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**INVOLVING EMPLOYEES IN TOTAL QUALITY MANAGEMENT: EMPLOYEE
ATTITUDES AND ORGANISATIONAL
CONTEXT IN UNIONISED ENVIRONMENTS**

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Within the project team the primary burden fell on Margaret Collinson. She handled the great majority of negotiations for access. As the report describes, access proved much more difficult to achieve than we had anticipated, and our eventual success reflected her enormous skills and determination. Margaret also carried out all the management interviews and the distribution and collection of our questionnaires. The questionnaire was based on a similar instrument which Chris Rees was using in his doctoral work. As well as playing a key role in adapting it for the present study, Chris provided much of the analytical framework for the study, as described in Chapter 1. We would also like to acknowledge the work of our former colleague John Geary, whose studies provided the foundation for our own approach. The task of data analysis was carried out by Linda Inness. Not only did she conduct the routine operations with great skill but she also devised coding frames for open-ended questions and wrote up the results. Her interest in the substantive analysis went well beyond the call of duty. Paul Edwards was responsible for the bulk of the statistical analysis. The report itself was written jointly. I am very grateful to all my colleagues for the dedication which they have shown.

The greatest debt in studies of this kind is, of course, to managers and employees within the six organisations studied. Many were under great pressure from the demands of their work but they participated willingly and openly. We found several other organisations which were willing to discuss the outlines of their quality initiatives but which became very coy when we suggested independent analysis of employees' reactions. The present six organisations were brave enough to submit themselves to independent scrutiny. We are particularly grateful to personnel in Severn Trent, Lewisham and Philips, where our most detailed inquiries were conducted.

Though we have compared results systematically, we have tried to avoid the temptation to rank responses as 'better' or 'worse'. In particular, we have stressed the importance of context, so that an organisation scoring 'badly' may in fact be doing 'well' once the circumstances of its quality initiatives are taken into account. We hope, therefore, that all six will find the report of interest and value.

The opinions expressed are those of the authors and are not necessarily held by the ED, the DTI or by the participating companies. Any remaining errors are also the authors' responsibility.

Paul Edwards
November 1996

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Summary

1. Context, aims and methods

Total quality management has been a leading development of the 1980s and 1990s. The core of TQM comprises: a focus on the customer, the improvement and inter-linking of business processes, and continuous improvement. Surveys find that almost three-quarters of organisations claim to have formal quality programmes which are believed to work by increasing employees' interest in their jobs and their understanding of how their work contributes to organisational goals. Existing research falls into two types:

- prescriptive texts, which assume a welcome from employees;
- critical studies, which either (a) equate TQM with intensified managerial control under the pretence of empowerment or (b) accept that TQM can be effective, but argue that in practice poor implementation has undermined this promise.

The aims of this study were to:

- cover a range of organisations, which were not familiar 'leading edge' examples;
- provide systematic information on employee responses;
- assess strengths and weaknesses in TQM;
- examine the conditions which promote or retard successful implementation.

The Case Study Organisations

Private services:	Severn Trent Water Halifax Building Society
Public sector:	Lewisham Borough Council South Warwickshire NHS Trust
Manufacturing:	British Steel (Shotton Works) Philips Domestic Appliances (Hastings plant)

Six organisations were studied during 1995. Interviews were conducted with managers and trade union officers. A total of 280 employees

responded to a questionnaire survey. In addition, in some cases informal interviews with workers were conducted.

2. Favourable employee responses to quality management

All six organisations had identifiable quality improvement programmes. In all cases, there was a favourable employee response to the broad principles of quality management. Acceptance of quality stood out in four ways.

Awareness of the importance of quality. More than four-fifths of the sample saw quality as the crucial issue for their organisations or as very important. Seventy per cent (and four-fifths or more in the cases of Severn Trent and the Halifax) had been in favour of the specific quality programme in their own organisation. As against the view that cynicism creeps in, very few reported becoming more unfavourable.

Active involvement in quality programmes. Almost two-thirds felt that employees had a 'great deal' or a 'fair amount' of influence over quality, and over 70 per cent felt that their own involvement in problem-solving had increased. Five employees in six identified the presence of meetings designed for problem-solving.

Opinions on quality

'The Trust is competing for business, and quality is a key determinant of success.'

'Meetings give an opportunity to explore issues which normal working restraints don't allow.'

Training. Three-quarters of respondents reported at least a week of training in the previous years. Half had experienced an increase in training in the recent past, with a particularly marked increase at British Steel. However, training which specifically focused on quality and the related issue of team working was far from universal. It was seen as the main purpose of training by only 21 per cent of the sample. There was a very clear tendency for experience of this specific form of training to be associated with favourable views of quality initiatives.

Communication from management. 72 per cent of the sample felt that there had been an increase in communication activity recently. The most favourably evaluated method was team briefing, followed by informal communication with individual managers. It was direct, face-to-face, communication which employees most valued.

3. The limited pretensions of management

Supporters and critics of TQM focus on the claim that it 'empowers' workers in the sense of giving them the resources and discretion to make their own decisions. We found a much more pragmatic view. Managers almost without exception denied that the term empowerment was used or that their goal was the ceding of complete discretion to the shop or office floor. The structure of authority was not radically changed by the TQM initiatives, and managers and supervisors continued to exercise traditional powers.

Managers' views of empowerment were encapsulated in these comments:

Empowerment is not a word used at local level. We can and do involve people more but we need to have constraints.

Staff are encouraged to talk to me about anything, but empowerment wouldn't mean a lot to anyone here.

Employees don't feel empowered; there are still quite rigid parameters.

Workers were also aware of being observed or monitored by management, and just over half felt that management's approach to discipline had grown stricter over the previous three years. Respondents also cited pre-defined targets, managerial pressure, and reports and appraisals as important influences on their working hard. Their involvement in quality was thus tightly constrained by these control systems and was a long way from the image of empowerment.

4. Does TQM improve trust between management and workers?

A series of questions about trust between employees and managers revealed that, in line with the pragmatic goals of quality initiatives, the general atmosphere of shop floor relations had changed little. Two-fifths of the sample said that there was 'not much' or 'no' trust between themselves and management. Trust was relatively high at the Halifax, moderate at South Warwickshire and relatively low elsewhere. Comparison with similar organisations studied in the past showed that this figure was if anything lower than it was in the pre-TQM era. More in-depth inquiry in three of the six organisations also revealed that some divisions between the shop floor and higher levels of management could remain.

5. Intensification or a disciplined work force?

Critics of TQM suggest that it increases pressures on workers and heightens managerial control. We found little support for this, and developed instead the 'disciplined worker' thesis: that workers can accept working harder and that they often welcome the precision and sense of direction involved in TQM:

- First, most workers enjoyed working as hard as they did. We classified 57 per cent as 'committed' in that they were working harder and said that they liked doing so. Only 19 per cent were 'pressured': working the same or harder and disliking doing so. In the cases of Severn Trent and British Steel the latter figure fell to one worker in ten.
- Second, the organisations where workers were most likely to say that they were working harder and more subject to managerial monitoring were also those where trust in management and acceptance of quality programmes were highest.
- Third, detailed statistical analysis showed that workers subject to output targets and most aware of the monitoring of their work were clearly the most, and not the least, likely to be favourable towards quality initiatives and to express trust in management.

Opinions on the costs and benefits of work re-organisation

There is satisfaction 'because the day goes faster, and I achieve better results for the products' but there is also 'tiredness and stress, and work down the drain for cost-cutting purposes'. 'Team working can be fun, and the outputs can be shared and owned by all the members' but 'so many genuinely useful jobs outside of team working just don't get done or, worse, half-done'.

Workers, like managers, had pragmatic expectations of TQM programmes. They did not necessarily seek 'empowerment' and they retained a sense of distance from management. They had not been misled by a new managerial ideology but welcomed some of the disciplines and direction implied by TQM. On balance, employees identified with the principles of quality management and involvement in problem-solving, even though this involvement remained limited to immediate work tasks.

6. Conditions for success

We identified six conditions promoting the successful implementation of TQM. The individual organisations are used to illustrate these points, though any temptation to see them as winners or losers should be resisted. Since many of the results applied across all six (very different) cases, they are likely to be relevant to many other organisations.

The dangers of simplistic comparison

Where we could measure our six organisations against the general population of similarly-sized firms, we found that they practised intensive communication between management and workers and provided a high level of training. They would also score highly in their attention to quality. Comparison between the six is among firms which are all relatively successful in their quality activities. Moreover, it is simply harder to make quality 'stick' in some places than in others, and in a sense the 'losers' may have made more progress than have the 'winners' who have faced fewer constraints.

Job security. Across all the organisations, workers who felt that their job security was highest were the most likely to favour quality initiatives. High job security at the Halifax was part of a climate of mutual confidence. In the other organisations, and at Severn Trent in particular, perceived job security was relatively low. Some observers argue that job insecurity fundamentally undermines beliefs in quality programmes. Our evidence on the widespread acceptance of quality across all the organisations does not support this view. It suggests, instead, that in organisations facing the need to cut staffing it may be relatively difficult to translate acceptance of quality into wider organisational commitment. The success of such organisations in winning acceptance to quality in difficult circumstances also indicates the depth of their commitment to the principles of quality improvement.

Precise relationship with customers. Financial services organisations provide specific products for customers, who have a well-defined set of expectations. A clear customer orientation was developed relatively readily at the Halifax. By contrast, this was more difficult in the two public sector organisations, where relationships were more wide-ranging and diffuse.

Careful appraisal and realistic expectations. We found strong evidence that the use of appraisal and monitoring systems did not lead to resentment. On the contrary, it promoted acceptance of quality

programmes and wider trust in management. Workers generally welcome a disciplined environment. There may, however, be limits to the tightness of the disciplines which can be used. At the Halifax, we found, along with the strongest welcome to TQM, relatively high levels of stress and feelings of working harder and of being monitored against targets. As yet, these responses had not undercut a general acceptance of TQM, but there is evidently some danger of a reaction if pressures are perceived as being too intense.

Training linked to quality or team work. We found a strong tendency for employees most favourable to quality programmes to be those who said that they had been trained specifically in quality ideas or in team work principles. By contrast, other forms of training, and the total amount of training, had no effect. Since only a fifth of the sample saw quality or team work as the main purpose of their training, further work could be done here. Other organisations could assess the relevance of their training activities to TQM initiatives.

Short-term pressures kept in check. At Philips, acceptance of quality principles was qualified by continuing problems over product design which themselves stemmed from a very short time-scale for the development of new products. A sense of division between shop floor and staff tended to undercut the team atmosphere that TQM aims to promote. At Lewisham, an ambitious effort was made to increase employees' sense of 'ownership', and one group of workers in the scheme were told that they represented the Council's flagship. However, initial enthusiasm was undermined by intense budgetary pressures, which led to redundancies and changes in terms and conditions of employment.

Employee representation. All six organisations were unionised. The existence of strong co-operative relationships with the relevant unions eased the acceptance of TQM. At British Steel and the Halifax, for example, managers welcomed the role of the union, and this helped to develop relations of trust with the work force. In other cases, notably Philips, the absence of strong working relationships between managements and unions made it harder to communicate the messages of TQM. In organisations such as these six, where unionism has been long-established, appropriate systems of employee representation, through union or other channels, appear to be an important condition for the successful implementation of TQM. As for implications for unions themselves, a key finding was that experience of training in team working or TQM principles was important in developing employees' acceptance of quality principles. Unions could play

some role in working with management to ensure the delivery of appropriate training and in monitoring its effectiveness.

Overall, all six organisations could claim distinctive benefits from their quality programmes.

Philips employed relatively low-skilled workers on routine manufacturing tasks. Despite this context, the site achieved the ISO 9001 quality standard in 1993, and workers displayed acceptance of the ideas of quality. Levels of trust in management remained low, however. Managing short-term production pressures and developing working relationships between departments would strengthen the possibilities for change that the acceptance of quality permitted.

At Severn Trent, quality initiatives were central to the move to the private sector. As in many privatised organisations, rationalisation was necessary, and this may have had specific short-term effects on workers' views of management in general. They had very favourable views of quality programmes, however, and it is possible that this acceptance of quality can be used by management as the basis for wider organisational commitment if employment prospects stabilise.

At the Halifax, the context of job security and existing close working relationships promoted acceptance of quality and relatively high management-worker trust. However, stress levels were also high, and there could be limits to further success if the work pressures producing the stress intensify.

British Steel was marked out by its strong emphasis on training and its use of problem-solving teams. Though the degree of acceptance of quality programmes and general levels of trust remained moderate compared to those in our other organisations, comparison with earlier academic studies at the site suggested some improvement in attitudes up to 1995, and further moves in training could develop this trend further.

South Warwickshire retained quite high levels of trust in management, and the broad idea of quality was widely accepted. The key issue here was the context of rapid change and day-to-day pressures; finding ways to 'embed' quality in practices at local level may be the way forward.

Lewisham had made great efforts at employee involvement. As in our other organisations, workers strongly endorsed the ideas of quality and virtually all the Lewisham sample said that they participated in problem-solving meetings. Budgetary pressures, which were quite independent of the quality programme, meant, however, that some hopes could not be realised. As at South Warwickshire, the fact that a very wide range of

services is provided in a context of change and financial stringency may suggest that specific local quality schemes may be the most appropriate response.

7. Conclusions

TQM has too often been viewed, by supporters and critics, against a benchmark of total empowerment. A more pragmatic model is needed. In many respects, quality programmes can be seen as catalysts, bringing out a latent willingness among workers to take responsibility and providing a focus and rationale for efforts at involvement. But involvement in our organisations remained within tight limits. Translating a general belief in quality into practice was most difficult where there were short-term pressures and insecurity. In some organisations, quality programmes remained disconnected from wider organisational developments. The challenge is to sustain TQM in the face of external pressures.

One

TOTAL QUALITY MANAGEMENT AND LABOUR MANAGEMENT

I Introduction

Total quality management (TQM) is unquestionably one of the leading management fashions of the 1990s. TQM programmes derive from a growing belief during the 1980s that commercial success comes not simply from low cost competitiveness but also from high and reliable quality. The role of employees is central in this endeavour, for the aim is to foster the commitment of employees across the organisation to 'internal' as well as 'external' customers, and to create a culture of 'continuous improvement'.

A study of 880 members of the British Institute of Management ([Adrian] Wilkinson, Redman and Snape, 1993) found that no fewer than 71 per cent claimed that their organisation had introduced a formal quality programme and a further 11 per cent that their organisation proposed to do so. Surveys in America produce similar figures (e.g. Lawler et al., 1992). The majority of BIM respondents (61%) also confirmed that the initiative was relatively recent, i.e. in the last year (21%) or the previous five years (40%). The most widely cited approaches involved the preparation of mission statements (66%), quality awareness training (62%) and customer satisfaction surveys (61%). Forty-two per cent claimed that their organisation was involved in the specific activity of a TQM programme. Examples of companies which claim to have adopted TQM include: Texas Instruments, Dow Chemicals, Iveco Ford, Rank Xerox, British Airways Engineering, ICL, Johnson Matthey, ICI, Hewlett Packard, and British Telecom (IDS, 1990).

The subject of TQM has generated a substantial body of literature. Much of this literature is, however, highly prescriptive, concentrating on the constituent elements of the TQM approach and the reasons it is deemed advantageous for employers. Despite frequent mention of employee involvement and 'empowerment', far less attention is paid to the question of how such a strategy is perceived by employees, or to the nature and extent of the employee

participation which is inherent in the TQM philosophy. It has become commonplace to find scholars noting 'a general absence of detailed empirical data on the implications of TQM for employment relations at work' (Dawson, 1994: 104). There is, however, a small, but growing, tradition of more independent research which explores the concrete effects of TQM and places the initiative in its organisational context. This study places itself in the latter group, albeit with some qualifications. The purpose of this chapter is to review the key features of the literature, to identify gaps, and thereby to locate the contribution of the present study.

Before proceeding, one possible distraction should be dispensed with. A fashion that has grown up after TQM is that of 'business process re-engineering' (BPR). This talks of completely transforming organisational practices, and some of its proponents dismiss TQM as part of the past. Is there any point in looking at TQM in the light of such newer trends? Hill and Wilkinson (1995: 17-18) have put such arguments in their place. They argue that BPR misunderstands TQM by equating it with mere incremental change whereas in fact such change can have wide-ranging effects. Moreover, they point out, companies cited as examples of BPR have in fact developed through standard quality mechanisms such as quality circles. More generally, it would be curious to dismiss any initiative that was more than a few years old. Finally, even if a particular device such as the quality circle has difficulties, as we will see below, the general principles of quality go much wider and deeper; even a firm committed to BPR would be expected to make quality standards central to its mission.

We begin in Section II by considering definitions of TQM and indicating the limits of the prescriptive approach. In particular, there is a variety of approaches to quality, rather than 'one best way', and indeed a range of views as to what actually constitutes TQM. For some writers, TQM means a distinct package of activities. This approach raises questions about which parts of the package are really central and about the ability of any organisation to meet every criterion. Because of such doubts, we refer to **Quality Management (QM)**, meaning a broad endorsement of quality principles and practices, as well as to TQM in the sense of a more tightly defined set of practices. We indicate the central features of QM. We then discuss the key dimensions on which TQM can be measured and consider the

debates around each (Sections III and IV). TQM cannot, however, be seen in isolation. The broader context of employee relations and employee representation is important. This is outlined in Section V before we consider the question of organisational outcomes (Section VI). Finally, the specific role of the present study is explained.

II Defining and approaching TQM

Definition

There are almost as many definitions of quality management as there are books on the subject. They fall into two main kinds: statements of broad philosophy and checklists.

(i) Philosophy. The following definition of TQM from the introductory chapter of one of the leading management textbooks is a fairly typical example of the first:

Put simply, TQM is the mutual co-operation of everyone in an organisation and associated business processes to produce products and services which meet the needs and expectations of customers. TQM is both a philosophy and a set of guiding principles for managing an organisation (Dale, Boaden and Lascelles, 1994: 10).

This is a rather imprecise definition which makes it hard to identify concrete indicators of the presence or absence of a total quality approach. The difficulty of defining TQM precisely is compounded by the ever-expanding vocabulary of buzz-words which pervade the quality management discourse, many of which the author of the same textbook believes are interchangeable:

there is no difference between TQC [Total Quality Control] and TQM and the reader should treat them as the same. . . . [Moreover] the concept of TQC . . . readily translates to 'Total Quality Commitment' or Total Quality Care (Dale, 1994: 80).

What is clear is that TQM is not a specific institution or practice which an organisation does or does not possess. The argument is that a commitment to quality should embrace everything which an organisation does. 'Far from being viewed as a difficulty for the coherence and credibility of quality management,' note Adrian Wilkinson and

Hugh Willmott (1995: 7), 'this promiscuity, and its attendant confusion, is embraced by some as a principal virtue'.

(ii) Checklists. There was a tendency in early discussions to develop from the prescriptive management texts a benchmark of the 'true' TQM company. This approach remains in the use of checklists. Powell (1995) lists twelve characteristics ranging from the specific (zero defects, and measurement of quality) to the general (including employee empowerment). Dawson (1994) offers seven features. The problem here is to decide whether all have to be present and, if not, which are central. It is also not clear whether some features are core elements of TQM or only possible concomitants. For example, Dawson lists 'high trust and non-adversarial industrial relations', which can evidently exist without TQM and may not be necessary for it.

(iii) The ideal v. the actual. Empirical research has found that even firms which seemed at first sight to be TQM organisations did not meet the ideal standard. Studies cited by Stephen Hill and Adrian Wilkinson (1995) found widespread scepticism about the extent to which TQM goals had been attained. This research was useful in demonstrating the problems of idealised models and in highlighting some of the generic problems in implementing TQM, such as ensuring top management commitment and developing and maintaining a quality orientation throughout an organisation. It shows in particular that it would be inappropriate to apply too sharp a definition of TQM.

Data from Warwick's Second Company Level Industrial Relations Survey (CLIRS2) draw out this lesson. This survey, described in full by Marginson et al. (1993), is based on a representative sample of 176 companies each employing over 1,000 employees at two or more sites in the UK. At initial telephone screening, a senior personnel specialist was asked, 'would you say your enterprise has a commitment to TQM as a means of reducing bureaucracy and waste, and making you more customer responsive?' Of 812 respondents, 66 per cent said that they did, a proportion close to that obtained in the BIM study cited above. One might expect the use of TQM to vary according to the characteristics of firms. For example, those operating in a single business might be more likely to have a central commitment to TQM than diversified organisations. Similarly, those with linkages between their operating units might find quality more important than those with largely free-standing units. We explored several possible connections of this

kind, using detailed information from the 176 cases where full interviews took place. There seemed to be none. A broad commitment to TQM principles was common across all the firms in the sample.

(iv) **Towards a definition.** The present study thus needed a broad approach to quality initiatives which was also sufficiently precise to be meaningful. Hill and Wilkinson (1995) identify three principles:

- **Customer orientation:** a focus on meeting customer requirements, both internal and external.
- **Process orientation:** defining activities as basic processes and linking these in quality chains, each with its own customer.
- **Continuous improvement:** satisfying customer demands by making continuous improvement, especially by using 'the people who do the job' to identify and implement changes.

These three principles embrace the leading elements of QM. We would see the first as including the common reference in the literature to the importance of horizontal co-ordination between functions, with the customer orientation overriding functional specialism. One concomitant is that a separate quality control department is replaced by a quality orientation among all staff. The idea of a process orientation captures the totalising elements of TQM and also implies another key feature, the leading role of top management. Continuous improvement embraces the idea of 'empowering' employees to make their own decisions, in place of direct supervision.

