. In educational terms, this implies ongoing continuous professional development which is the central pillar of sustaining and meeting the demands of change.

It is the task of management to create conditions so that Kaizen can be utilised to its maximum, both to the benefit of the individual and the company. A key feature both for business and for education is that of a win/win situation – wherein both the company can benefit from having the worker's contribution, and the individual can benefit from being valued and being able to contribute positively to the organisation, thereby enhancing motivation,

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**Activity 4.4**

Whilst it is advisable to be aware of the potential dangers of embracing Japanese practices, they are nevertheless successful.

Consider the important implications and advantages/disadvantages of 'Kaizen' for your organisation and/or community of practice.

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To be fully effective, all organisations need to demonstrate that they deliver 'quality' and high standards. One of the major areas for change in industry in the last three decades has been the push for quality. Commercial organisations traditionally differentiate themselves through their ability to deliver consistently higher quality than their competitors.

There has also been a drive for quality in the public sector over the same period with 'value for money', 'accountability' and 'market forces' being key players in this field. There are many and varied definitions of 'quality'. For example:

- Excellence
- Fitness for purpose
- Effectiveness in achieving institutional goals
- Meeting customers' needs, implied needs and specifications
- Understanding what the customer needs and values
- Improving a product or service
- Being better than competitors

- Identifying weaknesses and failures and exercising them
- High customer/consumer satisfaction

- Ensuring effective delivery
- Providing effective staff development and support
- Sustainability
- Adaptability
- Fitness for purpose
- Relevance and being up-to-date.

**Quality Control**

Quality control attempts to create quality by identifying and eliminating those products which do not conform to specifications or requirements; it inspects-in quality and inspects-out mistakes. Quality control is essentially a post hoc matter, it is product focused, inspectorial and regards quality as a 'bolt-on' rather than as a 'built-in' matter, i.e. it is reactive rather than proactive. It seeks the reliability of a standard outcome and is designed to ensure that products and outcomes meet the minimum defined (threshold) standards and to ensure that substandard products are rejected. (Morrison 1998:84)

Quality assurance avoids having 'rejects' and failures; it focuses on prevention; it is more humanistic and collegial; it enables people to understand their work better. Therefore it is empowering and can make for flexibility. Quality assurance is aimed at diverse needs; it encourages innovations and development; it has long-term benefits; it is more supportive and less coercive; it is rooted inside the institution. Quality assurance is a continuous, rather than 'one-off' process; it promotes teamwork, and people are more accepting of advice and criticism; it is a 'bottom-up' process; it replaces the reporting/description of successes and failures with the explanation for successes and failures.
(Morrison, 1998:85)

**Activity 4.5**

You should consider the following statement:

*'Quality' cannot be imposed from outside the institution.'*

- What are your views on this statement?
- Which of the definitions of quality apply to your organisation and why? (You might wish to add to the list of definitions. If so, what would you add and why).

Carry out an analysis of the main differences between quality assurance and quality control. For example,

Quality assurance: collegial and participatory

Quality control: authoritarian and directive.

There is the notion that quality and quality improvement can meet several agenda simultaneously. Quality assurance and quality improvement are multifaceted, and it has been suggested that to search for simplistic definitions is fruitless.

**Defining Total Quality**

Total quality has existed in one form or another for fifty years, but it is only since the mid-1980s that its application to the public sector has been considered a significant option.

One of the major problems with the total quality movement is that it has developed many of the characteristics of a religious movement. There are factions, schisms, apostles, disciples, creeds and heretics. This does little to recommend it to the cautious or wary. Marsh (1992) in Fleming and Amesbury (2012) offers the most useful definition:

> 'Total quality is a philosophy with tools and processes for practical implementation aimed at achieving a culture of continuous improvement driven by all employees of an organisation in order to satisfy and delight customers.'

A systematic inspection of this definition provides greater insight into the nature of total quality.

**Philosophy**

Total quality is a conceptual model which has to be applied to give it meaning. However, its distinctive nature is best expressed in the notion of the total. Whatever an organisation does, its values and operating procedures should apply to everybody all of the time.

**Tools and processes**

Total quality does not operate by exhortation but, rather, offers specific techniques to help to translate principle into practice – the abstract into the concrete experience. Thus the philosophy is underpinned by the means to implement it.

**Continuous improvement**

This is the core tenet of total quality, the principle that the purpose of leadership and management is to improve, enhance and develop products and services and not to perpetuate a perceived level of acceptability.

**All the employees**

Total quality argues for the significance and responsibility of every employee. This challenges the notion of hierarchical control and omnicompetent management.