The more extensive lists such as Dawson's should be seen as guides to empirical inquiry rather than as definitions of the essence of TQM. It is an open question whether general belief in Total Quality principles in an organisation necessarily requires group problem-solving or high trust. A fast food chain, for example, could well have intense attention to quality standards while also insisting that employees follow precisely defined tasks. The three factors identified by Hill and Wilkinson arguably provide a more specific approach to the core of quality initiatives. Two points must be underlined: the use of QM is a matter of degree, and it is not helpful to debate whether a particular organisation is or is not a Quality organisation when measured against ideal standards; and what is an appropriate use of quality ideas may vary according to context.

Two broad models for assessing QM can be identified. They are the prescriptive and the analytical.

Prescriptive models

The prescriptive approach is best exemplified in the work of the so-called management 'gurus' (Deming, 1986; Juran, 1988; Crosby, 1984; Ishikawa, 1985), and in Britain by Oakland (1989). Within this literature it is common for solutions to the technical issues of designing appropriate quality systems and procedures to be fully specified, whilst the employee co-operation that the system may require is taken for granted rather than explicitly addressed as an area to be managed. There is usually very little discussion of the problems that managers may experience in applying the techniques, and little or no information about how TQM is perceived by employees. Moreover, the principles of TQM are assumed to be universally applicable, and one organisation is assumed to be much like any other. As Adrian Wilkinson, Peter Allen and Ed Snape have observed,

the whole question of the problems faced in implementing TQM is relatively neglected by the literature, and there is little systematic discussion of what conditions are necessary for such an approach to be successful . . . implementation is [seen as] unproblematic for management and unitarism is an underlying theme which remains unquestioned. Implementation is seen as a matter of motivation, with the correct attitudes being instilled by simple training programmes (1991: 26).

There is now a growing body of empirically based work which underlines the limitations of universalistic prescription ([Adrian] Wilkinson, 1994; Wilkinson et al., 1992). Dawson (1994) for example makes the point that where there are multiple customers conflict will arise between their competing priorities: a customer focus does not remove the tensions and uncertainties of the management of organisations. In essence, we need to know what TQM means in practice, how far it works and, crucially, what effects it has on the management of employees and on employees' own reactions. The prescriptive approach says virtually nothing about these fundamental issues.

Analytical approaches

For analysts and policy-makers alike, it is important to see TQM as an approach with several aspects and variants, rather than as a simple structure which does or does not exist within an organisation. This study challenges a universal model of TQM - which has dominated recent research and which treats TQM as one phenomenon - and argues for a search for the specific conditions which encourage certain sorts of quality management initiative and which produce certain outcomes. The study is concerned with the ways in which different forms of TQM function in one type of organisation rather than another, and analyses from where in the organisation the endorsement of TQM arises, as well as the type of quality which is stressed (i.e. measurable quality of a product or quality of service to customers).

In doing so, several researchers have viewed TQM as being made up of two inter-dependent and yet distinguishable parts. These are 'hard' and 'soft' TQM.

Hard TQM includes production-oriented techniques such as: (i) task-based team working; (ii) Just-In-Time production; and (iii) Total Quality Control and Statistical Process Control.

Soft TQM consists of: (i) the use of HRM-style personnel policies to generate commitment to quality; and (ii) a management ideology that reinforces the maxims of cultural change, continuous improvement and customer satisfaction.

As such,

the TQM concept . . . comprises both production-oriented and employee relations-oriented elements, and this highlights the tensions between, on the one hand, following clearly laid-down instructions whilst, on the other, encouraging employee influence over the management process (Wilkinson et al., 1992: 6).

This hard/soft categorisation usefully overlaps with the concepts of hard and soft approaches to human resource management in general, hard stressing the control and utilisation of a resource, and soft the development of skills and commitment (Storey, 1992; Legge, 1989). As Storey in particular demonstrates, these dimensions are not opposites and both can be used together. For example, an organisation can emphasise the hard aspects of a strong sense of discipline together with the use of 'Just-in-

Time' (JIT) as well as the development of skills and commitment, Japanese firms often being seen as key examples. It is thus possible to characterise an organisation's approach in terms of its position on a matrix defined by the degree of emphasis placed on the hard and soft dimensions of HRM and TQM. We return to this in Section IV(f), but first lay out the main debates about hard and soft TQM.

Analysis falls into four main types:

- **Optimistic models:** TQM and other forms of work re-organisation entail an increase in workers' skills and genuine 'empowerment'.
- **Exploitation models:** TQM intensifies managerial control and subordinates workers.
- **Contingency models:** (a) TQM could in principle bring benefits to management and workers, but in practice firms pay only lip service to the idea of quality, there is resistance from middle managers, short-term demands often interfere with long-term goals, and trust relationships are not improved. (b) A relatively rare variant argues that in certain circumstances these problems can be overcome and that the promise of TQM can be realised.
- **Re-organisation of control models:** TQM is one among a series of changes, which also embrace new technology and new payment systems, which re-organise the shop floor so that in some respects commitment is enhanced while in others control is also tightened.

In practice, elements of the third and fourth can be combined. Researchers may also argue that one outcome characterises one type of firm while in other cases different outcomes may emerge, though in practice interpretations of case study results tend to be generalised fairly readily, and perhaps too readily.

III Hard TQM

The system

The main feature of hard TQM is the emphasis on production control and the elimination of defects. It is most characteristic of manufacturing, and often goes along with efforts to contain costs. Its implications for employee involvement arise from the fact that

its implementation will often require significant organisational changes and a re-examination of production methods and working practices. Take, for example, task-based team working. This entails the use of a flexible multi-skilled work force, in which the specialised skilled machinist operating one machine tool in one particular work station would be replaced by a generalised skilled machinist with flexible job boundaries. The objective is functional or task flexibility, and it may be accompanied by a cellular or modular work structure, in which machinery would be arranged in a group or 'cell'.

As regards JIT production, the objective here is the elimination or minimisation of waste. Inventory control is used to maintain minimum stocks, and products are made to order rather than to long-term forecasts of demand.

The third element of hard TQM is Total Quality Control (TQC), which seeks to achieve quality by assigning primary responsibility for the quality of work to those on the production line. This means that sub-standard work can be detected and corrected at source, thus removing the need for retrospective checks. Quality is therefore 'built-in' rather than inspected, the aim being to achieve what Crosby (1984) calls zero defects by getting things 'right first time'. TQC also encompasses the use of Statistical Process Control (SPC) to assess and measure product quality, the use of quantitative methods of data interpretation (such as Pareto analysis and process flow charting), as well as other production management techniques such as Quality Function Deployment (QFD) and Failure Mode Effect and Criticality Analysis (FMECA).

The origins of much of the prescriptive literature on TQM lie within the manufacturing and operations fields. As such...

it is unlikely that the TQM gurus would have much time for the so-called "soft" definition given their emphasis on tools, measurement and bottom-line performance. Although there is a

recognition of the role which needs to be played by employees in making TQM operate effectively, the principal focus of their work remains on the statistical and operational characteristics of the system (Wilkinson et al., 1992: 3).

There is, however, a growing body of research which is taking a far more critical look at the implications of these 'operational

characteristics' for employee involvement. For the purposes of this study, the key debate here concerns the extent to which a hard TQM system of production reverses the division of labour, increases worker autonomy, and provides for greater employee involvement in the organisation of production.

Optimistic models

Some writers have argued that such production methods do indeed reunite conceptual and manual tasks; this view is based loosely on the 'flexible specialisation' thesis and an 'upskilling' model (Piore and Sabel, 1984; Abernathy et al., 1983; Tolliday and Zeitlin, 1986). It is often based on the notion of a clear-cut break from a previous era of Fordist mass production and Taylorist management practices to a new 'post-Fordist' era of technical innovation, re-skilling and high-trust team working. From this perspective, hard TQM is clearly seen as progressive in its implications for employees, in so far as it allows for job enlargement, multi-skilling and enhanced responsibility for quality control at the point of production or service delivery.

The limitations of this approach have been well rehearsed. Surveying work on the implications of technological change and flexibility initiatives for the character of work organisation in British manufacturing during the 1980s, Elger (1990) concludes that, although the key buzz-words in this 'transformation' literature ('flexible specialisation', 'functional flexibility' and 'Japanisation') serve to highlight the potential significance of contemporary changes, they also tend to obscure the shifting, contradictory and contested social relations involved, both at the level of the social organisation of immediate production and in relation to the wider political economy. For example, recent technical changes in British manufacturing have largely been assimilated into pre-existing patterns of industrial relations and occupational organisation, with a bias against high-trust team working despite some of the potentials of the technology. Rather than any wholesale commitment to 'responsible autonomy', a more appropriate characterisation of management practices would appear to be of a recurrent juggling of competing priorities, involving the control of labour costs and worker effort alongside some mobilisation of worker consent and initiative.

More generally, the whole model of transformation through flexible specialisation has been questioned (Pollert, 1991). It is not

clear that there has been a genuine qualitative shift in the organisation of work; claims that new 'industrial districts' which practise flexible specialisation out-perform traditional organisation forms are questionable (O'Donnell, 1993); and it is not demonstrated that craft-like flexibility is relevant outside small niche areas of production.

Exploitation models

In contrast are those who adopt an 'exploitation' model, seeing Japanese manufacturing concepts largely in terms of a sophisticated form of work intensification (Sayer, 1986; Tomaney, 1990; Delbridge, Turnbull and [Barry] Wilkinson, 1992). This approach emphasises an essential continuity within recent changes, largely predicated on the notion of the continuing 'degradation of work' through the de-skilling effects of new technology, and the pressures of established employment relations and occupational hierarchies which tend to reproduce established patterns of work organisation. From this perspective, hard TQM is more likely to be seen as simply the latest in a long line of work intensification techniques, albeit a more sophisticated one than traditional Taylorism.

Thus, for instance, Delbridge and Turnbull (1992) describe task-based team working as a form of 'management through compliance', whereby organising workers into teams and making these teams accountable for their own performance allows firms operating a JIT production system to impose a customer ethos on the work force and harness the peer pressure of fellow team members to ensure compliance to company objectives. TQC is similarly characterised as 'management through blame', with the use of quality charts and SPC tending to structure experimentation and thus to reduce workers' freedom to make process changes, whilst at the same time acting as a system of surveillance and monitoring to ensure compliance. And JIT is defined as 'management by stress', since it is underwritten by the notion of continuous improvement whereby all elements of waste are systematically and progressively eliminated, thus implying a continual intensification of the work routine.

Similarly, in a study of a Japanese-owned electronics plant, Graham Sewell and Barry Wilkinson use Foucault's (1977) idea of the panopticon to describe the surveillance and control capacities of the quality monitoring system. This includes the use of 'traffic lights' above each worker which act as a constant

reminder of individual performance as well as relaying this information to the wider audience of the team. The system allows management to solve the quality-quantity dilemma by establishing a dynamic balance between production volume and production quality, whereby...

the extent of the amber zone (one to four errors) has been set . . . to represent a level of performance where the number of errors are acceptable but which also creates a climate where all members are constantly made aware of the need to make improvements (1992a: 108).

There does appear to be a growing number of critical case studies that suggest a clear contrast between what Sewell and Wilkinson call the...

rhetoric of empowerment, trust and mutual dependency... [and] the shop floor reality of pervasive regimes of constant electronic and peer group scrutiny (1992a: 98) [see also Sewell and Wilkinson, 1992b; Tuckman, 1995].

Evaluation

However, just as the 'transformation/ upskilling' thesis tends to underestimate the complexities of contemporary work restructuring, so this 'continuity/ intensification' thesis similarly fails to address adequately the complexities of hard TQM, or to recognise its essentially indeterminate nature in terms of its effects on employee autonomy and involvement.

Take, for example, the case study of 'PCB Electronics' by McArdle et al.. They conclude quite categorically that...

empowerment within the plant has resulted in a system which intensifies work but does not allow workers the input into the decision-making process promised by TQM. . . . TQM has introduced management by stress into the plant and forced workers to indulge in their own work intensification and enhances their own exploitation (1995: 170).

Yet their own evidence clearly documents employees in the company as perceiving the move to TQM as leading to a better way of working and more job satisfaction. As one worker explains, 'it's hard work with more

responsibility and worry, but there is a lot more job satisfaction' (McArdle et al., 1995: 164). Sewell and Wilkinson paint a picture of a totalising regime. Yet they remark in passing on a rate of labour turnover of four employees a month out of a work force of 350 (1993: 141), which suggests less than total acceptance of the regime. One could also argue that workers adopted an entirely pragmatic view: it was an area of high unemployment; many were women for whom equally well-paying jobs were scarce; and there were benefits in terms of wages and conditions.

The aspects of TQM implying work intensification must not be neglected, and studies such as these have usefully criticised optimistic accounts. As Geary points out...

the introduction of JIT may restrict employees' autonomy and discretion. Where the previous insertion of buffers and slack had given employees some freedom to choose the pace and method of working, JIT compels that such freedoms be withdrawn (1993: 131).

These technological constraints are important in defining the space for employee involvement. However, many analyses tend to a one-sided view with two central deficiencies. These are that managements may be much less successful than either optimists or pessimists admit and that change associated with TQM is often multi-faceted. A more subtle middle position has been developing, in which Geary has played an important part. We consider it in relation to debates on soft TQM (see Dawson and Webb, 1989; Bratton, 1991; Webb, 1995; Rees, 1995).

In summary, optimistic models are distant from the realities of power. The exploitation view is valuable, but it is heavily based on research in manufacturing and it reaches general conclusions about TQM from particular sorts of manufacturing, in particular relatively low-skilled assembly work. These conclusions may reflect a particular form of hard TQM and not QM as a whole. They may also underplay the positive features of QM from a worker's point of view.

IV Soft TQM

Although hard TQM systems can have major effects on relations between managers and employees, they are not the only way of instilling a quality-oriented ideology. On the contrary, many organisations will base their

quality improvement strategy almost entirely around soft TQM methods, without necessarily using hard TQM techniques at any stage. As such, the hard and soft aspects of TQM do not represent a unified paradigm, since there is considerable variety of practice, and developments are highly contingent upon specific contexts. Rather, the relationship between hard and soft TQM should be seen as complex and interdependent. As Delbridge and Turnbull point out...

many of the HRM 'software' techniques are subsumed under the 'hardware' of the manufacturing system itself, such as team working (cellular manufacture or group technology) and employee involvement (continuous productivity and zero defects). The strategic integration of HRM is in fact a precondition of the JIT system (1992: 59).

TQM has further implications for employee involvement in that it emphasises self-control, autonomy and creativity among employees and calls for greater active co-operation rather than mere compliance. As such, the use of hard TQM techniques heightens the dependency of employers upon their employees. The JIT system, for example, increases the dependency of management on the work force by removing all elements of slack or waste in the system, and it therefore requires a more systematic approach to the management of labour in order to avoid disruption. In Japan, because the JIT/TQC production system is delicate and vulnerable to disruption it is often underpinned by a well-established system of Human Resource Management (HRM) and by a strong management ideology, and it is these two elements which constitute soft TQM.

Human resource management

Bratton (1992) identifies five key elements within 'Japanese people management': selection and development (geared towards high company commitment and loyalty); lifetime employment (again to engender high commitment and loyalty); seniority-based rewards (the *nenko joretsu* system); consensus decision-making (the *ringisei* system); and enterprise unionism (whereby unions are organised not by occupation or job but by company).

Although in the British context this represents perhaps a somewhat idealised version of HRM, nevertheless the adoption of HRM-style techniques has signalled something of a departure from a largely prevailing pluralist

orthodoxy of joint regulation, procedures and custom and practice towards a more unitarist frame of reference which embraces flexibility, communication and involvement. In this context HRM can be seen to encompass a broad range of initiatives across a number of areas: employee selection; training and development; appraisal and reward; harmonisation and single status; job evaluation and the simplification of grading structures and job hierarchies; open two-way communications; enterprise-style trade unionism; and various forms of employee involvement and participation, from steering committees and team briefings (largely management-led) to quality circles and team working (i.e. policy development teams, as distinct from the task-based team working mentioned previously).

Following Storey (1992: 24-5), if personnel management is seen as encompassing the techniques of selection, appraisal, reward and development of employees, then HRM can be defined as the integration of these techniques with business strategy, together with an underlying logic in pursuit of employee commitment. And in the case of an organisation with TQM, this means employee commitment to quality principles. As Adrian Wilkinson has therefore observed...

TQM appears to be consistent with a move towards human resource management, not only in the emphasis on employee commitment rather than compliance, and in the underlying unitarist philosophy, but also in that both identify line managers as having a key responsibility for the management of people. Both TQM and HRM call for the involvement of top management, and in this sense can be seen as requiring a more strategic approach to the management of labour. (1992b: 14).

Management policy

Perhaps the most fundamental aim of any TQM programme is customer satisfaction. When discussing the concept of a quality chain, Oakland's (1989) concern is that the chain can be broken at any point by one person or piece of equipment not meeting the requirements of the customer, whether internal or external, and that by focusing on internal customer expectations all along the supply chain to the final customer in the marketplace, an internal

customer environment will be built up. The task for management is therefore to establish a culture in which employees think in terms of their own individual suppliers and customers,

and in which the maxims of customer satisfaction and continuous improvement are fully integrated into all activities.

Obviously many of the HRM techniques mentioned above provide opportunities for such an ideology to be reinforced, and as such the two aspects of soft TQM - HRM and management ideology - are interdependent. As Geary says...

the drive for continuous improvement requires management to educate and instil in their work force a commitment to attaining high quality standards and to continually strive to meet customers' requirements. . . . In particular, the ideology accompanying TQM . . . speaks of teamwork and shared interests (1993: 122 and 128).

Of crucial importance in the development of the appropriate TQM corporate culture is management commitment. TQM proponents agree that cultural change must be seen to be endorsed by senior management, and that senior management must be seen to actively participate and promote, by example, quality ideas (the production of a mission or vision statement is a common first step in this regard).

Assessments of HRM and managerial commitment

There is a now well established body of material which informs debate on the development of HRM in Britain (Blyton and Turnbull, 1992; Sisson, 1993 and 1994; Storey, 1992; Scott, 1994; Edwards, 1995). We do not need to review it in detail. It includes the following points.

- HRM does not constitute a unified approach, and in practice firms put together their own approaches from different elements.
- Though the language of HRM is widespread, concrete activity is much rarer, and the language may re-describe current practice or be used as a cloak for a re-assertion of managerial prerogative.
- There are tensions between HRM's long-term orientation and short-term financial pressures, and it is questionable whether deep managerial commitment to employee training has been secured.
- On the shop and office floor, initiatives have rarely cut very deep, and distrust remains widespread.

Contingency models of TQM. Similar analyses are offered of TQM. A leading example is the study by Adrian Wilkinson and colleagues (1992). Drawing on three case studies, they argue that there are four reasons why firms find it hard to sustain commitment to TQM. These are as follows:

- The approach to TQM adopted by these firms departed from the prescriptions of TQM advocates by being 'bolted on' to existing activities. There was also a 'quick fix' approach rather than a long-term commitment.
- TQM can lead to conflict between different interest groups within management. Managers are 'political actors' not the mere technical resource assumed by the prescriptive literature.
- The industrial relations implications are often neglected.
- There is a potential contradiction between employee involvement and managerial needs for control.

The outcome, the authors conclude, is that TQM may 'represent another missed opportunity' for British management to re-organise itself (1992: 19).

Similar points are becoming commonplace in journalistic assessments of TQM. *The Economist* (1992) reported that only one fifth of British firms could cite tangible benefits from TQM systems. Key problems were that managers saw quality as a quick fix solution and workers disliked the uncertainties inherent in continuous improvement. 'Xerox is one of the rare western winners' in the quality game, the article concluded. According to the *Financial Times* (Houlder, 1994), TQM often fails to gain middle management commitment, does not involve employees, and is often too inward-looking (that is, it concentrates on internal processes and not the competitive environment). It is also noted that TQM is still largely a manufacturing industry phenomenon - a point which we pursue below.

The role of managers has figured prominently in discussions of the success and failure of various quality improvement techniques. For example, line managers' fear that the extension and involvement of employees in decision-making procedures would threaten their traditional right to manage has been a prominent factor in explaining the failure of quality circles (Bradley and Hill, 1983; Collard and Dale, 1989). The fear of many middle managers is that although TQM may permit

them increased involvement in decision-making procedures both with their superiors and with other managers from other departments, it also allows their counterparts from other areas to interfere in what has been hitherto the preserve of their discretion (Geary et al., 1995). Thus, as Geary has concluded...

while TQM may be appreciated by some managers as a way of extending their influence and encouraging more co-operation and team work, for others it may seem like an unwelcome encroachment which is as likely to give rise to new problems as resolve old ones (1993: 132).

TQM can also have serious consequences for other groups in the organisational hierarchy. Supervisory positions, for instance, may come under threat from the flatter organisational structure and simplification of grades that TQM implies (e.g. the delayering exercise at BA Engineering, reported in IRRR 1993). Also, skilled and professional groups like engineers and accountants may perceive a threat to their occupational controls and specialist identities as TQM exposes them increasingly to the regulation of production and new quality requirements.

There is certainly broad agreement about the problematic nature of attempting to foster commitment to quality principles through the use of HRM techniques. Take, for example, the use of policy development teams, which are designed to improve communications and foster trust and the free exchange of ideas, knowledge and information. When employees are not merely encouraged but *expected* to suggest improvements then the strategy may quickly back-fire on management by simply creating extra stress rather than fostering commitment.

There are many other examples of this point. Take the issue of quality circles, which also hold out the promise of improving communications and winning the active commitment of employees to quality improvements. Research has shown that quality circles are often established as a parallel or dualistic structure which co-exists outside of the existing organisational hierarchy, and as such are doomed to fail in the face of middle management recalcitrance and inadequate reward systems (Hill, 1991b).

More problematical still for management may be attempts to generate employee commitment to TQM through the use of HRM-style appraisal and payment strategies. There is an

implicit contradiction between collectivism and individualism in management attempts to develop a collective identity around teamwork at the same time as discriminating between individual employees' contributions through performance-related pay (Legge, 1989), and employees themselves will recognise a payment strategy that pulls in different directions. Even where PRP is not used, performance appraisals may be perceived as arbitrary and subjective, and therefore not fulfil management's desire that they inform employees' attitudes and values in the direction of quality and flexibility. As for the use of job evaluation as a basis for a more simplified grading structure, this too can lead to a great deal of disquiet over the manner in which jobs are measured and evaluated. So, in this particular area...

the HRM dimension to management's compensation strategies - appraisal, performance-related pay and job evaluation - [may itself be] . . . the locus for much of employees' dissatisfaction and not the level of compensation *per se* (Geary, 1992: 50).

Management attempts to foster commitment to TQM through the use of HRM techniques are clearly far from straightforward. As such, it is necessary for employers adopting quality principles to pay careful attention to the other component of soft TQM, namely management ideology.

Problems of disillusionment. It is now widely accepted that in many organisations TQM programmes are initially received with some enthusiasm by employees, but that this soon wanes and disillusionment quickly follows. Seddon (1989) has claimed that this is due to management's preoccupation with hard TQM considerations such as costs and production performance, and their relative neglect of soft TQM aspects such as employee commitment and customer perceptions. Adrian Wilkinson makes a similar point when he argues that...

there may well be tensions between the production oriented 'hard' aspects of TQM which tend to emphasise working within prescribed procedures and the 'soft' aspects which emphasise employee involvement and commitment. Management [often] give insufficient attention to examining the underlying values and resulting behaviour of employees, with the result that there is a failure to achieve the 'cultural change' necessary if TQM is to be successfully implemented (1992a: 326).

Nick Oliver and Barry Wilkinson (1992) have similarly noted that many British employers do not fully appreciate the high dependency relationships implicit in the use of hard TQM, and generally have failed to synchronise their personnel and labour relations carefully to manufacturing strategy. From his study of Pirelli in Australia, Dawson (1994) concludes that TQM's emphasis on team work and collective activity can cut across the individualism of selection and payment systems.

Wilkins (1984) has argued that successful TQM companies are able to develop a management ideology and an organisational culture in such a way that employees adopt the new philosophy as if it were communicated directly by the executives who originally articulated it. Others are less optimistic. Ogbonna (1992), for instance, has questioned the extent to which the ideology of TQM is capable of penetrating deep-seated attitudes. More to the point, he questions the extent to which TQM organisations are really concerned about genuine cultural change; put simply, it may not matter to management whether or not employee behaviour is based on internalised values, as long as it is the right behaviour.

This is a fundamental point. It may be that managements neither need nor seek the full commitment of employees to TQM and that mere behavioural conformity is sufficient. This question has been little researched. Prescriptive models assume that full commitment is both necessary and readily engendered. Analytical approaches, to HRM in general as much as to TQM, have often taken the assumption and commitment as the benchmark and found new initiatives wanting. But the standard may be too exacting, and firms may have more pragmatic goals. Debate needs to address this issue more centrally. For the present, we make three points. First, to the extent that firms claim to be seeking an entirely new relationship with workers, and to the extent that this is not realised, they may be falsely raising expectations. Second, if by contrast TQM is seen as a more limited and pragmatic response to particular needs, its transformative potential must be equally limited. Third, it may be that there are important variations in firms' objectives.

This third point has yet to be addressed in detail, for most of the literature wishes to make general conclusions about TQM from individual cases. We return to it below, but can also conveniently consider it in relation to the

more optimistic of the contingency models which we identified above.

Cases in which TQM could succeed

Virtually alone among analytical writers on soft TQM, Hill (1991a, 1991b, 1995) has argued that it has the potential to institutionalise participation on a permanent basis. He argues that quality circles failed because of lack of management support and lack of integration into enterprise strategy. Drawing on studies of four manufacturing firms, Hill argues that TQM is different. It integrates 'quality management into existing hierarchies', as was the case in each of the four firms. As for employee involvement, 'the author's own observations, together with the perceptions of workers, stewards and supervisors, indicate that rank and file employees have become more involved in issues that were previously the prerogative of management'. Though TQM can falter, the difference from the past is that 'the people who rule corporations appear far more determined to succeed' than they were in the past (1995: 48, 51, 52). There are, in the HRM literature, some other accounts of constructive change, notably Clark's (1993) analysis of a greenfield site owned by Pirelli, where a genuinely collaborative endeavour was undertaken.

There are three main points to make in considering such analyses. First, Hill describes the relatively early stages of new initiatives. It may be that in the longer run the familiar problems of attrition set in. Second, the evidence on the extent of employee involvement is limited. Hill cites a company employee survey in one of his firms and admits that the 'results are obviously of unknown value, given the limitations of company-sponsored surveys, but they are the only data available that provide some idea of the level of acceptance' (1995: 45). Fuller work may have uncovered less favourable reactions. Third, as Wilkinson and Willmott (1995, 19) note in introducing a collection containing Hill's paper, he acknowledges that the four firms are unusual in the extent of their commitment to TQM and also makes little mention of the *conditions*, such as position in capital and labour markets, which allowed them to act in the way described.

As Geary (1995) observes, it remains rare for case studies to explain the conditions which lead to one outcome rather than another. Earlier work on patterns of work place change shows clearly, however, that product market conditions are influential in shaping how tightly managements regulate shop floor bargaining

(e.g. Brown 1973). Geary suggests that such external conditions, together with the pre-existing pattern of employer-employee relations, will tend to push firms down a traditional or a transformative route. Scott's (1994) study of three food manufacturing firms illustrates the point. Scott shows that managerial commitment to the rhetoric of quality was shallow and that a legacy of distrust, even in an apparently sophisticated non-union firm, undercut efforts to make notions such as continuous improvement meaningful.

TQM and the re-organisation of control

Finally, we turn to the theme of the re-organisation of shop floor relationships. It is necessary to resist the easy conclusion that the implications of soft TQM are necessarily either all good or all bad. The reality is often a mixture of extended employee involvement together with tighter management control. As Wilkinson, Allen and Snape conclude from their own case study research...

TQM might be seen as an attempt by management to control employees through internal discipline and self-control. However [in both case studies] the work force appeared to be reasonably enthusiastic about the TQM programme . . . As a form of involvement, TQM may appear to offer immediate, tangible benefits to employees in a way that traditional forms of participation perhaps do not (1991: 30).

Geary has similarly noted 'the paradox [that] as workers were given more autonomy they were increasingly coming under tighter managerial control'. He concludes that, under TQM...

although management may grant employees considerable freedom to be self-managing, it is a practice which has not diluted managerial control over the labour process: it has rather been redefined and exercised in a different form. It would seem that management has at once become enabling and restraining (1994: 650).

This theme of simultaneous empowerment in some respects and tighter control in others is implicit in several of the accounts discussed above, where for example increased job satisfaction is noted alongside more demanding effort standards. At Toshiba in Plymouth, for example, Trevor (1988) found that although employees were granted substantial discretion

and flexibility in their work, they were very much aware of management's close policing of time-keeping and attendance. And Nissan, a company which it is claimed has transformed the social relations of production by introducing team working (Wickens, 1987), also continues to maintain close forms of supervision - a ratio of 20:1 (IDS, 1988). The point is spelt out by Roberts and Corcoran-Nantes who draw on detailed interviews in nine organisations (six manufacturing and three services):

individuals and work groups had been made responsible for guaranteeing the quantity and quality of their work. . . . The jobs themselves were different and, overall, were considered better. The employees knew that they were working harder than before, and typically felt that their jobs had become more complicated. They believed that the demands made upon them had increased, particularly the mental demands. At the same time, the jobs had usually become cleaner and less arduous physically (1995: 198, 210).

Perhaps the key point is that responsibilities impose demands: it is not that workers are entirely free to organise their own work; rather, they must meet more explicit and more demanding requirements from above. A related theme, which arises from earlier IRRU work (Edwards and Whitston, 1993), is that there may be important differentiation between workers. An 'average' of responses may hide important differences, for example between those who welcome new responsibility and those who find the demands too taxing. Thus this study showed that responses to new initiatives varied markedly. One implication is that such fragmentation eases the managerial task. But another is that it makes the organisation-wide acceptance of change particularly difficult.

In short, the implications of QM programmes are likely to be multi-faceted and to vary between different parts of the work force. TQM should not be expected to have universal and invariate effects.

Hard and soft TQM and the control of labour

We may summarise these points by returning to the hard and soft models of TQM and adding the issue of how far each is associated with a tightening of the monitoring of labour. The relevance of these three categories was underlined in other research, on QM in the service sector. This showed that, though two case study firms stressed soft TQM, in each case there was 'an increasing search for more quantifiable measurement of outcomes' (i.e. hard TQM) and also 'closer monitoring and tighter management control' (Rees, 1995: 99).

Some research acknowledges that hard and soft TQM can go together. An empirical illustration comes from data on new forms of work organisation in the US. Appelbaum and Batt (1994) list a large number of innovations, categorised according to whether or not SPC or JIT was used and whether there was a TQM programme. We cross-classified these data and found that, of 53 cases having TQM, 27 included SPC or JIT while 26 did not. It is rare, however, for the labour control dimension to be made explicit.

We begin by cross-classifying hard and soft TQM, to produce the four categories given in Figure 1.1. The labels are arbitrary, but 'integrated TQM' means a case in which the soft and hard elements work together. By contrast, an 'HRM-led' case is one, perhaps in parts of the service sector, where quality is driven by such principles as customer care and where specific devices such as SPC are rare. 'Technical control' represents the reverse case of an approach driven by measurement, with little attention being given to human resource components. Finally, we have the situation where neither aspect is developed, and here there is either no pretence at TQM or the rhetoric is used with little substance.

We may now add the extent of labour control, splitting each of these categories into two, as in Figure 1.2. A situation of 'enabling and restraining' would fit in the first cell, in which hard and soft TQM are combined and in which more precise standards of labour control are employed. We call this, following Geary

Figure 1.1 Hard and Soft TQM

	HARD TQM
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		High	Low
SOFT TQM	High	<i>Integrated TQM</i>	<i>HRM-led TQM</i>
	Low	<i>Technical control</i>	<i>No TQM</i>

(1995), the re-regulation of labour. The case described by McArdle et al. (1995) would fit in the cell below: there is little real soft TQM, and hard methods are combined with tighter labour control to produce work intensification.

Note that even this typology does not fully capture variations within each cell. As noted above, McArdle et al. interpret their case as showing a zero sum situation. But it is also possible that there are benefits to workers in such situations, for example better physical working conditions and less uncertainty in the production process.

The cell labelled ‘TQ and autonomy’ represents the (often idealised) situation of the prescriptive writings. There is felt to be genuine worker ‘empowerment’ within a quality environment. Hill’s cases might fall here. The cell below this one is a case where there has been technical re-organisation through hard TQM but little other change. There is more measurement of work output, and perhaps more rationalisation of the work process, but work relations are otherwise relatively undisturbed. Some of the early accounts of new technology, which stressed continued reliance on workers’ informal skills and the lack of actual use of the control potential of new technology, would fit here.

The second set of four cells covers cases where hard TQM is relatively de-emphasised. We call a case where the softer features are combined with labour control one of controlled HRM: it is the human resource features which are key, but tighter control is important. The situation in some parts of financial services might fit here, though, as noted above, Rees’s evidence shows that firms here can also be moving towards some harder measurement devices. However, specific features such as SPC are probably rare here and the sector may thus not fall into the re-regulation category. Plainly, the categories should not be seen too rigidly, and Rees shows how service sector firms can move from controlled HRM towards a re-regulation model. ‘HRM and autonomy’ represents the claims of the prescriptive HR literature. As we have seen, evidence suggests that British firms have rarely embraced such a model.

Finally, the last two cells of the figure represent cases where QM does not really exist. In one

case, management simply tries to tighten up discipline in order to intensify work effort. In the other, there is little change.

In short, these categories help us to move away from the view that TQM is a simple thing and to understand the various ways in which it can be implemented. ‘Optimistic’ and ‘pessimistic’ approaches can both be correct in different circumstances. In general, however, we suspect that various forms of re-regulation, controlled HRM, and technical re-organisation may be the more common pattern.

V TQM and the context of employee relations

One danger in examining a new initiative like TQM lies in divorcing it from other aspects of employee relations. The 1980s and 1990s have been marked by a wide array of workplace innovations. One reason for their often limited success is the assumption that they can be simply imposed on, or alternatively ignore, existing ways of managing employees. Moreover, the rhetoric of novelty notwithstanding, many initiatives depend on older approaches. Any new approach has to be examined in context. Three issues are relevant: trends in Britain; the European context; and systems of employee representation.

Trends in communication and involvement

The 1980s witnessed a de-emphasising of indirect forms of employee participation (such as extended bargaining rights, works councils and worker directors). Instead, there was a

Figure 1.2 - Types of TQM and Labour Control

Integrated TQM		HRM-led TQM	
Tight control ↓ <i>Re-regulation</i>	Loose control ↓ <i>TQ and autonomy</i>	Tight control ↓ <i>Controlled HRM</i>	Loose control ↓ <i>HRM & autonomy</i>

Technical Control		No TQM	
Tight control ↓ <i>Measurements & control plus work intensific</i>	Loose control ↓ <i>Measurement and control</i>	Tight control ↓ <i>Pure work intensification</i>	Loose control ↓ <i>Minimalist</i>

growth in softer or more managerial techniques for engendering employee commitment (such as profit sharing, employee share ownership, communication and briefing systems, and quality circles). It is now widely accepted that the primary stimulus to these initiatives was declining productivity and competitiveness. Employers increasingly realised that mere compliance on the part of their work forces would no longer be sufficient to match competitors in terms of delivery, price and quality; rather, there needed to be greater employee commitment.

The 1990 Workplace Industrial Relations Survey (WIRS) (Millward et al., 1992) confirms that the main development in HRM-style participation and involvement has been two-way communication. In the 1990 WIRS it was reported that 45 per cent of establishments had taken initiatives to increase employees' involvement in the operation of the establishment in this way in recent years, whereas the figure for 1984 was 35 per cent. By comparison, initiatives in 'delegative' participation (i.e. the extension of decision-making powers to individual employees or groups of employees) have been much less in evidence. WIRS found that only 2 per cent of workplaces had autonomous work groups in 1990, a similar proportion to that reported in the 1984 study.

Millward et al. (1992: 364-5) note that the main methods of communication which they studied 'were considerably less likely to be

used' in non-union as compared to unionised workplaces. No 'alternative model' had emerged to replace trade union representation. Millward (1994: 133) argues that 'few employees have any mechanism through which they can contribute to the operation of their workplace in a broader context than that of their own job'.

Thus alongside a belief in commitment and communication there is a generic desire to assert managerial authority. As Poole and Mansfield discovered from a large survey of managers...

there remains a preference for schemes which are integrative and which do not directly challenge the managerial controlling function (1992: 212).

The prospects for TQM have to be seen in the light of this less than encouraging environment.

There is also considerable agreement that employees' trust in management has not increased significantly as a result of moves towards more participative forms of work organisation. Rather, the 'them and us' syndrome remains stubbornly persistent (Kelly and Kelly, 1991; Scott, 1994). Thus, in a number of detailed case study examinations of task participation techniques it has been found that the difference in attitudes between those employees who do participate and those who do not is not significant (Hill, 1991b; Bradley and Hill, 1983 and 1987). Similarly, a longitudinal study which looked at the implementation and operation of autonomous work groups over a

period of thirty months on a 'greenfield site' in a large, non-union British company found that, although employees enjoyed the new working practices and the attendant responsibilities, employees' commitment to the organisation did not improve (Wall et al., 1986). Geary also found that one unanticipated consequence of such groups was that employees' commitment and loyalty was directed inwards towards the immediate work team and co-operation between work groups was prevented as a result. And he concluded that...

employees' favourable response to task participation has not been generalised to affect their wider relationship with management. The employment relationship continues to be characterised by mistrust (1994: 653).

The European context

A useful way of understanding the nature of the employee participation which is inherent in the philosophy of TQM is to locate it in the context of the broader participative mechanisms which exist across Europe (Ferner and Hyman, 1992). The extent to which different EU member states have adopted statutory systems of employee participation varies considerably. The majority of member states have legislated to establish either works councils or employee representation on company boards, or both. There are statutory works councils in eight member states (Belgium, Germany, France, Greece, Luxembourg, the Netherlands, Portugal and Spain). General provision for employee representation on company boards exists in five countries (Denmark, Germany, France, Luxembourg and the Netherlands). Statutory requirements on employee representation at board level are confined to state-owned companies in Ireland, Portugal and - with certain exceptions - Greece. Alongside these two predominant European models of employee participation, other notable statutory approaches exist. These include the enterprise-level representational rights conferred by law on representative Italian trade unions which enable the establishment of works councils and similar bodies, and the *groupes d'expression directe* in France.

In the UK, in contrast to most other EU member states, the regulation of industrial relations by means of collective bargaining between employers or employers' associations and trade unions, or by employers dealing directly with individual workers, has

traditionally been more important than legal intervention. In the UK, then, there is no statutory employee participation machinery.

In order to appreciate more clearly the nature of employee participation in TQM in the UK, it is useful to distinguish not only between 'statutory' and 'voluntary' participation as above, but also between 'indirect' and 'direct' participation.

Statutory legislation tends to focus on indirect or 'representative' participation; that is, on the procedures through which workers are collectively represented in decision-making processes. The purpose of such participation is primarily the representation of 'interests'. The rights of works councils comprise disclosure of information, consultation and co-determination over areas of concern at plant, company or group level. In each case, procedures allow the expression of conflicting interests between employer and employee.

Overall, UK management appears to be more concerned with direct forms of participation. This includes all those forms in which individual employees take part directly in decision-making or company processes, for example semi-autonomous work groups and quality circles. They are usually introduced by management and, if they involve decision-making at all, do so at the level of the workplace. Indeed, direct participation by its very nature cannot operate at higher levels such as the company or group, where indirect forms must be established instead. Direct participation is designed primarily to improve motivation in an attempt to achieve company goals - increased productivity, better quality control, a greater sense of loyalty, and so on.

So, both indirect and direct forms of participation serve different functions within the organisation: the former aims principally to improve worker representation in decision-making processes, while the latter aims principally to improve worker motivation and commitment. When taking the distinction between indirect and direct participation together with the distinction between statutory and voluntary approaches, four different types of employee participation can be delineated:

- statutory indirect participation (principally the statutory requirement for works councils across most EU member states and for worker directors in a sizeable minority)
- voluntary indirect participation (such as collective bargaining and joint consultation committees along UK lines)

- statutory direct participation (more unusual, but includes - for example - a Dutch regulation on consultation in small companies and the French law on compulsory profit-sharing)
- voluntary direct participation (the principal focus of this study, taking the form of - for example - briefing groups, quality circles, team working, two-way communication, and TQM programmes). It can be defined as 'opportunities which management provide, or initiatives to which they lend their support, at workplace level for consultation with and/or delegation of responsibilities and authority for decision-making to their subordinates either as individuals or as groups of employees relating to their immediate work task, work organisation and/or working conditions' (Geary et al., 1995: 1)

Debates on TQM have generally not seen it in the context of other forms of employee participation and involvement. There are other routes to the goal of greater employee commitment. Thus Germany, despite its strong concern with quality, has not seen much interest in TQM as such (Houlihan, 1994). This reflects, in part, its developed works council system. While the present study follows others in looking inside TQM activity, we would stress that, despite claims in the Anglo-American literature that TQM is the leading development, other alternatives are feasible.

TQM and collective representation

Since TQM involves attempts by managements to use voluntary direct participation techniques, it is interesting to consider what effect these have upon the nature of more 'indirect' or collective forms of employee representation. Many commentators suggest that TQM and related developments undermine traditional union solidarity. Others see opportunities for unions to build new bargaining agendas.

As Wilkinson, Allen and Snape observe..

to the extent that it offers a form of employee involvement rooted firmly in the production process, aimed at meeting customer requirements, and guided by management, TQM could marginalise the union as a communications channel, at the same time strengthening the sense of commitment to what might be seen as 'managerial' objectives (1991: 31).

Certainly as regards hard TQM, British union representatives have so far found it difficult to challenge managerial prerogative on questions

of choice of new technology and JIT/TQC work organisation. As for soft TQM, whilst warning against predicting inevitable outcomes of HRM, and pointing to the differing responses of unions according to their organisational traditions, Martinez Lucio and Weston nevertheless conclude that...

one of the evolving management strategies in replacing or developing a new industrial relations framework has been the integration of workers into a managerial led agenda that is closer to the 'needs' of the product market. In many cases this has involved an attempt to redesign worker representation with or without the collaboration of the trade unions (1992: 218).

Geary has similarly observed that...

when introducing changes in employee participation and working practices it has been more typical of employers to try to bring their work force and its representatives along with them. [However] the idea of negotiating the principle of whether these changes are worthy or desirable seldom becomes an issue (1994: 645).

As for trade union reactions to this, Geary further points out that a...

managerial approach which deliberately couches task participation in a language which requests that employees and their representatives submit to a reasoned and harmonious discussion of the needs of the enterprise and accept the need for constant revision and change in working practices is very difficult to discredit (1994: 647).

This attitude is certainly reflected in other case study research into the reaction of unions to TQM in financial services organisations:

At the Co-operative Bank . . . [despite] a long tradition of trade unionism and very high levels of membership, the union was not centrally involved in the programme. It seems that the union saw TQM as concerned with the detailed management of the bank and that this was not an area for union involvement (Wilkinson et al., 1991: 31) [see also Kerfoot and Knights (1995); Rees (1995)].

These conclusions are consistent with wider analyses of union involvement in new work

practices and the introduction of new technology, the general conclusion being that unions are excluded from most of the design and planning phases. As noted above, however, there are examples of collaborative change. Taylor (1994) has described a range of union responses to managerial initiatives, ranging from traditional hostility to active involvement, as at Rover. Again, therefore, it is important to consider the different ways in which managements use representative structures and the varying union responses.