**Satisfy and delight customers**

This is the distinctive characteristic of total quality; the organisation not only exists to satisfy its customers' needs but also accepts a responsibility to extend and enhance their expectations. (Davis and Ellison: 1999)

Below are some examples of approaches to 'quality validation' currently utilised within the private and public sectors in Scotland, the UK and Europe:

- Total quality management (TQM)
- Kite-marking (e.g. ISO 9000 series/BS 5750)
- Investors in People (IiP)
- European Foundation for Quality Management (EFQM)
- How Good is Our School? (HGIOS?)
- Model for Improvement
- Balanced Scorecard

**Total Quality Management (TQM)**

Building on American and Japanese practices and adapted to the U.K. context by Oakland in 1989, TQM integrates principles applicable to many organisations. TQM emphasises people, ethos and culture as well as quality systems. TQM places the whole organisation high on the agenda, and its approach is based on team development and the achievement of a broader vision by all participants. It is premised on the development of and commitment by all members to continuous improvement. TQM focuses on the principles of:

- Continuous improvement
- Leadership
- Teamwork

- Driving out fear
- Measuring variation as a key to achievement
- Breaking down barriers
- Constancy of purpose
- A driving vision

TQM emphasises the development and maintenance of effective systems while stressing the whole organisation commitment to improving on a continuous basis must be accompanied by development opportunities. In the creation of a 'quality' culture the emphasis is on shared values, the importance of relationship and systems, the need for measures of quality to be established, the need to draw on and develop participants' experience of quality, and shared responsibility for quality development and problem-solving.

The TQM approach is sometimes regarded as mechanistic, treating the organisation as a system rather than as a vibrant culture. Criticisms of the TQM approach suggest that it is far too activity centred rather than results centred.

**Kitemarking (e.g. BS 5750/ISO9000 series)**

The early charter mark was BS 5750; this was superseded from 1992 by ISO 9000 and EN 2900. BS 5750 is a set of 20 clauses that are designed to ensure that each stage of production is subject to quality audit and development in order to ensure fitness for purpose and conformance to requirements.

The ISO 9000 series is modelled on BS 5750, particularly in connection with the 20 clauses of BS 5750 as, in many respects, these are the same in ISO 9000.

This approach provides a 'kite mark of quality' based on an assessment of how organisational systems are developed to support consistency and quality in 'product delivery'. These forms of external accreditation which require comprehensiveness, specificity and rigour of work systems and practices in order to ensure consistent performance. They work on the principle of definition in order to eliminate errors and thus remove the possibility of variation.

The thinking process of accreditation is that staff should:

- Explain what they are doing
- Say why they are doing it
- Do what they say they are doing
- Change those features which are not working properly, recording what has been done.

Assessment is undertaken by qualified independent registrars or counsellors and is based upon:

- A defined organisational structure (e.g. identified line management responsibilities)
- Internal quality audits (e.g. mapping of strengths, weaknesses and development needs)
- Management review (e.g. reviewing outcomes and key management issues)
- Formal staff training.

Critics of this systems-based approach argue that it lacks flexibility and becomes too rigid in 'people-centred' situations.

**Investors in People (IiP)**

This approach is based on the application of TQM principles, focused on staff development philosophies. It was established in 1991 by the Confederation of British Industry. IiP provides organisational accreditation, supported and assessed by external mentors and assessors. Although systems-based, it links well with staff development structures which lead to a training and development focus for people management and a concentration on improvement through collaborative action.

Investors in People is premised on four principles:

- Making the commitment: An IiP is fully committed to developing its people in order to achieve its aims and objectives
- Planning: An IiP is clear about its aims and objectives and what its people need to do to achieve them
- Action: An IiP develops its people effectively in order to improve its performance
- Monitoring and evaluation: An IiP understands the impact of its investment in people on its performance.

Organisations choose IiP because it delivers the results. Organisations which meet the IiP Standard need to demonstrate that their investment in people is effective because:

- They are committed to developing their people
- They have clear goals and make sure that everyone understands them
- Their investment in people directly helps them to meet those goals

- They understand the impact their investment has on their performance.

To gain the IiP award, an organisation must:

- Develop, document and communicate its objectives and expectations
- Ensure that the necessary staff development is provided in order to enable the objectives to be met
- Implement the plan for meeting the objectives
- Assess the impact of the programme and staff development on the performance of the organisation
- Review this assessment in order to plan subsequent developments.

IiP is all about success. It is a practical tool that can help an organisation to harness training and development to meet its goals. Gaining an IiP award is a respected badge of quality that is appreciated by staff, customers and investors.

In education, IiP has probably achieved wider acceptance because it is demonstrably consistent with development planning, continuing professional development and staff review and development.

Retrieved from https://www.investorsinpeople.com

**European Foundation for Quality Management**

The European Foundation for Quality Management's (EFQM), self-review model, has been widely accepted by commercial organisations in Europe. The model is based on an analysis of the components of management in successful organisations. The key components are classed as enablers, including processes, which produce results. Processes are the mediating force between enablers and results. Enablers and results each carry 50% for the award.