VI Organisational outcomes

Problems of analysis

The key claim of proponents of TQM is that concrete benefits can be attained in terms of defect rates, time devoted to re-work, speed of response to customers, and ultimately profitability. There are few studies that directly address this question. One recent American study (Powell, 1995) derived twelve measures of TQM. Some of these were relatively hard measures such as benchmarking and a stress on zero defects, while others embraced top-level managerial commitment, employee empowerment, and an 'open' organisation. Powell correlated the use of such measures against managers' reports of their firms' performance relative to others in the same industry. It was found that it was the softer issues such as empowerment which were associated with better performance, while the hard measures had no effect.

Though this study confirms the importance of employee involvement in QM activity, it should be seen as no more than indicative. Limitations include: a small sample size; the fact that data were derived from questionnaires to management, so that the actual usage of empowerment was not assessed; and the inability to demonstrate through what linkages empowerment did indeed affect performance. The last point is critical: it may be hard to separate one initiative from others, and the causal mechanisms may be complex. For example, it may be that the more efficient firms can afford QM experiments, so that the effect runs from performance to such initiatives and not in the other direction.

Geary makes the important distinction between organisational functioning and wider economic performance:

there is evidence . . . which would suggest that where management are committed to, and are systematic in their approach, TQM

can result in significant *organisational* benefits . . . it is very difficult to assess whether TQM has given rise to significant improvements in organisations' *economic* performance. It would be unlikely given that a coherent and systematic implementation of TQM principles is very rare in Britain (1993: 120 and 135) [emphasis added].

Scope of present study

The present study set out to look at one aspect of organisational benefits, the attitudes of employees. It was not designed to assess performance outcomes. It does, however, consider the processes linking TQM and outcomes. Indeed, a major strength of the case study method is its ability to analyse the causal mechanisms between phenomena. TQM is believed to affect effectiveness in several ways, one being through increased employee commitment. This study examines this hypothesis.

There are two aspects here. The first concerns the widespread agreement in the quality management textbooks that organisations should try to measure TQM. Dale, Boaden and Lascelles argue that...

measurement needs to be made continually against a series of key results indicators, both internal and external. The latter are the more important as they relate to customer perceptions of product and/or service improvement. The indicators should be developed from external and internal benchmarking, as well as customer surveys and other means of external input. This enables progress and feedback to be assessed against a road map or checkpoints (1994: 13).

Wilkinson, Redman and Snape similarly beseech senior managers to...

ensure monitoring and evaluation. The move to quality management will falter unless the organisation has in place a continuous loop for monitoring, evaluating and acting on customer feedback. This in turn requires high quality information systems geared to collecting and measuring such information and a culture in which every employee effectively acts as the 'eyes and ears' of the organisation (1993: 26).

To suggest that this process is straightforward, however, would be misleading:

measures of success are difficult to pin down, since TQM is pervasive in its effects. Improvements in specific indicators, such as a lower trend line for customer complaints or rejects, can often be attributed to improved motivation brought about by the fact of change itself (Wilkinson and Witcher 1991: 47).

The issue here, then, concerns the extent to which organisations in fact measure QM activity and are thus themselves in a position to comment with any confidence on its quantifiable effects on performance.

Second, on a more general level, it is possible to explore the linkages between TQM and organisational change, and what these might mean for effectiveness. For example, previous IRRU case study work on management development in Britain and Japan (Storey et al., 1991; Edwards et al., 1991) showed that it was not a specific set of techniques which gave the Japanese firms their competitive advantage but the integration of these techniques with wider organisational structures, together with the fact that they had been in existence for sufficient time for the benefits to flow.

In the case of TQM, a key factor which undermines its potential is the failure of senior managers to understand the necessity of a total approach to the management of change (Collard and Dale, 1989; Hill, 1991b). Other commentators have stressed the symbolism attached to managerial action (Ahlstrand, 1990; Edwards and Whitston, 1993). Some managements, in other words, have been primarily concerned to be seen to be doing something rather than acting from conviction. We would expect that organisations using TQM as a short-term panacea would fail to reap the potential benefits, whereas those making a serious commitment to it would be more likely - but not certain, in view of all the other aspects of their environment - to make clear gains.

A final issue to note here is that of 'productivity coalitions'. This concept, as debated in the US (see Appelbaum and Batt, 1994), identifies collaboration within and between firms as a way of breaking out of a short-term approach to productivity. The core idea is that managers and workers can form partnerships rather than remain in merely adversarial bargaining relationships. We do not need to review this large debate here, but merely note the view that unions are a key mechanism in such coalitions. We discuss the role of unions and the implications for coalitions around quality, in particular in Chapters 5 and 6.

It is thus possible to explore linkages between TQM and outcomes. This, however, is one of the most challenging issues at present. Given also that the specific remit of the present study is employee involvement, it will be possible to address this specific part of the causal chain between the introduction of TQM and outcomes but no claim is made to cover all of the relevant mechanisms.

VII Conclusions: the contribution of this study

Where does the present study make its contribution to the above debates? First, as we have stressed throughout, analytical studies of TQM are rare, and detailed work on the role of employees is rarer still, the assumption that employee commitment is a critical ingredient notwithstanding. Further work in this tradition is needed.

Various forms of QM. TQM must not be seen as a uniform phenomenon. As previously argued, the conceptualisation of TQM as consisting of hard and soft elements does not represent a unified paradigm, and the quality improvement initiatives of different organisations will have distinctly different emphases. Some organisations will base their quality improvement initiatives primarily on soft TQM techniques with only limited use of more quantitative methods. For others, quality assurance and production standards will be of greater importance than achieving any kind of cultural change. As Webb suggests...

it is possible to think of TQM as a code of conduct, similar to an equal opportunities code. . . . [The] rhetoric of TQM could conceivably be used in campaigns for more democratic management practices, improved safety systems, socially useful services and products. . . . At worst, [however,] the ideology of TQM . . . reduces TQM to the 'imperatives of the market' (1995: 124-5).

It is important to explore, therefore, the conditions which promote either type of outcome, rather than seeing TQM as a phenomenon with uniform characteristics and effects.

Range of sectors. Existing critical studies have often been restricted in scope. We have remarked above on the predominance of studies in manufacturing, which was the base of the leading 'optimistic' studies by Hill (1995) and

the more critical accounts of hard TQM as exploitation. As described in Chapter 2, the present study covers six cases, two each from manufacturing, private services, and public services.

The origins of TQM lie within the production and operations field, and manufacturing firms will tend to place an emphasis upon the hard and quantifiable production aspects of TQM. In contrast, organisations in the service sector, who by definition have a greater degree of staff-customer interaction, will tend to concentrate on the more qualitative and softer aspects of customer care and cultural change. The key point is that, in turn, these differing emphases will have different implications for the nature and extent of employee involvement.

A further contrast is that between the public and the private sectors. Most research on TQM so far has been in the latter, and yet a whole series of developments makes the quality of service a major and growing issue in the public sector. Moreover, the meaning of quality and the mechanisms for ensuring it are likely to differ between the manufacturing and service sectors.

Systematic assessment of employee views. A second restriction in much of the critical literature concerns the assessment of employee responses. As we have again noted, studies have either not made these central or have addressed them through essentially informal methods. Among the problems here are the assessment of (i) the representativeness of the responses, (ii) the range of responses and (iii) the links between TQM and other developments. In relation to the second, as we have seen, an average response can mask significant variations, and a key question is how uniform is any worker commitment to TQM. Under the third, we need to consider whether any favourable response to TQM as such is outweighed by wider discontent with organisational change as a whole. We will see that this was often the case, with job insecurity being a leading reason for difficulties with the implementation of TQM. However, in contrast to exploitation models, there was little evidence that increased worker effort or closer monitoring of performance undercut views of quality. On the contrary, these things went together with favourable views of quality. In line with a re-organisation of control thesis, we develop what we call the disciplined worker model to explain such results.

We thus need to adopt a broad approach to employee opinions, as detailed in Chapter 2. In

brief, in each of our six organisations we sent a detailed questionnaire to samples of the work force. In total, we have 280 returns, which provides one of the largest currently available sources of data on employee responses to quality initiatives in the UK.

The context of quality. Wider issues about the operation of quality include the following:

- **managerial motivations.** We have seen that managerial assumptions can be held up against a benchmark of a total commitment model. This may be inappropriate. What in fact do managements seek, is there significant variation between levels of management, and what are the effects of different approaches? As we will see, managements in our firms often had a much more pragmatic set of objectives than is implied in much of the TQM literature. It has also become a commonplace that middle managers are among the main groups likely to resist TQM. We show that this view may be somewhat exaggerated and that in many cases middle management commitment is possible, the main constraint being the wider financial pressures under which they operate and not TQM itself.
- **conditions for TQM.** We aim to relate responses to TQM to organisational realities. In particular, we demonstrate widespread general acceptance of the ideas of quality but can point to specific problems of implementation associated with short-term production pressures and budgetary demands. It is such conditions which can be critical to the effectiveness of quality initiatives.
- **TQM and employee relations.** As well as gaining a broad picture of employee responses, we need to examine the structural links between TQM and other aspects of labour management. There is for example debate as to whether pay should be linked to quality, as some advocates suggest, or whether, as writers such as Deming vigorously argue, there should be no such connection (see Drummond and Chell, 1992). Rather than arguing about such absolute views, it is important to explore why organisations do or do not make the link, that is, under what conditions it may be appropriate. As Hill and Wilkinson (1995:13) note, it is no longer a question of whether to link pay and TQM but 'how policies are to be implemented in ways that are appropriate

to TQM'. Similarly, the degree to which quality initiatives are used to involve representative institutions, be they trade unions or other bodies, or alternatively to by-pass such institutions and promote direct linkages between management and employee requires careful consideration. We show that in all six organisations, all of which were unionised, working relationships between managements and unions were important in establishing the conditions for quality initiatives to take root.

Finally, and more theoretically, we have identified four broad approaches to TQM. We have made clear that we accept neither the optimistic nor the pessimistic scenarios. We accept many of the points of contingency models, and do not wish to repeat their core results. Instead, we hope to follow through some of their logic in considering different conditions for TQM. We also wish to address the re-organisation of work, of which TQM is part, together with the issue of variations in employee responses.

Two

RESEARCH METHODS

The specification for this study called for case studies which would explore QM in practice with a particular focus on the nature and extent of employee involvement. It also identified the problem of concentrating on the possibly atypical 'leading cases' and suggested a focus on more mainstream organisations. In this chapter, we explain how we pursued these objectives, describing in turn: the identification of sectors and the operationalisation of a definition of TQM; the negotiation of access with firms, together with the issue of the generalisability of findings; and the conduct of the study in terms of its research instruments.

There is one more general issue about the origins of the study that is also relevant. The context is the long-standing tradition of workplace studies in the Industrial Relations Research Unit. Apart from the general experience which could be used, this tradition provided specific guidance in our research techniques, as discussed in Section III below. The specific context is doctoral research by Chris Rees. This also helped with the research techniques and in three other key respects: the conceptualisation of TQM, as discussed in Chapter 1; an initial overview of organisations making QM initiatives, which provided us with some kind of sampling frame; and its concrete analysis. Under the last, Rees is studying four organisations, two in manufacturing and two in services; in each pair, one is unionised and the other is not. Later chapters draw on those parts of Rees's own work, notably the issue of unionisation, which complement the concerns of the present study.

I Identification of sectors and companies

As explained in Chapter 1, most research has focused on manufacturing, since it was in this sector that initial quality initiatives were concentrated. One consequence was the tendency to equate TQM with specific devices such as SPC and JIT. Our study sought a broader approach, and we therefore aimed to include both private services and the public sector. Manufacturing was also important, to

provide a direct comparison with the other sectors as well as a link to previous research.

As also discussed in Chapter 1, much research draws from small numbers of cases and tends to reach conclusions about the universal relevance of TQM from them. We sought a more differentiated approach. In particular, we felt that one case per sector would not be sufficient, since it would be hard to establish whether a given feature was common to a whole sector or was peculiar to a given company. Given the resource and time constraints on the study, a choice of two firms per sector, or six in all, was a reasonable balance.

This approach contrasts with the studies discussed in Chapter 1 which have often drawn on single case studies or on three or four cases. Naturally, we have had to sacrifice some depth for the breadth of coverage. Since other studies provide such depth, and since a major question at present concerns the different meanings of 'quality' in different sectors and the conditions promoting certain approaches, this was felt to be the most appropriate method. As we discuss below, we hoped to blend an overview of all six cases with a more detailed and ethnographic inquiry into a sub-set. There were limits to our success here, and we should stress that we do not offer a close ethnographic analysis, while also noting that several other studies are coy about how much interviewing and observation was actually carried out.

Having identified a broad approach, we needed to decide how to define QM and how to find possible case study firms. On the former, we adopted a broad approach in order to avoid equating QM with a specific technique. Using the definition discussed in Chapter 1, based on customer and process orientation and continuous improvement, we scanned a variety of sources including press reports and listings provided by the main UK quality organisations. In some cases, the reports were sufficiently detailed to provide a good picture of the situation (see for example IRRR 1994 and 1993 on Severn-Trent Water and the British Airways Engineering respectively). In other cases we drew on earlier research by Chris Rees, who during 1992 and 1993 had sought more information by telephone or personal visit; a total of 25 companies was considered here.

From these lists, we identified firms which appeared to be most relevant on three criteria. First, they must not be too much on the 'leading edge'. Thus we did not consider approaching Xerox in manufacturing or Brent in the public sector. Second, they had to have made some

kind of move towards involving employees in their quality systems. Third, they must not be too small. While the issue of quality in small firms is important, as is that of linkages between such firms and large ones, our primary focus was employee involvement. Given that in small firms divisions between manager and managed are often fluid (see Scase, 1995), and given also problems of representativeness, we focused on large organisations. This leads to the negotiation of access.

II Access and generalisability

Our study called for a reasonably detailed degree of access, in particular to assess employees' responses to TQ initiatives. It is well-known that organisations which are eager to advertise their successes become much more reluctant to permit independent assessment of their claims. Newell (1990) for example reports that firms establishing 'greenfield sites' were more than happy to provide her with the public relations success story but became unhappy when independent analysis was suggested. In the present study, there was some evidence of this problem. For example, one firm with quite a high reputation switched from initial willingness to co-operate to a refusal with no further explanation.

In general, however, it was time which was the main constraint. Several organisations expressed interest in and indeed enthusiasm for the study, but felt that current re-organisations or general business pressures made it impossible to co-operate within the time frame of the study. One financial services organisation, for example, felt that this was a 'high profile' study but regretted that time pressures prevented participation. In another organisation, research interviews were arranged with managers before instructions to withdraw from the project were communicated from more senior levels within the organisation.

In all, we approached nineteen organisations. Of these, four declined to participate for reasons of time. Two organisations agreed initially but then withdrew their agreement. In both cases it appeared that the agreement was withdrawn after discussions at more senior levels in each organisation. One company stated that it was developing specific quality initiatives which should not be compared to others and therefore did not consider the project to be of benefit to them. Six organisations would not give specific reasons for refusing to participate in the research. Six organisations

did, however, agree to participate as discussed in Chapter 3.

As with any case study work, we can never be confident that these six are fully 'representative'. Statistical representativeness is not, however, the goal of case study research, which seeks analytical and not statistical generalisation (Mitchell, 1983). That is, the goal is to understand processes and connections, and not to measure the distribution of characteristics across a population. Within this broad approach, we can offer several specific points. We then return to the wider issue of modes of generalisation.

First, is it the case that the mere fact of participating means that organisations are in some ways more successful than others, and hence that we have a biased picture? There has in fact been a substantial amount of shop floor case study work in Britain during the 1980s and 1990s (see Geary, 1995 for a summary). Much of this has found little evidence of 'high commitment' industrial relations, and some of it has been highly critical of managerial claims. The implication is not that we are finding success stories but that, if firms which co-operate with research have equivocal results, then the picture for others is probably even more uncertain.

Second, we evidently have an array of organisations with different production technologies and markets, as we describe more fully in the following chapter. British Steel is a major producer of basic industrial products, using continuous process technology. Philips assembles electrical goods for the consumer market. Severn Trent provides water and sewerage services, while the Halifax is one of the country's largest building societies. The two public sector organisations cover the different worlds of health and local authorities.

Third, all six have made quality initiatives important without necessarily being seen in the current literature as 'leading edge' examples. We need to specify this point more precisely, for several of them, perhaps Severn Trent most of all, would see QM initiatives as central to their activities and indeed to organisational success. They might feel that they are in fact leading examples of change. In arguing that they are not 'leading edge' we do not wish to minimise their initiatives. The term 'leading edge' implies that an organisation has been involved in TQ activities for some time, that it is in some way taken as an exemplar of best practice, and that it has already featured prominently in existing debate. As we saw in

Chapter 1, Hill's work has been criticised for focusing on firms in very special circumstances and, in effect, showing only that QM works where it works. Our organisations have not generally featured strongly in current models of best practice, so that studying them does not mean merely re-cycling what is already known. They also illustrate various tensions within QM. This is not to say that they have 'failed', for it would be wrong to measure them against some idealised standard of totally frictionless transformation. But it does mean that they illustrate various aspects of QM and the practical issues arising from its introduction. In short, they represent cases where QM is a serious part of managerial activity, which is more than mere cosmetic change, without being so unusual that they bear no lessons of wider relevance.

Fourth, in two cases, Severn Trent and South Warwickshire, the organisations were among the first in their sectors which we approached. In these two cases, therefore, there is no problem of selectivity bias, that is, a tendency for many organisations to refuse before a potentially unusual one accepts.

Fifth, the organisations have sufficient features in common to make them comparable. They have all gone through significant external and internal changes. For British Steel and Severn Trent there was privatisation; the NHS and local authorities have been subjected to 'marketisation' through Compulsory Competitive Tendering (CCT) and divisions between purchasers and providers; the Halifax has been part of the revolution in financial services, with growing competition between banks and building societies and a wave of mergers and rationalisations; Philips faced a general intensification of global competition in the consumer goods sector, as well as the re-organisation common in large multi-national companies.

A further evident common feature is that they are unionised. This fact plainly does limit the scope of the study. We are, however, fortunate that Rees's own work covered this issue and we draw on the results at relevant points below. The benefit is that within our six organisations we are to an extent comparing like with like. If we find a difference between two organisations, we know that it cannot be due to the simple fact of their union status. The more general issue is whether the fact of being unionised makes the organisations in some way distinctive. It would be very hard to sustain this view. In the public sector, unionism remains the norm, and it is non-union cases which would be unusual.

Unionisation is also very common in large manufacturing firms. More generally, it is not at all clear why being unionised might be seen as a major defining characteristic of a firm. During the 1980s and 1990s, organisational change was introduced at least as rapidly in unionised as in non-unionised firms (Nolan and O'Donnell, 1995). There is also widespread variation between unionised firms in the character of their labour relations, as indeed there is between non-union ones.

In short, there is nothing inherently special or unusual about the six organisations which renders findings peculiar to them alone. They represent a range of sectors, technologies and types of labour force. They illustrate the various ways in which firms which have been serious about QM without being specialised instances of the leading edge have approached its implementation. They represent a selection of cases in which QM is a central part of managerial policy, and can thus be used as a reasonable test of the practical effects.

Returning to the wider methodological issues, the aim of case studies is to understand processes and dynamics. Much research, in TQM and more generally, has involved single cases, which have explored detailed questions which survey methods cannot tackle. The point of having several cases, however, is to be able to consider the conditions producing different sorts of outcome. A specific case then becomes interesting because it illustrates a particular set of external and internal arrangements which encourage certain results. It thus becomes possible to generate lessons of general applicability.

III Research techniques

There were two main research techniques. The first was a series of in-depth interviews with at least 20 managers in each organisation. These were conducted in all organisations with the exception of South Warwickshire NHS Trust. Arranging interviews with managers and

Table 2.1 Questionnaires distributed and completed

	No. distributed.	No. completed.	Response rate (%)
Severn Trent	100	57	57
Halifax	53	50	94
Lewisham Council	80	34	43
South Warwickshire	70	46	66
Philips	70	49	70
British Steel	70	44	63
TOTAL	443	280	63

supervisors within the hospital environment proved to be quite difficult. This was not due to any lack of effort or enthusiasm by the quality co-ordinator who was given the responsibility for liaising with the researcher. Rather, it appeared that the everyday pressures of work within a hospital environment proved to be too much. As a written communication explained after some delay in arranging the final interviews, 'people simply do not have the time'.

The managers interviewed in all the organisations covered the main functions involved with the introduction and implementation of QM, including quality specialists, personnel staff, and line managers. Interviews covered the reasons for the introduction of QM, concrete ways in which quality was pursued and evaluated, links with other organisational initiatives, and the role of employee involvement in the process.

The second main research technique was a self-completion questionnaire distributed to samples of staff in each organisation. The text of the questionnaire is included as Appendix B. It was decided that a sample of 50 questionnaires would provide a reasonable sample. The number of distributed questionnaires and the response rates varied between the organisations as Table 2.1 reveals.

There are various reasons for the differences in numbers distributed. Severn Trent considered that a sample of 100 would be necessary if we were to achieve our preferred sample of 50. Lewisham Council originally accepted 70, but the low response rate initiated another 10 being distributed. However, the sample for Lewisham remained the lowest. Philips, South Warwickshire and British Steel accepted 70 questionnaires. In discussions with a manager at the Halifax, he was confident that a 100%

response rate would be achieved and therefore 50 questionnaires were sent. This confidence

was almost proved right. Of the 50 sent, 47 were returned. A further 3 were then sent direct to certain branch managers with a request that they be completed by clerical workers.

In addition to the interviews with managers and the self-completion questionnaire, representatives from one or more of the trade unions in each organisation were interviewed with the exception of one organisation. In the Halifax the forthcoming merger with the Leeds meant that the union representative was extremely busy. These major organisational changes precluded the possibility of arranging an interview within the time constraints of the research project.

Such a method plainly does not permit a detailed qualitative assessment of employee responses. The purpose of the study, however, was to obtain a rather wider-ranging assessment of attitudes. Given the time available, there certainly would have been issues of representativeness had we relied on purely informal methods. Detailed qualitative research is very time-consuming, and even the major studies rarely cover more than two or three cases. We would have had limited information from each organisation and it would not have been clear how representative it was or, equally important, how comparable it was between cases.

Given that we were dealing with sensitive issues, however, how can we say that the survey was able to uncover employees' real beliefs? First, we went to some lengths to underline the independence of the study, including sending all participants a letter explaining the study and inviting them to discuss any problems with the researchers. Replies were also returned direct to us, so that there was no fear of their being seen by

respondents' managers. Second, we provided rather more room than is common in exercises of this kind for employees to record their own views in an open-ended manner. Third, our general questions on organisational context derive from previous studies (e.g. Edwards and Whitston, 1993) and they have been found to work well. Many specific questions on QM were also used in Rees's own work. This began using face-to-face interviews, but in one of the organisations self-completion methods were required; there was no evidence that the quality of the data was significantly harmed by this change of method. The self-completion approach could thus be extended to the present study. We developed the questionnaire in various ways for the specific needs of the present study, but its overall shape derives from long experience. In technical terms, previous work shows that our questions are *valid* (that is, they measure what they set out to measure) and *reliable* (they produce consistent responses between different groups). Fourth, the managerial interviews provide the context for the questionnaire results, so that we have some means of assessing the significance of a particular set of responses.

Finally, we have more qualitative information. As explained above, negotiating access was a more time-consuming activity than initially anticipated, and the amount of in-depth information is accordingly limited. However, in the final stages of the project interviews with employees outside the managerial/supervisory structure were conducted in one organisation from each of the three sectors, namely, Severn Trent Water, Lewisham Council and Philips Hastings. This more in-depth focus, which is outlined in Chapter 6, enabled the research to develop a qualitative analysis of quality management issues from the perspective of managers, trade union representatives and workers in these three organisations.

Three

THE CASE STUDY ORGANISATIONS

As discussed in Chapter 2, research was conducted in six organisations drawn from three separate sectors: private services (Severn Trent Water and Halifax Building Society), the public sector (Lewisham Council and South Warwickshire General Hospitals NHS Trust) and manufacturing (Philips DAP Hastings and British Steel). All of these organisations had recently undertaken quality programmes. This chapter locates each of these quality initiatives in their organisational, industrial and sectoral context. While these contexts vary across the different organisations, one common concern to their managements was to increase the internal commitment to customer satisfaction (however defined).

Market pressures seemed to be the common feature which united all the organisations in their focus on quality. In all six organisations there was an emphasis on the need to compete effectively within an increasingly competitive marketplace: deregulation within the financial services industry; privatisation in the water industry; the necessity to stay competitive in a global marketplace within manufacturing and the pressures of the internal market and CCT within the public sector.

We focus on developments in consultation and other 'soft' techniques since it is these which are most pertinent to understanding employee reactions. We also summarise very briefly where each organisation might be moving in terms of the 'harder' performance measurement systems and the results in terms of labour control. The evidence for the summary is provided in later chapters, but it is useful to have a picture of the organisations in the light of the conceptual scheme of Chapter 1.

I Severn Trent Water

Prior to the 1973 Water Act there had been increasing integration of the three key water functions of supply, recovery and environmental functions. The 1973 Water Act created the ten regional water authorities of England and Wales and gave Government a major role in the financial control of the water industry. In 1988, the Department of Environment began to offer the water authorities advice on restructuring in order to

prepare for privatisation. This advice centred around a move to some type of 'profit centre' management. The subsequent privatisation of the water industry in 1989 turned the water authorities into a number of private monopolies and the three key functions of the water industry were divided. This move represented a fundamental break in the history of the water industry. For the first time, privately owned organisations were responsible for all water supply and sewerage services (O'Connell Davidson, 1994).

Severn Trent Water Limited was formed when the water authorities were privatised in 1989. It is the second largest privatised water company, by area, serving a population of over 8 million people. The company is responsible for sewage treatment and disposal, water conservation, land drainage, water recreation and supplying water to over 8 million people in the Midlands (IRRR, 1994). Severn Trent employs approximately 6,000 workers. As Table 3.1 shows, among manual workers, 93% are members of a union whilst 62% of staff are unionised.

Table 3.1 Union membership at Severn Trent

	Manual	Non-manual	
GMB	1250	UNISON	1800
UNISON	500	APEX	200
TGWU	460		
AEEU	6		

Following privatisation in 1989 the company issued a mission statement which was claimed to reflect the organisation's commitment to customers, regulators and shareholders:

We are a profit orientated, customer service business, developing markets, meeting our obligations and quality and service objectives.

A vision statement outlining the organisation's values and intentions was issued at the same time:

Our purpose is to be the world leader in a water business founded on a strong home water utility base. We will foster a style of management

Box 3.1 Working for Quality at Severn Trent

Customer First	the external dimension
Constancy of Purpose	the leadership dimension
Focused Involvement	the people dimension
Act on Facts	the knowledge dimension
Process Emphasis	the systems dimension
Continuous Improvement	the learning dimension

based on personal responsibility and trust through a team of enthusiastic, innovative and well trained people always maintaining ethical and professional standards, and focusing on care for our customers, our colleagues, our shareholders and our environment (Severn Trent, 'Teamwork the Key to Success', 1994).

In order to meet their mission, Severn Trent concentrated on trying to achieve higher customer satisfaction, employee satisfaction and levels of efficiency whilst also maintaining excellence in regulatory compliance. The management argued that the best way to achieve these goals was through a continuous drive to improve quality, eliminate waste and base decisions on facts.

In 1993, Severn Trent began to establish a major management of change process termed Working for Quality (WfQ) based on a total quality approach. The focus of the WfQ initiative was to be 'customer first'. Customer service was identified as the number one priority for all staff at all levels of the organisation. This customer focus was reflected in Severn Trent's definition of quality: 'quality is consistently meeting customers' expectations'. A set of Working for Quality principles, shown in Box 3.1, was also outlined.

One of the central aims of the WfQ initiative was to encourage teamwork throughout the company. In October 1993, the first annual WfQ plan was implemented by twenty-one Quality Facilitators who were given in-depth training over a period of three months in order to prepare them to:

deliver awareness and Process Review team training, facilitate process review and improvement activity and help change the culture so that WfQ becomes business as usual.

Multi-functional teams were established to facilitate change by reviewing processes and

improving quality. During the period October 1993 to July 1994, one hundred and seventy local improvement groups were set up with objectives such as improving customer satisfaction, reducing problems and waste and increasing efficiency (Severn Trent Charter Mark Progress Report, 1994). The creation of multi-functional teams in order to ensure continuous improvement is now an established practice.

The WfQ programme was an important initiative on the 'soft' side. In terms of measurement, manufacturing procedures such as SPC do not have an exact counterpart. There was a long-standing concern with water quality and the use of appropriate testing procedures which was not specifically related to QM. The other side of 'hard' aspects is the measurement of staff performance. Here, as we will see in Chapter 5, awareness of monitoring was relatively low. There was not an atmosphere of very tight surveillance.

II The Halifax Building Society

The Halifax Permanent Building and Investment Society was formed in 1853. Historically, building societies were first formed as a result of housing shortages when, during the industrial revolution, workers moved into northern towns like Halifax to undertake factory work. Small groups of craftsmen and other white collar workers saved regularly to build up a fund that was used to buy land, and then to build houses. After all members were housed, activities then ceased. These groups were called 'terminating societies' and were fairly quickly superseded by a modified and more 'permanent' organisation. The permanent type of society has since become a model for the present day building society.

Prior to the 1980s, the financial services industry had three clearly defined trading areas, namely banks, building societies and

Box 3.2 Customer service and quality values at the Halifax

Commitment and integrity. Being passionate about quality and efficiency. Being justly proud of our personal contribution.	Meeting/ exceeding our customers' expectations of us. Valuing and respecting each other.
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insurance companies. For much of the twentieth century, the industry was characterised by considerable stability. However, in the past ten years, the industry and the Halifax have experienced considerable change. The Financial Services Act 1986, which encouraged deregulation within the industry, allowed the Halifax to expand its services away from the traditional mortgages and interest savings accounts to compete with banks and insurance companies. The Halifax could now offer current accounts, personal loans, credit cards, insurance products and unit trusts. During this period, house prices increased dramatically and the financial services industry was booming. However, the stock market crash in 1987 and the subsequent downturn in the economy accompanied by falling house prices resulted in a recession in the industry. Accordingly during the late 1980s and early 1990s the industry went through re-adjustment, which involved restructuring, mergers and take-overs, delayering, new technology and, in some organisations, large scale redundancies (Cressey and Scott, 1992).

The Halifax Building Society is now the largest building society in the UK. Approximately twenty years ago the Halifax developed a very clear, distinctive and widely recognised company motif. The 'X' became an easily identifiable product and company symbol. The Halifax holds the largest number of mortgages in the UK and the premier position in terms of 'non-risk' savings. At the time of the research, the organisation employed approximately 20,000 workers. The Independent Union for Halifax Staff (IUHS) which negotiates on their behalf has approximately 15,500 members employed by the building society. A further 5,000 are retired, associate members or employed in other parts of the Halifax organisation (for example, members in Halifax Estate Agency for whom the union is trying to secure recognition).

Deregulation, intensified competition and the threat of take-over has put pressure on organisations to be more flexible and responsive to customer requirements. Within the financial services industry, it is difficult to compete on product type as any new product

can be easily copied. Against this background, quality of service is increasingly seen as the key factor which will provide companies with a competitive edge and distinctiveness within the marketplace.

In August 1993, the company appointed a new Chief Executive Officer who decided that a mission was needed that would 'set a firm course for the future'. Constructed by the Board, the mission statement was: 'to be the biggest and best personal finance business in the UK'. This goal was communicated to all staff through the in-house magazine in April 1994. A central focus of this new mission was high quality customer service articulated through the values listed in Box 3.2.

In November 1994, the boards of the Halifax and the Leeds Building Societies jointly announced their proposed merger. The merger was agreed by the members of both Building Societies on 22 May 1995 and the merger went ahead on 1 August. Proposals for the conversion of the new Halifax into a public company were to be put to members at a future date. This new organisation will employ approximately 28,000 full-time staff. The merger is designed to increase the Society's income through the delivery of a wider range of products and services to the combined customer base. An important feature of the merger was the promise of no compulsory redundancies. As discussed in Chapter 5, the Society produced data showing that the merged organisation was in a strong competitive position. The merger does not as yet seem to have undercut the Society's quality initiatives.

In order to facilitate a focus on quality and increased communication within Halifax, a later opening time of 9.30 every Wednesday morning has been established. This time is set aside in order to facilitate regular, open communication within each branch team and to assist in training.

The Halifax thus had some clear communication devices. On the 'hard' side, there was also growing emphasis on budgetary controls and the control of staffing levels. As in many similar organisations, 'mystery shoppers' (people paid to make inquiries as though they were 'real' customers) were used to monitor

performance. This seemed to go along with increasing monitoring of staff performance, as discussed in Chapter 5.

III Lewisham Council

The application of 'market mechanisms' into local government during the 1980s has affected the structure of councils. Compulsory competitive tendering and contracting out have led to a focus on the importance of the role of managers against that of the professionals. Public services are being reorganised along market principles. The principle behind these changes has been the argument that, in order to be effective, the public service needs to meet specific standards. The Citizen's Charter stipulates the 'setting, monitoring and publication of explicit standards for the services that individuals can reasonably expect' (Citizen's Charter First Report, 1992). As compulsory competitive tendering and market testing are extended, standards have to be specified in contracts for services. Contracting out is a clear example of the separation of the purchaser and provider roles which has emerged within public service generally. Purchasers are responsible for specifying and defining the service to be offered and then monitoring the quality of service delivered. Providers are responsible for delivering the service to the required quality and meeting stipulated targets. Partly as a response to contractual requirements, the measurement of quality has become increasingly important in the public service.

The London Borough of Lewisham was formed in April 1965 from the old Metropolitan Boroughs of Deptford and Lewisham. It covers 13.7 square miles from the River Thames in the north to Bromley in the south, and from Southwark to Greenwich. There are 67 councillors representing the borough's 26 wards. In 1995, 63 represented the Labour Party, 3 the Liberal Democrat Party and 1 the Conservative Party. Five joint committees constitute the channels of direct consultation between the council and its employees.

Lewisham has a population of 235,000. It is a multi-cultural community with one in five of the population from black or other ethnic minority communities. In addition, 16% of the population are pensioners. Nearly 60,000 people work in the borough, which is home to 2,700 private businesses. Of residents aged over 16 within Lewisham, 117,000 (63%) are economically active. Of this figure, 17,000

(14%) are unemployed. 48% of Lewisham households live in owner occupied accommodation, with 33% in the Council rented sector. The Council's net revenue for 1995/6 was £245.2 million.

The Authority employed a work force of 8,676. Of these 50% are members of a trade union. The number of employees in each of the unions are shown in Table 3.2. Of all employees in the Council, 33% work part time hours, most of whom are manual workers and women.

Table 3.2 Union membership of Lewisham employees

UNISON	3253
GMB	466
TGWU	442
AEEU	105
UCATT	96

Lewisham council consists of four Service Directorates, the Direct Labour Organisation and two central departments. In October 1993 the Council agreed a revised departmental structure which resulted in the merging of three directorates: Environmental Services, Economic Development and Estates and Leisure Services to form the Leisure, Economy and Environment Directorate (LEED). This reorganisation resulted in the overall reduction of two Chief Officers.

The central departments were also reorganised resulting in the reduction of one Chief Officer and a streamlining of the functions in the Chief executives Department. The effect was that the contractor of Legal and Computing moved to the Finance Department to form the new Finance and Support Services Department. Within the Chief Executive's Department the streamlining resulted in a reduction of service heads and a move to establish the corporate client Legal and IT responsibilities within the Chief Executive's Office Division. The statutory responsibilities for elections and rent office, plus the front line services of telephones, reception and building accommodation were moved to the Personnel Division to form the Personnel and Administration Division.

In a detailed booklet about Lewisham, the leader of the Council highlighted two of the main challenges currently facing the organisation, namely, the more demanding financial regime and the new and more stringent regulations for compulsory

competitive tendering. The aims of the Council were outlined as follows:

to be an empowering local authority in two ways. Firstly, in terms of shifting the power balance from service provider to citizen, seeking ways to encourage wider citizen participation in service priority and quality and secondly, further devolving management to enable front line managers and employees to provide quality services most effectively.

This approach is expressed in a set of seven core values, shown in Box 3.3. The Council considers that these values will ensure quality of service for the people of Lewisham.

Box 3.3 Quality values at Lewisham

Local government is about serving local people; Service means putting people first; Quality of the highest possible level should be our goal; Valuing people; Action means getting things done efficiently and well; Caring for the environment.

Various areas of the Council have achieved BSI. Housing, Personnel and Administration Division and DIRECTeam have been awarded Investors in People (IIP) status. Social Services Planned Hospital Discharge and DIRECTeam Refuse and Cleansing have been awarded the Charter Mark.

The quality initiative within the Council emphasises the importance of team work in all work areas. Although team work in some form was already a preferred way of working in certain areas within the Council, the importance of team working in the delivery of quality services has now formally been established. The employee development scheme is also considered to be a key mechanism for monitoring employee performance and the progress of the quality initiative.

Lewisham was thus making clear moves to develop the 'soft' aspects of QM. The harder elements were less in evidence, except in so far as there was an indirect effect of budgetary

pressure. As discussed in Chapters 5 and 6, this pressure was leading to some staff perception of tightening discipline and control.

IV South Warwickshire Hospitals NHS Trust

In 1983, clear reference was being made to improving customer satisfaction in all areas of the public sector. The Griffiths Report of that year made reference to these concepts in relation to the NHS. The 'Working for Patients' reforms centred around the separation of the role of the health-care purchaser and provider. The Government replaced the previous system of funding based on catchment areas with the funding of District Health Authorities (DHA) and general practitioner fund holders who purchase services on behalf of their population. Provider units are the directly managed units and NHS Trust hospitals. Although both must now earn revenue from the services they provide, the NHS Trusts operate independently from DHAs. In this environment management techniques from the private sector have been introduced into public sector organisations including the NHS. The language of the marketplace is increasingly articulated. Provider units, of which the particular hospital in which we conducted research is one, compete for funds from DHAs and general practitioner fund holders. The emphasis on value for money in public services has been central to the Government's reforms. Recently, plans were outlined which involve Trust hospitals on supplying detailed measures of patient activity such as cancellation times, waiting times and also general practitioner referral times (see Winchester and Bach, 1995: 312-14, 321-5, for a summary of recent trends).

In 1993, Warwick and Stratford hospitals adopted a new management structure and the new title of South Warwickshire General Hospitals NHS Trust. The Trust is now directed by a Board of executives and non-executives. The non-executive directors set the strategic direction for the development and maintenance of services through their participation in key committees in the Trust. They are drawn from public service, local government, education,

Table 3.3 Number of employees of South Warwickshire NHS Trust

	Number in Whole Time Equivalents	Cost (£000)
Doctors	118	5,639
Nurses	583	11,900
Admin. & Clerical	206	3,449
Para Med. & Tech.	200	4,067
Maintenance	68	986
Ancillary	153	1,987
Agency and other staff		472
TOTAL	1328	28,500

commerce and industry. A revised Clinical Directorate structure was introduced during 1994 designed to create a greater degree of management delegation to those closest to patient care services. The work of the Directorates is co-ordinated through a Trust Management team which comprises the clinical directors for five areas, directors of four non-clinical areas and the Chief Nurse and Director of Quality.

The Trust owns land and buildings worth approximately £39 million. The hospital will earn around £41 million between 1 April 1995 and 31 March 1996. A significant proportion, around £27 million, will come from Warwickshire Health (the main purchaser) and £7 million from local GP fund-holding practices. Staff costs are £28,500,000 which are 70% of the total budget. The Trust employs 1,328 staff as shown in Table 3.3. The Trust was unable to supply information on the number of employees who were members of a trade union.

The focus on quality began at the end of 1993 when the Trust appointed a Chief Executive Officer and a Director of Quality. The key objective set for the Trust was to 'improve the quality of services whilst ensuring the identification and delivery of effective, efficient health care and to reinforce the mission statement' which is: 'working to achieve excellence in health care'. Quality standards for the Trust included those set out in Box 3.4.

Shaped by the stipulations of the Patient's Charter, the quality initiative requires an increased emphasis on statistical measurements throughout all the diverse areas and departments of the hospital; that is, there is growing emphasis on some of the 'hard' features of quality discussed in Chapter 1,

though these take a different form from the types of measurement practised in manufacturing. The establishing of quality standards is a central focus within the hospital. This quantitative side of the quality initiative is supplemented by an emphasis on increased communication within and between departments/wards. As is the case in Lewisham, team working was highlighted as of great importance in the drive for quality within the hospital.

The emphasis on statistical measurement points to a growing role for the hard elements of QM, albeit within a particular context which is different from process controls in manufacturing. Monitoring and discipline were not especially prominent aspects of this. Here, as at Severn Trent and the two manufacturing organisations, QM did not mean more staff surveillance.

V Philips DAP Hastings

Philips began producing incandescent lights in 1891 in Eindhoven, the Netherlands. By the turn of the century it was one of the largest lamp manufacturers in Europe. By 1925 the company had national organisations in 24 countries. These national organisations now vary from trading companies to fully industrialised enterprises in approximately sixty countries. Nine product divisions determine global product policy. In 1991 Philips' worldwide operational group name was changed to Philips Electronics NV. The firm is active in lighting and almost every field of electronics. It produces, sells and provides services in a variety of markets throughout the world for customers in industry, the service

Box 3.4 Selected quality standards at South Warwickshire NHS Trust

- A clearly worded statement identifying the aims and objectives of each facility and department relative to patient care. This should include documented evidence of an overall plan to achieve these aims and objectives with set dates to review and revise targets.
- Effective programmes developed to ensure aims and objectives of the agreed health care are achieved, maintained, reviewed and evaluated. This includes respect for human rights including ethnicity, equality, privacy, dignity etc.
- Comprehensive training programmes and health and safety hospital/facility policies, practices and procedures appropriate to each department on all safety issues that exist are implemented and monitored.
- An overall Quality Assurance Programme providing service audits, clinical audits, practice and procedure reviews. This programme has named officers with identified responsibilities.
- Quality standards in contracts reviewed and monitored at least once per annum.
- A system which ensures all employees have professional qualifications verified on a regular basis and are qualified for the duties they undertake.
- Evidence that patient needs assessment are undertaken and care plans implemented and overseen by a named professional.
- Evidence of patient involvement in identifying needs of the service, problems regarding delivery of the service and audits, resulting in changes in the service.
- Evidence of purchaser involvement including agreement of standards, methods of monitoring agreed reporting practices to purchasers, regular audits of service provision.

sector, education and health care. The organisation employs a work force of 240,000 world-wide. Philips DAP Hastings is an International Production Centre in the Domestic Appliances and Personal Care division of Philips Electronics NV.

The factory at Hastings was started by L G Hawkins in 1962 and manufactured a range of products such as kettles, irons, toasters, pressure cookers and heaters. In the late 1960s, the factory became Ekco Hawkins and in 1971 the name was changed to Ekco Heating and Appliances. Pye fully owned Ekco and as a substantial owner of Pye, Philips became involved in the Hastings site. During the following years, Philips' involvement increased and the name of the Hastings site eventually changed to Philips.