The EFQM model is an integrated and holistic approach to identifying the components of quality management and indicating their interrelationship and relative significance. Further information can be accessed at the European Foundation for Quality Management website www.efqm.org )

**How Good is our School? (HGIOS?)**

This self-evaluation model was first published in 2002 and has had several updates, the most recent in 2007.

The latest set of Quality Indicators continues to provide the core tool for self-evaluation for all schools in Scotland. The indicators within '*How good is our School?'* reflect the developing context within which Scottish early years settings, education authorities and children's services now operate.
The emphasis on impact and outcomes reinforces the principle that self-evaluation is not an end in itself. It is worthwhile only if it leads to improvements in the educational experiences and outcomes for children and young people and the maintenance of the highest standards where these already exist. *HGIOS?* builds on good practice in schools and classrooms across Scotland and internationally, and is designed to help staff to evaluate their current performance along with identifying priorities for action.
Schools and pre-school centres are now part of a wider partnership of professionals, all of whom deliver a range of services to children. Therefore, the latest edition of *HGIOS?* has evolved by adopting a framework for self-evaluation common to all public services and structured around six questions which are important for any service to answer.

Self-evaluation becomes a reflective professional process which helps schools to get to know themselves well, identify their agenda for improvement and promote well-considered innovation (Donaldson, 2007:3).

**Self-evaluation**

Self-evaluation should not a bureaucratic or mechanistic process. It should be a reflective professional process through which organisations get to know themselves well and identify the best way forward. It will, therefore, promote well-considered innovation.

Self-evaluation is forward-looking. It is about change and improvement, whether gradual or transformational and is based on professional reflection, challenge and support.

At the heart of many self-evaluation tools are three questions:

- How are we doing?
- How do we know?
- What are we going to do now?

The indicators in the latest edition of How Good is Our School 4 (*HGIOS 4)* are three themes for school improvement:

- Leadership and management: How good is our leadership and approach to improvement?
- Learning provision: How good is the quality of the care and education we offer?
- Successes and achievements: How good are we at ensuring the best possible outcomes for all our learners?

The quality framework provides a structure for self-evaluation which can be used in different ways.

The framework of indicators is designed as a tool to help with evaluating and improving the quality of education which we provide for all learners. The framework covers all aspects of a school's work and are grouped under three headings: the school's successes and achievements, its life and work, and its vision and leadership.

It is recommended that you take the opportunity to view the framework which is available at

https://education.gov.scot/improvement/documents/frameworks_selfevaluation/frwk2_nihedithgios/frwk2_hgios4.pdf

## Model for Improvement (PDSA)

The Model for Improvement as development by Langley *et al.* (2009) draws from the work of Deming discussed earlier in this unit; it is the improvement model that is currently guiding quality improvement within the NHS in the UK. It is predicated on three key question areas: what are we trying to accomplish; how will we know if a change is an improvement; and what changes can we make that will result in improvement, and applies the PDSA (Plan, Do, Study, Act) process to carry out a test for change.

More information about this model and how it is being used within the NHS is available at the link below.

http://www.qihub.scot.nhs.uk/knowledge-centre/quality-improvement-tools/model-for-improvement.aspx

**Activity 4.6**

If your organisation and/or community of practice already has a quality assurance framework in operation like the ones illustrated above, evaluate its success.

If there is not one in place, consider which might be the most appropriate framework for your organisation and why?

What are the advantages and disadvantages of each of the main approaches to 'quality validation'?

Compare and contrast two of the main approaches?

Do these approaches align with strategic leadership and organisational performance discussed earlier in this unit?

**Summary**

Total quality is not a panacea; more organisations have failed than have succeeded to implement it. What it offers is a means of conceptualising leadership and management and of translating the rhetoric of effectiveness into practical, specific and relevant processes.

An essential component of the total quality process is the identification and agreement of core purpose, vision and values and the means of achieving them. Total quality as a concept is rather like democracy – many claim it but few put it into practice! (Davies and Ellison, 1999:134)

**Final Thoughts**

"We cannot solve the problems that we created with the same thinking that created them." Albert Einstein

One way for leaders to leave a lasting legacy is to ensure it is developed with and shared by others. This means distributing leadership throughout a professional community.

The best companies search for potential leaders and then expend considerable time, energy and money to prepare them for leadership. This seems to have been lacking in education where there is an inability or an unwillingness to invest in leadership succession. There is a move now to recruit and develop the leaders of the future. The job of a good leader is to 'talent spot', to give people opportunities to be stretched, to undertake leadership development, to be a supportive mentor and a good role model and, finally, to give honest and constructive feedback as people also need to learn from negative experiences.

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