The main activities of the Hastings factory are the design, development and manufacture of domestic appliances. The plant employs approximately 400 workers. Of these, 120 are members of a union with 15 belonging to MSF and 105 being members of AEU. The main product lines are air cleaners, hostess trolleys, thermotubes, kettles and fan heaters. In 1995 sixty per cent of output went for export, a figure which is expected to grow.

In 1990, Philips recorded an operating loss for the first time since it started in 1891. As a direct consequence, a major restructuring plan called 'Operation Centurion' was initiated which was designed to restore profitability. The focus of the restructuring, which affected all levels of the organisation, was to make quality the top priority throughout the business. The stated goal of the restructured organisation is 'to be considered World Class in everything we do'. Five corporate values have been agreed and communicated to workers throughout the organisation. They are shown in Box 3.5.

The management at Hastings recently distributed a booklet outlining the objectives and performance improvement plans for the plant. This highlighted increasing competition and globalisation together with higher customer expectations as the driving forces behind the need to become a world class factory. The mission statement for the Hastings plant is...

To delight customers with the design, manufacture and supply of world class products based on air and water treatment technologies and thereby progress the DAP growth and profitability objectives.

Box 3.5 Quality values at Philips, Hastings

Delight customers Value people as our greatest resource Deliver quality and excellence in all actions Achieve premium return on equity Encourage entrepreneurial behaviour at all levels
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This mission statement is supported by the plant's policy on Total Quality which embraces the following principles: customer first; demonstrate leadership; value people; build supplier partnerships; and strive for excellence.

Established in 1991, Hastings Improvement Teams (HIT) consisted of multi-functional groups working together to improve processes. Beginning in 1992, an annual 'customer day' has been established by Philips. The first involved all European employees. Work stopped at plants throughout Europe and workers spent the day discussing and identifying present and potential customers. The 1993 European customer day concentrated on the processes involved in working with internal and external customers. The concept went world-wide in Philips in 1995. Philips workplaces around the world stopped work to discuss and evaluate how the firm could become customers' first choice. According to management, the scheduled 1996 day will concentrate on whether the organisation has achieved the objective of becoming first choice.

As part of the quality initiative, the Hastings factory held a 'Town Meeting' at a local theatre. All work at the plant stopped at lunch time. Workers and management made their way to the theatre in the centre of town. According to management, the objective of the meeting was to 'discuss how to improve the business and work together to beat the competition'. Both written and verbal questions were tabled to members of the management about all aspects of work. (This is discussed in more detail in Chapter 6).

The Hastings factory achieved ISO 9001 in 1993. In 1994 the philosophies of the Philips Quality Award for the 90s (PQA90) were introduced. The standards for PQA90 are set by Philips and they cover the following seven areas: role of management; quality improvement process and activities; quality systems and procedures; relationship with customer with suppliers; results; development of people customers; relationship with suppliers; results; and development of people.

Table 3.4 Union membership of British Steel, Shotton, employees.

The standards required to achieve Investors in People have been incorporated into section seven (Development of People) by the Hastings Quality department. The intention is to ensure that when they achieve their goal (set for 1996) of PQA90 they also attain IIP. The improvement objectives for the Hastings plant for 1995 were set as: improve financial performance; become customers' first choice; improve delivery reliability and flexibility; and improve new product introduction performance.

As we will see in Chapters 5 and 6, there were some issues concerning how far these principles had been put into practice, and we cannot at this point say whether there was or was not a particular balance of hard and soft elements. But there plainly was an interest in involving workers while the 'hard' issues of quality standards were also being emphasised. Systems of labour control remained relatively unchanged so that, for example, there was no particular tightening of standards of work effort or discipline.

VI British Steel

Since privatisation in 1988, British Steel has closed some production facilities as part of its rationalisation plans and pursued a programme of joint ventures and acquisitions. Today, the list of British Steel's subsidiary and associated companies is much more international. In 1991, British Steel and Swedish Steel brought together their respective electrical steel interests to form European Electrical Steels. In 1992, British Steel and Avesta created a major Europe-based international stainless steel group by merging virtually all British Steel's stainless steel manufacturing and distribution interests with Avesta in a new company, Avesta Steel Sheffield.

British Steel manufactures and sells a vast range of steel products, to tight specifications. Most are sold in finished form, for direct use by customers; others are delivered as semi-finished products for further processing or shaping. The company has a liquid steel output of around 13 million tonnes a year and is Britain's sixth largest manufacturing exporter, with overseas sales accounting for well over a third of its total business. It has sales outlets in almost every country in the world. Its principal customers are in the high-volume construction,

	Manual	Staff
ISTC	495	270
AEEU	246	34
GMB	19	3
UCATT	3	
TGWU	496	27
SIMA		170

engineering, automotive, packing, domestic appliance, rail and other transport and energy industries. The organisation of British Steel is based on a two-tier headquarters/business structure. Each business has its own managing director responsible for the operational and strategic management of the business and each manufacturing business also has responsibility for marketing its products.

Shotton Works is part of the Steel Strip Products Division (BSSP). It is the premier location for the production of coated steel strip, metallic and paint coated for corrosion resistance and colourful finish. The products are used mainly in the automotive, construction, domestic appliance and general engineering industries throughout the world. Products are despatched to customers in either coil form or as cut-to-length sheets. Delivery is by road or sea with extensive use made of the works jetty. The plant has the widest range of coil coating facilities on a single site in the world. In order to meet the long-term needs of an international market, the works is considered a centre of excellence within British Steel. Shotton Works employs approximately 1910 workers; of these 1763 are members of a trade union as shown in Table 3.4.

After the completion of our study in 1995, a report was published on an earlier analysis of the Shotton works (Blyton et al., 1996). This paper described an attitude survey of 453 employees, conducted in 1991, and compared the results with a study conducted during the 1950s (Scott et al., 1956). It argued that there was dissatisfaction about pay and about some relations with management, and it related this to a reduction of job security since the 1950s, when attitudes had been more favourable. It also noted, however, satisfaction with work loads and job responsibilities, and it underlined a 'positive disposition' towards further change. This usefully sets the context for our study,

conducted four years later. As we will see, a degree of distrust remained, but the quality

initiative was welcomed, illustrating very clearly this positive disposition. Job security had also probably increased since 1991.

In November 1993, works and departmental managers throughout Coated Products endorsed a Total Quality Performance 'Way forward' programme aimed at attaining the vision of being 'the Preferred Supplier of Coated Products'. The target, to be met by 1996, was subsequently structured on the reports of five multi-functional action teams, headed by works managers. Their recommendations covered:

- the most economic and efficient way of gathering customer information and of identifying important customer service issues;
- the examination and bench marking of processes using deployment mapping aimed at achieving best world standards;
- a comprehensive training programme for quality improvement, problem solving and customer care workshops;
- the role and style profile of a manager working in a Total Quality culture;
- and greater use of the Suggestion Scheme, with recognition for Quality Improvement Teams.

One of the first actions of the team analysing the gathering of customer information was a survey on customer requirements. The most critical service factors highlighted by customers were the quality of the product, reliable delivery times and confidence in the Coated Products personnel with whom they had contact. Accordingly, Quality Improvement Teams were set up to identify areas for improvement. The teams dealt with a range of issues including the level of plant rejects, the capabilities and loading of finishing units, data input during order entry and response to customers. They reported on their achievements and opportunities in March 1995. As part of the customer awareness initiative of the Way Forward programme, teams have been set up with a remit which includes visits to a cross section of customers' plants. These visits are intended to improve information on perceptions of BSSP and also monitor subsequent performance.

The management argue that Quality Improvement Teams have made a substantial contribution to the overall effectiveness of the business. In a recent report it is estimated that savings of approximately £5 million a year have been achieved through quality improvements, waste reduction and increased efficiency. Management consider Quality Management to be a fundamental part of the plant's culture with emphasis on Total Quality Performance and Quality Assurance. This emphasis on quality in products and customer service is viewed as essential if the division is to remain competitive in the world market. The primary objective of the quality initiative is: 'to ensure that product quality and customer services are maintained to the highest standards'. The works quality assurance system is approved to British Standard 5750 Part 2 1987, equivalent to the International Standard ISO9002.

The idea of Total Quality Performance is reinforced by the use of such things as SPC. Growing interest in the harder aspects of quality control thus parallels that in training and communication. The system did not, however, imply that there was a particularly direct form of employee monitoring and discipline. A concern with 'hard' quality standards did not require a close surveillance of workers.

VII Comparative case material

As already mentioned, the present study has some of its origins in the separate doctoral research of Chris Rees. Where relevant, we draw selectively on Rees's findings. We provide here some brief notes on the companies concerned. Four firms were studied, two from manufacturing and two from private services. Within each pair, one was unionised and the other was non-union. Research methods involved interviews with those involved in the quality programme and a survey of shop floor opinion. In one of the firms, in contrast to the present study, the survey was conducted by face-to-face interview; in the other cases, self-completion questionnaires were used. All company names are pseudonyms.

Auto Components, a subsidiary of an American-owned group, employs about 150 people on a brownfield site. It manufactures specialist components for the car industry. Its quality programme began with a heavy emphasis on the 'hard' aspects such as SPC. More recently, training and employee involvement were given more attention and the firm uses groups to pursue 'continuous on-

going improvement'. As discussed in later chapters, after a period of retrenchment in the mid-1980s, the firm has invested heavily, and has opened a new production facility. Quality has been inextricably linked with this change in the company's fortunes. The firm has a long trade union tradition and at the time of the study there was 100% membership (in the AEU). Fifty shop floor employees were interviewed.

Office Tech is the wholly-owned subsidiary of a Japanese firm and was set up on a greenfield site in 1986 to manufacture a range of office machinery. As with Auto Components, the quality programme is based on the 'hard' aspects of QM. The difference is that these continue to prevail and that progress in terms of communication and involvement has been slow. Most operators carry out assembly line work within very precise quality guidelines. The scope for independent initiative is limited. The firm is non-union. Forty employees were surveyed.

New Bank is a major financial services institution, employing about 40,000 people in retail branches and business centres throughout the country. Improving quality and customer service was a major response to increased competition in the financial services sector. QM began with the softer elements such as an emphasis on customer service. The quality circle was an early mechanism, but it was dropped as circle members became demotivated; ad hoc groups focused on concrete issues replaced the circles. More recently, the harder aspects of measurement, including the close scrutiny of work performance, have been stressed. In contrast to Auto Components, the market context has been unfavourable. The firm is unionised, though relatively weakly and with a split between a staff association and the banking and finance union BIFU. The survey included 48 staff.

Hotel Co is one of the leading more up-market hotel chains. It has 15 hotels, which employ between 30 and 130 staff. Given its position in the market, service quality as distinct from price is an important feature of competitive advantage. As at New Bank, the softer elements of QM led the way with a quality circle programme. The circles were soon seen as too isolated from other activities and a fuller QM programme embracing empowerment and customer care was introduced. At the same time, there has been more attention to measurement, though perhaps to a less intense

and formalised degree than at New Bank. The firm is non-unionised. Forty-nine employees were included in the survey.

Four

RESPONSES TO QUALITY INITIATIVES

I Introduction

In this chapter we concentrate on employee responses to the specifics of quality programmes. We begin by assessing employees' views of the importance of quality in their organisations and the perceived effects of the programmes on their ability to be involved in decisions and on communication from management. We then go on to consider one central mechanism for involvement, the use of team working. Finally, we outline the provision of training for quality. The main concern here is to use the questionnaire returns to chart the overall pattern and to examine differences between organisations. In explaining these differences we draw on management interviews and on more qualitative material.

Our central argument is that there was widespread evidence of acceptance of the norms of quality improvement and a general welcome for quality initiatives, together with a view that communication with management had improved. In contrast to the view of some critics, there was evidence of genuine acceptance of the concept of quality. However, there were limits, and we can contrast 'involvement' with 'empowerment'. Both these terms are widely and variously used.

By **involvement**, we mean the granting of discretion to workers to define aspects of their work tasks and to take decisions on, for example, acceptable quality levels and on the adjustment of equipment to keep products within quality standards. The parameters within which such decisions are taken are, however, likely to be clearly defined and to reside in managerial control: there are clear rules and procedures.

Empowerment means a further shift toward autonomy, with fewer rules and more freedom to take major choices, on the analogy of the

independent business executive or craft worker who can take large choices about where, when, and how to operate. No one would seriously expect the analogy to apply exactly: to measure QM in complex organisations against an image of total independence would be absurdly harsh. But, as we have seen, some commentators do see TQM in terms of a qualitative shift towards workers who are 'empowered' in the strong sense of determining how they carry out their work.

In this chapter, we introduce both managerial views on empowerment and evidence from workers on such issues as team work. In the following three chapters, we deal with an array of the constraints on empowerment. As we will see, it can be argued that workers respond best to clear rules: as opposed to the model of open empowerment, this supports what we will term the 'disciplined worker' thesis.

The present chapter explores some of the 'internal' connections among the measures analysed. For example, does team working promote favourable views of quality? Since we are testing hypotheses, rather than laying out broad patterns, tests of statistical significance become pertinent here.ⁱ The question of whether forces external to QM itself, for example the degree of job security, influence views on quality is taken up in Chapter 7.

One other preliminary point is important. We were concerned to record the views of 'employees', that is people carrying out the basic work routines of each organisation who had little or no managerial responsibility. As it turned out, in some cases people with supervisory or managerial roles did complete the questionnaire. We used the Standard Occupational Classification to code job titles. Eleven per cent of the sample were coded as managers. This does not necessarily vitiate the analysis, since managers can be as critical about their organisations as anyone else. But where we asked about views of 'management' or communication from management we may need to discount the opinions of this group. For the sake of consistency, we generally report results which exclude managers. Appendix A shows the occupational distribution of the sample and explains how we dealt with other possible difficulties.ⁱⁱ

Table 4.1 Importance of concept of quality

	Severn- Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
Crucial issue	14	21	9	7	21	26	16
Very important	68	73	56	76	66	58	66
Fairly important or not important	18	6	35	18	13	16	18

Base: All employees; N = 294.

Finally, we have 280 responses but with differing numbers from each organisation. We felt that the best way to represent an overall figure was not to average individual replies but to weight them so as to produce a figure which is the average of the six organisations.³

II The concept of quality

Fundamental to the issue of employee involvement in QM is the degree to which employees see quality as a central principle of work organisation. To the extent that there is scepticism on this basic point, more concrete initiatives such as communication of quality goals or training in quality activities will be difficult to establish.

In fact, in all six organisations, there was a widespread belief that quality was important, and indeed central. We asked respondents to judge the importance of 'the concept of "quality improvement" within [their] organisation'. As Table 4.1 shows, substantial numbers rated it as the single most important issue, with most of the remainder rating it as very or fairly important. Very few respondents assigned it little or no importance.

An open-ended question provided extensive information on the reasons for this thinking. All 280 respondents answered (itself an indication of the serious attention which they gave to quality issues); we categorised their comments into 338 responses. Perhaps unsurprisingly, it was external forces rather than internal quality management principles which were most emphasised. About a third (35 per cent) of responses cited customer demands for quality, while a further one-fifth (22 per cent) cited the competitive environment more generally. New market forces in the public sector were mentioned by 10 per cent. Turning to developments within organisations, 17 per cent of responses mentioned such things

as team working and the need to reduce waste. There were also some more negative comments, but these were very much in the minority. This pattern of replies suggests that some of the basic ideas of QM programmes discussed in Chapter 1, that is, a customer orientation, a concern for continuous improvement, and a process orientation, were recognised as important.

This pattern of replies was confirmed by a further forced-choice question asking for a ranking of the most important elements of quality. Five options were given. Two-thirds (63 per cent) of respondents ranked customer satisfaction first. Virtually none (3 per cent) put employee involvement in first place.

The precise focus of customer demands naturally varied. In the service sector, it was the need of the individual customer which was emphasised:

Public sector organisations had a similar concern, though with more emphasis on links with the community:

...[quality is about] ensuring service provision is effective and valued by the local community (Lewisham).

...[the aim is] to ensure the best possible service for patients within the local catchment area (S. Warks).

In manufacturing, it was less the service to customers and more the quality of the finished

product which was stressed:

the customer will always wish to buy the best quality product available (British Steel).

Respondents also indicated awareness of the central notion of QM, namely, the need for continuous improvement. As one Halifax respondent put it, customer demands are always increasing and increased quality was therefore needed. 'Patients now expect higher standards

of care', noted a South Warwickshire respondent. A British Steel worker made the important point that established ideas of what constituted a good product may no longer be enough:

[although] we have always prided ourselves on turning out a quality product, we cannot afford to believe . . . that, just as some tried and tested methods used to work satisfactorily, they can always be expected to do so.

Wider competitive forces featured most strongly in the organisations exposed to international competition. In British Steel in particular quality was seen as important in the firm's 'long-term viability' and to 'safeguard [the] future in a very competitive field'. Respondents at Philips also cited the need to be 'a world class supplier'. The relevance of market forces was also much apparent in the public sector, with several respondents drawing direct parallels with the private sector:

The hospital has to act like a commercial company.

The Trust is competing for business, and quality . . . is a key determinant of success (both S. Warks).

Internal process improvements included 'working as a team' and using 'the skills and knowledge of the work force', as two British Steel respondents put it. In Severn Trent, quality was seen as a means of improving communication and 'knowing where other people fit' in the business.

There was some feeling that quality was simply a fad, 'a meaningless mantra', in the words of one South Warwickshire employee. A couple of

Severn Trent respondents could see few tangible results. Other critics argued that, despite commitment to the general idea, there was limited practical pursuit of quality goals:

[there is a] reluctance to give necessary support (Halifax).

[management] has a tendency to impose standards upon staff without extra resources [or] consultation (S. Warks).

Overall, however, such qualifications were rare. The general opinion was that quality was an accepted principle within each organisation.

We asked respondents about their initial reception of their organisation's quality programme. As Table 4.2 shows, there was a favourable response in all organisations, which was least marked in Lewisham. We also asked whether attitudes had changed, to allow for the now-common finding that disillusionment can set in. We found very little of this: 51 per cent reported no change, and of the remainder who had changed their views 83 per cent said that they had become more supportive. Just eight per cent of respondents had become less supportive. As Table A.2, which contains selected statistics from Rees's studies shows, a similar result emerged from these four organisations. This suggests that QM movements may be having more success than earlier quality circles which, as discussed in Chapter 1 and as was clear in two of Rees's cases (see Chapter 3), tended to run out of steam. The broad idea of quality as encapsulated in QM initiatives seems to have found a resonance within the workplace.

Table 4.2 Initial attitude to quality programme

	Severn-Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
In favour	80	83	48	70	70	65	70
Neutral	18	17	48	28	28	23	27
Opposed	2	0	3	3	2	12	4

Base: Non-managerial employees; N = 254.

Table 4.3 Influence over quality

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Employee influence over quality</i>							
Great deal or fair	64	66	65	67	38	72	62
Some	26	30	31	24	47	26	31
Little or none	10	5	4	10	16	3	8
<i>Change in own involvement in problem-solving over 5 years</i>							
Great increase	27	33	36	27	18	26	27
Increase	54	49	48	49	36	36	45
No change or decrease	20	19	16	24	47	39	28

Base: Non-managerial employees; N = 254.

Table 4.4 Influence over quality, by job level

	ManagerProf.	Super/team leader	Operative	Total	
<i>Employee influence over quality</i>					
Great deal or fair	79	63	84	53	64
Some	21	32	13	37	30
Little or none	0	5	3	11	7
<i>Change in own involvement in problem-solving over 5 years</i>					
Great increase	42	24	42	23	29
Increase	36	55	37	42	44
No change or decrease	22	21	21	35	27

Base: All employees; N = 282.

Table 4.5 High levels of quality involvement, by job status and organisation

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Per cent saying 'great deal or fair' influence over quality</i>							
Manager	91	43					79
Professional	71		50	60	55		63
Super./team leader		94		80		82	84
Operative	57	50	72		26	64	53
All	70	70	61	68	38	74	64
<i>Per cent saying 'great increase or increase' in problem solving</i>							
Manager	82	72					78
Professional	87		88	78	67		79
Super./team leader		81		87		64	79
Operative	62	82	82		47	56	65
All	81	84	81	76	53	61	73

Note: A blank indicates cells with fewer than ten observations; these are included in the totals.

III Attitude to quality programmes

Employees' own views on the effects of the quality programme can be assessed directly by considering their replies to questions about their own influence on quality and about changes in problem-solving. A slightly wider context is provided by the pattern of communication with management.

Influence over quality and involvement in problem-solving.

To begin with current levels of influence over quality, Table 4.3 shows that there was a high degree of perceived influence in all organisations, with nearly two-thirds of the sample (62 per cent) saying that they had a 'great deal' or a 'fair' level of influence. The response was particularly favourable at the Halifax and British Steel. The least favourable response was recorded in Philips.

There are no directly comparative data, but some indication is provided by the British Social Attitudes survey, which covers all adults. The 1993 survey found that 52 per cent of respondents reported some say in decisions affecting their work; in view of arguments that the extent of participation and involvement has been increasing, it is notable that this marks a fall from 62 per cent recorded in 1985 (Hedges, 1994: 49). If we set the 93 per cent of our sample reporting at least some influence over quality against this figure, we have some measure of the extent to which all our organisations stood out from the overall situation. This should be borne in mind when we make comparisons among our cases: they all score well above the average on employee satisfaction with the level of involvement.

As for trends, the table also shows replies concerning changes in 'your own level of involvement in problem-solving' over the previous five years. The general position was again favourable, though the increase was least notable in Philips and British Steel. Putting these figures together points to a high level of influence and the most rapid increase in the Halifax; a high but relatively stable degree of influence in British Steel; the lowest involvement and the least change in Philips; and middling amounts of influence and of change in the other three organisations.

It would be expected that managers and professionals perceive a higher level of influence over quality than do routine clerical or manual workers. This was indeed the case. As Table 4.4 shows, managers and supervisors had a significantly higher perceived level of

influence than did other groups. In terms of changes in involvement in problem-solving, there was a similar pattern, but professional groups were no different from routine workers.

As noted above, our general approach has been to exclude the managerial groups from analysis, so as to increase comparability between organisations. But there remains the possibility that differences between other groups vitiate the analysis: a large number of professionals in an organisation will increase its score on favourable attitudes to quality. Table 4.5 gives some data by job status and organisation. The picture for Philips is confirmed, with its 'operative' group scoring lower than counterparts in other organisations. As for the Halifax, the particularly favourable picture of the level of influence has to be discounted by the attitudes of supervisors and team leaders, who returned a virtually uniformly positive reply. However, perceived increases in problem-solving were identical for supervisors and 'operatives', suggesting that the organisation did have a generally favourable response to its quality initiatives. In short, the pattern of replies within organisations does not seriously affect the overall picture.

Contrasts between organisations

In order to explain these contrasting findings between organisations we need to reflect on the differences in the organisations and the sectors. Although it is always difficult to isolate individual factors which can be said to explain the statistics, some wider issues may contribute to these findings.

Halifax employees had the most favourable attitude to quality; they also felt that they had a high influence over quality and a high involvement in problem-solving which had increased during the previous five years. Within the Halifax, employees displayed a strong sense of loyalty to what was perceived to be a long-established and reputable organisation within the financial services sector. The change in corporate emphasis from a centralised bureaucracy towards a strong focus on the customer was welcomed by employees in the branch network. During the late 1980s and early 1990s the emphasis was on cost controls, a policy shaped by the downturn in the economy and the housing market. However, in 1993, with the appointment of the new CEO, the balance changed to a focus on customer service. Employees at the branches now considered that their relationships with customers, which were an integral part of their work, were being both acknowledged and

highlighted as the key service which would allow the Halifax to compete in an increasingly competitive marketplace. The relaxation of some central control and the emphasis on employee involvement was seen as very positive and a direct contrast to what one manager called the 'Colditz Era'.

British Steel employees believed that they had a high level of influence over quality and a degree of involvement in problem-solving which had remained stable during the previous five year period. These findings may reflect the strong focus which the quality department had placed on Quality Improvement Teams and what appeared to be an increasing sense of stability within the Shotton works. After a restructuring of the works during the period 1980 and 1983, approximately 8200 jobs were lost. Following privatisation in 1988, investment in the Shotton works increased and between 1990 and 1995 the work force has remained relatively stable at around 2000 employees (2046 in 1990 and 1910 at November 1994). There appeared to be an increasing sense that the threat of job loss was no longer at the fore as it had been in the past. As shown in Chapter 5, the majority of respondents in British Steel thought that their level of job security was high or very high. Alongside this there was a general acknowledgement that the need for continuous improvement could be attained only through a focus on employee involvement in quality at all levels.

Middling amounts of influence and involvement were recorded in Severn Trent, Lewisham and South Warwickshire NHS Trust. This might be explained through some inter-related factors surrounding the level and pace of change taking place in these organisations.

Severn Trent Water was privatised just one year after British Steel. However, in Severn Trent, concerns about the reduction in job security appeared to be linked directly to privatisation. As we outline in Chapter 6, at the time of the research approximately 750 redundancies were announced at the head office. The majority of respondents in Severn Trent considered their level of job security to be moderate, inclining towards low. Chapter 5 also demonstrates that a high percentage of respondents highlighted job insecurity as the main factor for reduced job satisfaction. These on-going job losses were of great concern to employees and raised issues surrounding the rationale behind the reductions and the impact of tight staffing levels on quality.

South Warwickshire NHS Trust and **Lewisham Council** are both public sector organisations undergoing major organisational change. This change to an orientation stressing business needs, market forces, and value for money was having a considerable effect within each organisation. Here again, a concern about wider organisational changes such as reductions in resources and the pace of change ran alongside the acknowledgement about the importance of quality.

The lowest level of influence and involvement was recorded at **Philips**. The operative groups showed the lowest scoring compared with the other organisations. Chapter 6 explores in more detail the reasons for this pattern. Suffice it to say here that one significant factor which was consistently articulated by the operatives at Philips was low pay. We asked a standard question about how pay in the current organisation compared with that at other firms. Overall, 30 per cent of employees said that their pay was lower than the average. At Philips, the proportion was 55 per cent. Again, Chapter Five demonstrates that respondents at Philips considered pay to be the main factor that contributed to reduced job satisfaction. As one shop floor worker stated to management during a meeting:

The single demotivator is pay. ... You can't expect people to be interested in the business plan when they are worried about paying the rent.

The managerial response to this was a firm statement, that although they did not pay the highest rate for shop floor work in Hastings, they also did not pay the lowest. This has to be considered in the context that Hastings is acknowledged by the management as an area of high unemployment and therefore low pay. It was felt by some shop floor workers that the company paid the lowest wages that it could. This feeling among operators is likely to be important when employees consider the extent to which they feel involved, as the foregoing statement demonstrates.

In short, responses to the quality programme reflected wider views on working conditions and job security. They did not turn centrally on criticisms of the idea of quality as such.

Quality and employee-management communication

Turning to the ways in which quality ideas are actually communicated to workers, we begin by describing the main initiatives in each

organisation. Overall, in all the case study organisations there was a strong view among managers that the various quality initiatives had facilitated communication between management and workers and increased work force involvement in problem-solving generally. The majority of managers considered that some form of team meetings or briefings were the main source of this increase in communication.

At **Severn Trent** the main mechanism thought by managers to facilitate increased communication were the quality improvement teams. These were cross-functional teams, using 'working for quality' techniques, to identify low performance standards and assess the need for change.

Managers in the **Halifax** considered the monthly customer service meetings to be the prime facilitator of management-employee communication. These meetings were designed to facilitate two way communication between management and staff about all issues to do with their work. In relation to communication channels, four managers also mentioned the suggestion scheme and three referred to the workshops which discussed the reports completed by the mystery shoppers. All managers argued that communication between managers and staff had improved significantly through these regular meetings, which, interestingly, were among the measures used by Halifax to assess overall branch performance.

Lewisham managers cited the Employee Development Scheme as the key mechanism for increased communication. This scheme involves a formal interview with members of staff twice a year to discuss a range of issues related to their work. This new formalised system was considered by managers to be the main facilitator for improved employee management communication. Certain managers also mentioned other initiatives such as team meetings which ranged in frequency from weekly to every six weeks.

Managers in **South Warwickshire** drew attention to many types of team meetings which had emerged following the focus on quality. These meetings were designed to increase communication between staff and managers/supervisors. The most common description that managers gave was 'team

meetings'. However, many managers and supervisors referred to regular meetings with individual members of staff which were called to deal with specific problems which had arisen in everyday routines. Managers stated that the level of communication had increased significantly. However, four managers felt that there had been no real change in communication levels in their areas.

In **Philips** the Hastings Improvement Teams (HIT) were mentioned by five managers as the main source of increased communication. According to managerial respondents, these teams mainly comprise staff rather than operatives. Four managers referred to the 'customer day' which was held annually and the 'town meeting' (an open meeting for all staff, the first of which was observed during the research: see further Chapter 6) as examples of increased management/shop floor communication.

In **British Steel**, the suggestion scheme, which was highlighted as the most effective form of communication by the workers, was mentioned by five managers. The scheme itself had recently been improved as part of the quality initiative and was considered to be much more effective. Workers' responses detailed below would appear to support this view. However, the majority of managers considered the Quality Improvement Teams to be the most effective mechanism for increased communication within British Steel. Three managers also referred to customer awareness teams as a means through which increased communication between management and workers was facilitated.

Employee views of communication methods.

In analysing employee responses, it is best to begin with the context of communication systems. Such systems are conventionally analysed in terms of their main style: downward, such as newsletters and videos; upward (suggestion schemes or opinion surveys); and two-way, where there is some dialogue between management and worker, as in team briefings or quality circles (see Townley, 1994).

Table 4.6 Communication methods

Severn-Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
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Per cent saying given communication method 'very successful'

Notice boards	14	27	18	22	11	26	20
Newsletters, videos	24	40	22	2	13	33	22
Team briefing	45	72	69	49	46	36	53
Suggestion schemes	5	23	4	0	5	39	13
Employee ballots	7	2	0	2	5	8	4
Informal, via indiv. mgrs	24	35	37	44	14	16	28
Employee 'grapevine'	26	16	36	21	31	26	26
Any informal ^a	36	41	59	52	35	33	42

Note: ^a: Percentage saying that either 'informal means via management' or 'grapevine' was very successful. Base: Non-managerial employees; N = 254.

Table 4.7 Values of different means of communication

(Scores)	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
Downward	2.02	1.83	2.43	2.35	2.39	1.90	2.16
Upward	2.90	2.94	3.91	3.94	3.61	2.78	3.36
Team briefing	1.65	1.50	1.49	2.11	1.85	2.09	1.76
Informal	2.27	2.25	2.13	2.12	2.47	2.15	2.24
All methods	2.21	2.13	2.49	2.63	2.58	2.23	2.38

Table 4.8 Changes in communication to employees by management

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
Great increase	24	54	35	13	14	26	27
Some increase	41	38	35	58	57	41	45
No change/decrease	36	7	31	29	30	33	27

Base for both tables: Non-managerial employees; N = 254.

We asked respondents to consider a list of communication devices and to say whether each was used in their organisation and, if so, how successful they found it. As Table 4.6 shows, in all organisations other than British Steel it was the two-way system of team briefing which was most favoured, with the strongest preference emerging at the Halifax and Lewisham. In BS, and to a lesser extent in the Halifax, suggestion schemes received some support. What is also notable, however, is continued reliance on informal communication with individual managers and on the employee grapevine. Each was mentioned by around a quarter of employees in all organisations. Indeed, as the table shows, over 40 per cent of respondents rates one or the

other as 'very successful'. When we combined the 'very' and 'moderately' successful categories, we found that 89 per cent of respondents cited one or other informal method.

The emphasis on team briefing is underlined when we combine data on the various methods of communication. The first two, notice board and newsletters or videos are basically 'downward' in form. Suggestion schemes and ballots allow 'upward' communication. Then we have team briefing as a separate category, and the two informal methods. We assigned scores to each category as follows: 1 for very successful; 2 for moderately successful; 3 for of little or no use; and 4 for not in use or no answer (combining the last two replies on the grounds that the absence of a device or a lack of view on it denotes notably little value). The scores are shown in Table 4.7. Very few respondents used the category of 'not used here' in relation to any of the communication devices. For example, 86 per cent of the sample said that team briefing was very or moderately successful. As can be seen, team briefing came out as the most favoured device (i.e. with the lowest scores) in all organisations, while upward communication was little favoured.

We asked whether there had been any change in the extent to which management

communicated with workers, specifically 'since the quality programme was introduced'. As Table 4.8 shows, over 70 per cent of respondents reported some increase, with this being most notable in the Halifax and broadly similar across the other five organisations.

To put these data in context, the 1990 Workplace Industrial Relations Survey, by contrast, found that in only 35 per cent of establishments did the manager responsible for personnel report that any form of 'regular meetings of work groups' took place (Millward et al., 1992: 167). The extent of communication within our organisations was plainly substantial.

Problem-solving meetings. If employees are 'empowered' then a minimal condition is that they should make suggestions about improving work organisation, and have these acted upon. We asked about formal means of making suggestions through meetings designed for 'solving particular problems with your work area' and about more informal methods: whether 'you have made any informal suggestions' to work group or management 'about ways of improving the efficiency with which your work is carried out'. (Note that the focus here is on a much more continuous sense of problem-solving than formal suggestion schemes which, we have seen, were not rated highly).

The replies showed that involvement in making concrete suggestions for improving work organisation was widespread. The existence of meetings was reported by at least 85 per cent of respondents in all organisations other than British Steel. The making of informal suggestions was as common, with between 77 per cent of employees (at Philips) and 93 per cent (Lewisham) making at least one suggestion through informal channels (Table 4.9). As the table also shows, employees believed that management generally gave suggestions arising from formal meetings considerable or reasonable consideration. Only in Philips did a small majority feel that only some, or a little or no, consideration was given. Employees were also clear, however, that informal suggestions received notably less consideration than formal ones.

There was an interesting link between both forms of suggestion and influence over quality and involvement in problem-solving. One might expect the making of suggestions to be associated with perceived influence over quality and with changes in one's own involvement in problem-solving. In fact, only

the latter association was observed. We may infer (admittedly in an entirely *ex post facto* way) that the making of suggestions is not necessary for influence over quality, perhaps because other mechanisms are available or because the ability to make suggestions is not felt to be sufficient to affect quality as a whole, but that it does help employees to feel that their own role in decision-making has increased.

We asked an open-ended question, asking whether employees felt that meetings were generally a good thing, whose results support this interpretation. There was a total of 264 replies, of which only 17 (6 per cent) entered negative comments. The positive replies did not focus on quality as such but concentrated on communication and group interaction. The most common response (37 per cent) covered what we have termed general horizontal communication. Typical replies were:

[Meetings] give an opportunity to explore issues which normal working restraints don't allow (Severn Trent).

It gives us a chance to air our views even if no one takes any notice. At least we put forward our opinion (Philips).

A related group (18 per cent) referred to vertical communication, some respondents stressing the value of information on managerial plans and others the benefits of making management aware of employee views. The point here is that meetings were seen as having relatively narrow value. They may have helped to raise the level of involvement in problem-solving but are unlikely to have been seen as major aids in employee influence over quality as a whole.

The second most common set of replies (32 per cent) covered a more precise sense of interaction within the work group. Typical phrases were: 'get together to solve or discuss problems', 'share ideas' and 'team spirit'. Some respondents made direct links with quality:

[Meetings help to] encourage involvement and ownership in quality and to share ideas as a group (Lewisham).

Meetings are here seen as more directly constructive, though again within a relatively narrow range.

How much one makes of such information depends on prior expectations. There is clearly substantial evidence of a sense of involvement. This runs against those who see quality

initiatives as mere shams. However, the making of suggestions does not indicate in itself any real empowerment, since the suggestions can be of only a detailed kind, to do with relatively minor aspects of work organisation. We now turn to empowerment more directly.

IV Empowerment and team working

Managerial views of empowerment and team working

Empowerment. Managers were notably reluctant to connect this increased level of involvement and communication with empowerment. In all the organisations the issue of empowerment was seen by managers as problematic both in its definition and

applicability to their everyday practices and concerns. Halifax managers consistently expressed the view that ‘empowerment is not a word used in the Halifax’. Whilst increased employee involvement in problem-solving and making suggestions for improvements was widely seen as important, ‘empowerment’ was considered something different as this manager explains:

empowerment is not a word used at local level. We can and do involve people more but we need to have constraints.

This view was articulated by all but two managers.

Table 4.9 Means to make efficiency suggestions

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Problem-solving meetings</i>	86	98	96	95	85	53	85
<i>Degree of consideration given by management to suggestions from meetings</i>							
Great deal	11	35	19	28	8	22	21
Reasonably serious	42	49	39	39	40	39	41
Some/not much/none	47	16	42	33	53	39	38
<i>Efficiency suggestion made informally in last year</i>							
	79	91	93	91	77	87	86
<i>Consideration given by mgt to informal suggestions</i>							
Great deal	5	9	4	13	6	21	10
Reasonably serious	33	64	52	41	36	36	44
Some/not much/none	62	27	44	46	57	44	47
<i>Change in eagerness of management to listen to suggestions</i>							
More eager	39	75	48 46	49	62	54	
About same/less eager	61	25	51 53	51	39	46	
<i>Whether anything changed following suggestions</i>							
Yes	79	91	85	84	53	59	75
No	21	9	15	16	47	41	25

Base: Non-managerial employees; N = 220.

Interviews with managers in South Warwickshire revealed the same negative response to empowerment. Again, only two managers thought that empowerment was relevant to their organisation. The remainder considered that although employees were encouraged to become more involved in discussing problems and making suggestions about how to improve practices, they were not empowered. As one manager explained:

Staff are encouraged to talk to me about anything, but empowerment wouldn't mean a lot to anyone here.

This view was echoed consistently throughout interviews with managers here.

The majority of managers at British Steel stated that they did not understand what was really meant by empowerment and they did not think that workers would understand its meaning. There was a widely held view that it would be inappropriate to use this term in discussions

with workers. This manager spoke for many when he said,

What does empowerment mean? I don't understand it, workers wouldn't understand it so I don't use it.

Yet again, managers considered that workers were given the flexibility to resolve certain problems without managerial interference. However, most agreed that there were limits placed on the level of possible involvement. This widespread concern about the meaning of empowerment and the applicability of such a concept in practice was also articulated by managers in Severn Trent, Lewisham and Philips. The consistency of these responses clearly demonstrated the need to look at this whole question of 'empowerment' in more depth. Therefore, a more detailed examination of this is presented in Chapter 6.

A key way in which quality principles are supposed to be put into practice is the organisation of employees into teams. As Legge (1995: 219) puts it, TQM is claimed to entail 'the involvement of all' which embraces 'the enlisting of the commitment of "empowered" workers, organised into teams and participating in decision-making'. The logic is that management can delegate authority to groups of workers who then organise themselves and thereby take an active interest in the quality of their work; the contrast is with the individual worker carrying out pre-determined tasks.

Team work. What did teams mean in our six organisations? Severn Trent managers stated that team working was integral to the organisation. According to these managers, emphasis was placed on multi-disciplinary teams which were interchangeable. This meant that some individuals could be a member of a few different teams all running concurrently on different projects.

The branch network within the Halifax consisted of 'traditional' branches which still had an administration function within the branch and 'sales' branches where the administration function had been transferred to one of the service centres which dealt solely with administration. The majority of managers referred to the whole branch as a team. Within the smaller branches some managers referred to the sales staff as one team and the cashiers as another. Some managers stated that although branches had always worked as a team, the focus on customer service and the competition

between branches had served to strengthen internal branch cohesion.

Within Lewisham, managers placed great emphasis on the importance of team work. However, there was a consistent view that team work had always been a part of the culture within Lewisham but that it was gaining a higher profile than in the past. For managers in South Warwickshire, the definition of teams varied considerably. At one extreme, the department was described as a team, in another case two people were considered a team while at the other extreme, two managers said there was no team work at all due to the nature of the work. Despite this diversity, the majority of managers within South Warwickshire considered team work, in its varying forms, to be very important. We would see the diversity as reflecting the absence of any distinctively new and explicit form of team working, with hospital staff working in teams in the traditional sense of co-operation between different medical functions in patient care. In both these cases, team work was nothing really new.

Within Philips, managers placed a strong emphasis on team work both for staff and on the shop floor. In respect of the shop floor, the Hostess Trolley Department had only one production line and this was treated as a team. Each production line for the kettles was seen as a team and one of the supervisors stressed how important it was to try to keep the same people together on the kettle lines in order to build cohesion within the line. The kettle lines consisted of approximately one hundred and fifty workers and kettles were the main product within the factory. However, at the time of the research, the factory was preparing for production of the new product, an air cleaner. The premises had been extended to incorporate the new production lines and workers on these new lines were to be multi-skilled with the responsibility for finance, training and measuring delivery and quality. If the air cleaner proved to be successful the intention was to bring this type of multi-skilling into other areas of the factory.

When asked about team work, the majority of managers in British Steel referred to 'TOPICS'. This new initiative, which was yet to go 'live', re-organised shop floor workers into multi-disciplinary teams incorporating managers. As one manager explained,

Workers are encouraged to work in teams, but TOPICS is real team work.

During the research, shop floor workers were undergoing a training programme designed to establish multi-skilling on the shop floor. This involved approximately five weeks at college studying the basic principles of metallurgy, chemistry, and process technology, alongside operational skills of engineering, stock control and technical skills. This was followed by further on-the-job training. Managers believed that TOPICS embodied the real principle of team work within British Steel. Two managers also referred to shift work as a significant factor in creating a sense of team working within British Steel.

Employee views

A difficulty in assessing employee views is that a wide variety of practices can go under the label of team working. We did not attempt to prescribe an exact definition. We started by asking whether a worker worked 'with other employees in a group or team'. This approach was aimed at directing thinking towards the team as a basis of normal work tasks, in distinction to problem-solving groups or task forces.

General sense of team work. As Table 4.10 shows, team working was reported extensively in all organisations. Almost three-quarters of the whole sample said that their work usually involved 'working with other employees in a group or team'. In four of the six organisations, those working in a team generally remained with the same group, but in Severn Trent and South Warwickshire, no doubt reflecting the varying nature of work in these organisations, employees commonly moved between teams.

One difficulty with accounts of team working is the way in which the phenomenon is defined. Long before TQM was thought of, employees worked in groups either out of choice (as for example in the celebrated gang system in the car industry) or because the organisation of

work called for it (gangs of dockers or crews of refuse carts). Such instances would not count as team work in the sense of deliberately created groups which are explicitly given some decision-making autonomy. We tried to address this issue by asking whether respondents worked in teams because management required this, because 'employees help one another regardless of management's intentions' or both. The second response would indicate a traditional or employee-led form of co-operation and not team working in the more precise sense. As can be seen from Table 4.10, management involvement predominated in all organisations except for British Steel, where over half of respondents specified employee choice alone. Formally defined teams do seem to have become widely established, and, as we have seen, British Steel was in the process of setting up such teams.

Turning to the operation of team working, Table 4.11 shows a range of features of team operation. There was in all organisations a strong sense of team work: that is, there was little feeling that teams operated in name only. Thus 84 per cent of respondents felt that there was a very or fairly strong sense of team work; the majority said that team members always helped each other out with their work; and around half noted an increased sense of team work over the previous three years. Growing group responsibility for work organisation was also widely cited.

How far teams were fully autonomous is, however, questioned by the data on the assignment of work. One would expect autonomous teams to be allocated work as a group. Only in South Warwickshire, however, did more than half the sample report that this was the case. The next organisation in this criterion was British Steel, but we have already questioned the depth of employer-

Table 4.10 Extent of team work

	Severn-Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Per cent working in teams</i>	69	69	74	72	79	69	73
<i>Basis of group working</i>							
Usually in one group	38	72	61	18	68	52	51
Move betw. groups:							
sometimes	17	24	28	33	19	30	25
often	45	3	11	49	14	19	24

Reasons for team work:

Required by mgt	29	28	25	13	28	15	23
Employee choice	29	10	25	39	19	54	29
Both	43	62	50	48	53	33	48

Base: First row: non-managerial employees (N = 256).

Rest of table: those working in teams (N = 185).

constituted teams here. In the other four organisations, a third or fewer of respondents said that work was allocated on a group basis. Plainly, this evidence further qualifies the extent to which any real 'empowerment' had been taking place. Despite this limitation, though, team working was plainly welcomed, as the question about attitudes to its ending showed: 60 per cent of respondents would be 'very' or 'a bit' sorry to see the end of team work, though in Lewisham and British Steel there was a less favourable response.

How far does the existence of team working promote favourable views of quality? There were some indications that specific aspects of team working were associated with favourable reactions to quality programmes. For example, increased group responsibility was associated with increased involvement in problem-solving (chi-square < 0.001; gamma = 0.56). Similarly, we asked whether team working had required workers to develop new skills; those who said that it had were also likely to say that their involvement in problem-solving had increased (p = 0.004; gamma = 0.38). Those who would be sorry to end team work were most likely to say that they had a high influence over quality and that involvement in problem-solving had increased. However, the degree to which the work group helped each other out with work

was not related to attitudes to quality. In view of the importance of the allocation of work, it is also notable that there was no difference in attitudes to quality between those saying that work was assigned to individuals or to groups. This may suggest that group autonomy is not as decisive as is sometimes suggested.

Teams as autonomous work groups. We took this issue further by developing some measures of the strength of team working. The preceding measures arguably do not assess teams in the sense in which the concept is widely understood, that is, a system of working which is formally specified by management and in which groups of workers are given autonomy as teams to allocate work. We tried to take account of these two aspects.

First, we identified cases in which employees said that they *worked in teams and that management requirements featured among the reasons for doing so*. On this definition, the proportion working in teams fell from 70 per cent to 50 per cent, with little variation between organisations except for the relatively low figure for British Steel (33 per cent, an evident reflection of the high numbers specifying 'employee choice' here). This new variable displayed few associations with measures of quality. For example, there was no association at all with perceived influence over quality. Nor was there any link with

Table 4.11 Attitudes to team work

	Severn-Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Sense of team work in group:</i>							
Very strong	43	31	25	38	22	31	31
Fairly strong	50	55	45	53	60	54	53
Moderate	4	14	20	6	16	15	13
Weak/very weak	4	0	10	4	3	3	3
<i>Group 'always' help each other</i>							
	86	59	45	59	43	74	60
<i>Sense of teamwork increased</i>							
	52	72	35	39	46	54	49

<i>Means of work assignment:^a</i>							
To work group as whole	25	22	37	56	29	42	36
To individuals	75	74	53	44	69	58	62
<i>Change in group responsibility for work organisation, over 3 years:^b</i>							
Increased	52	75	42	67	42	44	54
Stayed same	48	21	53	3	0	0	2
<i>Whether would regret end of team work</i>							
Very much	46	53	44	44	39	24	41
Somewhat	27	21	4		0	19	7

Note: a. Some respondents (3 per cent overall) said 'both'; percentages given do not, therefore, always add to 100.

b. Small proportions said 'decreased'.

Base: Employees working in teams (N = 187).

the perceived value of communication methods. Notably, those working in teams thus defined were no more likely than other employees to give a high rating to communication through team briefings. The implication is that team working is rather indirectly connected to other aspects of quality initiatives.

Second, we added to the preceding requirement the stipulation that *work assignment must be to the team as a whole*. This is important since it gives some indication of the presence of groups with some discretion over work allocation, in contrast to a situation in which the language of teams is used but in which traditional work organisation is employed. As would be expected from Table 4.11, this dramatically reduced the proportion of staff in 'real' teams: to just 16 per cent, with very similar proportions across the six organisations. There were again no significant associations with measures of quality or with attitudes to management communication.

Finally, we also developed a more complex *measure of the strength of team feeling* which embraced how strong was the sense of team working, the extent of group help, the means of work assignment, and feelings on the end of team working⁴. This measure, too, had no links with the measures of attitude to quality, though there were some interesting connections with the contextual variables discussed in Chapter 5.

The dynamics of team work are considered further in Chapter 6. In particular, the position in Lewisham is explored in some depth. But the preliminary conclusion is that, although some specific features of team working promoted a favourable view of quality, a reasonably precise definition of team working does not indicate that teams so defined were associated with a particularly favourable view of quality.

Table 4.12 Extent, purpose and adequacy of training

	Severn- Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Amount of training per year</i>							
None/ a few days	40	10	32 38	67	23	35	
One or two weeks	40	43	58 41	25	35	40	
Over two weeks	20	47	10 21	8	42	25	
<i>Changes in amount of training over 5 years</i>							
Increase	40	58	50 39	41	77	51	
Little or no change	45	33	39 42	42	21	36	
Decrease	15	9	12 20	17	3	12	

Whether training involved: (multiple choice question)

Adding skills to basic job	71	86	78 81	79	82	80
New methods/equipment	83	89	89 74	60	72	77
Team working or quality	55	66	48 55	40	69	56

Main purpose of training

Adding skills to basic job	46	44	46 53	55	40	48
New methods/equipment	30	26	46 8	14	33	25
Team working or quality	14	28	9 25	24	20	21
Other	11	3	0 14	7	7	7

Adequacy

More than adequate	30	35	50 40	26	31	35
Adequate but no more	55	51	39 55	47	46	49
Barely adequate/ inadequate	15	14	12 5	28	23	16

Base: All employees; N = 290.

Table 4.13 Weaknesses of training

	As % of those criticising training (n = 145)	As % whole sample
Poor quality of training:		
Inadequate, badly taught	19	11
Under-resourced	6	3
'Is really self-help'	4	2
Not enough time/too rushed to be useful	22	13
Training not targeted or relevant	13	8
Lack of follow-up or support	16	9
Pressure of work prevents use of training	10	5
Other reply	11	6

V Training for quality

We asked respondents about the amount of training they had received over the previous three years, and about its purpose and adequacy. (Since managerial training for

quality is a consideration here, we report replies from all respondents).

Extent and purpose of training

Reported amounts of training were substantial. The closest parallel to our question was that used in a 1987 Vocational Education and Training survey (reported by Rainbird, 1994: 337). This found that only one-third of the sample reported receiving any training in the previous three years. In our organisations, 85 per cent of respondents reported some training, and 65 per cent put the level at one week or more per annum (Table 4.12). The Halifax and British Steel stood out as giving the highest amounts of training, while Philips scored relatively low. Given that many of our six

bodies, notably British Steel, are seen as 'training organisations' and given also that QM programmes promote training, this is far from surprising. An indication of the impact of QM is given by an earlier IRRU study of managerial training (see Storey et al., 1991). Unpublished data show that in British Telecom managers saw the firm's TQ programme as the major, and often the sole, reason for training; the potential criticism was that other elements of training were neglected.

In asking about the purpose of training we were concerned to discover whether it covered merely basic skills or whether it involved something new, be it use of new methods or equipment or specifically quality-related activities. As the table shows, basic training was, not surprisingly, mentioned most often but the use of new equipment ran it a close second. About half our respondents, and in the Halifax and British Steel as many as two-thirds, felt that team working or quality was a component of their training. However, only around a quarter specified this as the main purpose.

This is potentially a point of some importance. Given the weight given to quality in all six organisations, it is notable that approaching half the respondents did not feel that they had received any specific training in quality initiatives, and few thought that this was the main purpose. This finding is consistent with the view that there was endorsement of quality principles and some involvement but rather less by way of wide-ranging empowerment.

Further training needs

There was general satisfaction with the quality of the training received, though the fact that one employee in six felt that the training was inadequate or only barely adequate might raise some questions. We looked at this through an open-ended question asking those who felt that training was no more than adequate or worse (65 per cent of the sample) to identify the weaknesses. In view of the importance of this issue, we set out the results of our coding in Table 4.13

The first group of replies, embracing 29 per cent of all responses, referred to the poor quality of the training itself. Some respondents linked this to other work pressures. The following comments are representative:

'The basic job I'm on at the moment I was trained for about half an hour then got left to do it myself, and got most of it wrong and then got told off (Philips).

A new computer system only allowed for very few staff to receive even basic instruction . . . [This was] very frustrating for those who did not receive training and difficult for those who had, trying to instruct colleagues and fulfil normal department duties on busy clinic days (S. Warks).

Some identified a lack of resourcing as a key problem underlying specific difficulties. A few respondents made the point that 'training' was an inappropriate term for what was in effect guidance and self-help.

A second group (22 per cent) thought that training was reasonable in itself but, following the point about resourcing, felt that not enough time was given, that only the basics were covered, or that the training was too rushed or intensive to be useful:

Management believe that if you are shown a specific job you should achieve a sufficient speed within hours, which obviously is not true. It would be more beneficial if someone who has done the job for a long period showed trainees the job, away from the production. (Philips).

A third group also agreed that the training itself was satisfactory but concentrated less on the resource aspects than on the relevance of the training to their work needs. It was the unspecific or inappropriate nature of the training which was the commonest complaint among this group:

Too many skills [are taught and there is] not enough training on the job you do most. [I would] rather be the master of one.

Training provided is . . . aimed at the "average" employee within the company rather than tailored to the individual concerned (both Severn Trent).

The fourth main group comprised those feeling that training was divorced from day-to-day duties or that training needed reinforcement in a practical situation. Other complaints in this category included a lack of assistance when difficulties were experienced and poor feedback. A representative comment was:

Often [training] does not involve follow-up to make sure individuals have understood requirements and how to apply them (Severn Trent).

Finally, a relatively small group, comprising 5 per cent of the whole sample, said that pressure of work prevented training from being used in practice:

General shortage of manpower within my routine job has led to restrictions in the opportunity and level of training that can be provided (British Steel).

What are we to make of these criticisms? Three points stand out. First, the overall evaluation of training was reasonably good. This result is consistent with the argument of Green and Felstead (1994), that the common assumption that training will be cut in recessions is questionable. These authors show that training provision did not fall sharply during the early 1990s. One reason for more attention to training which stood out in their own survey was quality:

many of those [firms] who increased their training activities were also those who had registered or had already qualified for British Standard BS5750 . . . Often this connection [with quality] was explicitly made by respondents (Green and Felstead, 1994: 207).

Our organisations stand as examples of this point.

Second, however, there were some substantial areas of concern around both the quality of training and the wider context. The number of respondents making criticisms of training was just over half the total number in the survey, and there were plainly some important reservations as to what training was achieving. In the case of Philips, where the proportion was of respondents feeling that training was barely adequate or less than adequate was over a quarter, the standard of training might be an issue for consideration. As we discuss in Chapter 6, day-to-day production pressures may have been a factor which made it hard to find the time for training.

The third point concerns the connections between training and attitudes to quality. We found it particularly useful to focus on whether or not team working or improved quality standards were felt to be among the purposes of training (as distinct from its being the main purpose). Overall, 55 per cent of non-managerial employees cited one of these purposes. The proportion ranged from 40 per cent in Philips to 69 per cent in British Steel.

When we examined the links between this measure and attitudes to quality there were some clear associations. For example, Table 4.14 shows that there was a very strong link with perceived influence over quality ($p < 0.001$; $\gamma = 0.43$): of those specifying this form of training, 71 per cent said that they had a significant influence over quality, as against 50 per cent lacking this training.

Moreover, we also created variables indexing the presence of training in basic skills and in the use of new technology and equipment. Neither of these measures had a significant relationship with attitudes to quality, suggesting that it is specifically training in team working and quality initiatives which is crucial.

Similar associations were evident with other measures of quality such as initial attitude to the quality programme. We also examined associations within each organisation. In so far as numbers allow, they indicated that the overall association remained. That is, it was not the case that those receiving training in quality were concentrated in certain organisations in which attitudes to quality were particularly favourable. We pursue this point more formally in Chapter 7. In short, forms of training were linked to attitudes to quality. There remain, however, questions as to how far a fully developed training culture had been implemented. The TQM pundits tend to assume that quality management procedures can be pursued fairly readily. The fact that approaching half our respondents, in organisations which were making quality a priority, denied that they had had any training in quality or in team working suggests that training for quality had not yet become a core feature of firms' operations. There were notable operational constraints, as we show in more detail in Chapter 6.

Table 4.14 Relationship between training for quality and employee influence

(Row percentages)	Level of influence on quality			
	Significant	Some	Little/none	All
<i>Training: whether training in team work or quality received</i>				
Yes	71	24	4	100
No	50	38	12	100

VI Conclusions

This evidence amounts to an impressive picture of the effects of quality initiatives. Workers in all six organisations have endorsed the basic principles of quality, in ways which are broadly consistent with the models of the gurus. We would see this, not as the overcoming of some previous resistance to change, but as the release

of a concern for quality which has long existed among British workers. Studies conducted long before TQM was recognised regularly show that workers have a concern for quality, indeed one which often exceeds what managements are willing to accept (e.g. Kusterer, 1978). As the gurus argue, the main problems of implementing TQM do not reside on the shop floor.

We have also seen that perceived levels of involvement in problem-solving were high and that training was generally considered to be adequate. There are, however, three possible

qualifications. The first is that the extent of training may have been somewhat limited when measured against the, admittedly demanding, standards of exponents of QM. Second, we have noted that 'empowerment' may have been contained within rather narrow bounds. Managers did not use the term and, when we defined team work in a fairly precise sense as embracing the allocation of work to a team as a whole, only one respondent is six claimed to work in such a team. As we discuss in the following chapter, quality was not accompanied by a widespread growth in co-operation or harmony. Third, there is the question of whether quality initiatives always survive. We show in Chapter 6 that in significant respects the promise of quality programmes could be undercut by other developments in labour relations.

Five

THE CONTEXT OF QUALITY: RELATIONS WITH MANAGEMENT AND THE NATURE OF WORK

We have seen that quality initiatives were widely accepted in their own terms. The next question is what else was going on alongside them. What has been the pattern in terms of job security and the demands placed on employees, and what does this imply for the ability of quality programmes to shift the whole terrain of the employment relationship towards trust and commitment? There are at least three broad classes of possibility: that QM is one of a series of linked developments that together increase trust; that quality is a relatively isolated development, working in its own terms but largely irrelevant to wider issues; and that feelings of stress and work pressure actively undercut the promise of quality initiatives. Our organisations offer illustrations of all three.

In this chapter, we lay out the context of quality in our six organisations, under four heads. First, we look at job security and changes in job satisfaction. To the extent that employees feel insecure and dissatisfied, it is unlikely that commitment to quality will run very deep. Second, attention turns to relationships with management and the conduct of work. What is the pattern of trust in management, do workers feel that they are working harder, do they feel under more stress, and are they more closely monitored in their work? To the extent that there is stress and pressure from management, critics of QM would argue that the employment relationship is based on control rather than commitment and hence that quality initiatives are unlikely to have cut very deep. We will see that there were such pressures, but also that their implications were not as negative as some critics suggest.

Third, we look more briefly at the sources of motivation more generally. The point here is that workers may welcome QM initiatives but also place them relatively low in their priorities as compared with standard sources of motivation such as pay. We therefore need to see where activities related to quality fit

alongside other aspects of the reward-effort bargain. This is also a convenient point at which to look directly at the pay-quality link. As noted in Chapter 1, some prescriptive writing on quality argues that reward should not be tied directly to product or service quality while other researchers see some value in such a linkage. We consider the balance on this point in our organisations. Finally, the chapter turns to the role of employee representation. What do employees feel about the involvement of trade unions in quality initiatives, and is there any evidence that the degree of such involvement affects responses to quality? That is, does a strong union involvement promote or retard quality initiatives?

The evidence under the first two heads suggests clearly that stress and work intensification were widely experienced. Under the third, we found that the role of management in securing work effort, both directly through surveillance and monitoring, and indirectly through the setting of performance targets, was considerable. All this suggests that our organisations had not abandoned traditional forms of employee control and hence that the principles of QM had had a much less dramatic impact than is claimed by the TQM pundits. We will also see, however, that in some respects and in some organisations close monitoring went along with a favourable view of quality initiatives. Finally, as discussed in Chapter 1, it has been argued that a strong union presence interferes with quality initiatives and, in contrast, that many quality programmes fail because they do not enlist the support of worker representatives and that truly successful change requires the active involvement of unions or some other representative device. Our evidence suggests that unions did not interfere with quality programmes. As for their positive role, we have already seen in Chapter 4 that there was a general welcome to quality despite different union roles. This suggests that unions did not influence the overall climate of quality initiatives. But there was an influence on the specific ways in which initiatives operated, with those organisations with the strongest union-management co-operation being those where the initiatives seemed the most robust. In the conclusion, we speculate on the implications in terms of the overall success or weakness of quality initiatives.

Table 5.1 Job security and job satisfaction

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Level of job security</i>							
Very high/high	14	76	12 38	41	46	37	
Moderate	49	25	65 40	39	36	42	
Low/very low	37	0	24 22	20	18	20	
<i>Changes in job satisfaction over 3 years</i>							
Increase	43	59	47	42	36	46	46
Little or no change	25	16	15	16	34	30	23
Decrease	32	25	38	42	30	25	32

Base: All employees; N = 298.

I Job security, job satisfaction and trust in management

Job security

In relation to job security it is reasonable to suppose that security will encourage a favourable view of new initiatives, though in addition, over time the influence may run in the opposite direction as quality improvements may contribute to increased security. Earlier work sponsored by the then Employment Department has shown that firms' competitive circumstances had strong effects on employees' views of employee involvement initiatives (Marchington et al., 1992, 1994). We will show that the same is true of QM.

We asked respondents to rate their current level of job security on a five-point scale, which for analysis we have reduced to three. Table 5.1 shows the results for all respondents, on the ground that managerial insecurity is at least as large an issue as that for other groups.

About a third of the whole sample rated their security as high or very high, while two-fifths rated it as moderate. As can be seen, the Halifax stood out as having the highest levels of job security, and Severn Trent as the lowest. This context in the Halifax may have assisted in the extent of the welcome to quality initiatives which we described in Chapter 4. However, Severn Trent was not marked by any particularly negative responses to quality. This case shows that quality initiatives can be welcomed despite insecurity. We show more formally in Chapter 7 that in this case views on job security and on quality were largely

disconnected. Insecurity was, however, important as a more background influence. As we will see, it can explain rather low levels of trust in management here. In short, in this case insecurity did not prevent the principles of quality from being accepted, but it did undermine any possibility that quality programmes could contribute to a wider shift in employee attitudes.

Job satisfaction

As for job satisfaction, the expectation is more that quality programmes will have the causal role, that is, that they will raise satisfaction. We felt it inappropriate to ask standard batteries of questions about the level of satisfaction. Aside from the long-standing debate about how far such questions can usefully be correlated either with other attitudes or with behaviour, we were interested in discovering whether there had been any changes in satisfaction which might then be related to the effects of quality initiatives. We thus asked simply whether respondents had, in the previous three years, become more or less satisfied. A following question asked those reporting change to rate the importance of various factors, including team working and involvement in quality circles, in the change.

Overall, as Table 5.1 shows, nearly half (46 per cent) the sample reported increased satisfaction but almost one-third (31 per cent) said that they were less satisfied. Taking the difference between these proportions as an indicator of the overall balance, the strongest rise in satisfaction occurred in the Halifax and British Steel. Elsewhere, there were modest net

Table 5.2 Sources of changed job satisfaction

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Per cent saying a factor important 'to a very large extent'</i>							
<i>Those with increased job satisfaction (N = 128):</i>							
Team working	75	68	64	78	69	50	67
Multi-skilling	33	54	36	44	19	35	38
New technology	38	68	50	61	25	65	53
Training	38	46	71	67	38	75	56
Quality circles	38	32	21	17	0	45	27
Management communic	33	71	36	39	13	0	45
Pay	17	32	21	22	6	55	27
Job security	4	61	14	33	31	60	21
<i>Those with reduced job satisfaction (N = 72):</i>							
Team working	31		27	20	31		27
Multi-skilling	23		9	20	23		26
New technology	15		18	7	31		20
Training	23	18	26	46		33	
Quality circles	23		9	7	8		16
Management communic	77		46	47	54		57
Pay	62		27	73	69		57
Job security	85		55	67	54		58

Note: Blanks in the second panel represent organisations with fewer than ten replies. The total column includes these cases.

increases, with the exception of South Warwickshire, where the number reporting an increase was balanced by those reporting a decrease. These results are broadly consistent with those on job security in suggesting that the Halifax was distinct from the other organisations.

The role of quality-related activities in improving satisfaction comes out clearly in Table 5.2, which shows how many respondents felt that a factor was responsible 'to a very great extent' in changing their level of satisfaction. Of those reporting an increase, two-thirds cited team working as of high importance, a proportion similar across all organisations except British Steel (50 per cent). Interestingly, the specific device of the quality circle featured less highly, confirming other evidence (reviewed in Chapter 1) that this approach to quality has tended to fade away. It is a broader approach to quality, as reflected in team working, training and new technology, which encouraged workers to feel more satisfied.

More traditional sources of satisfaction such as pay and job security featured relatively little. In

British Steel, however, both were important while security was commonly mentioned in the Halifax.

Interestingly, these traditional aspects of worker-employer relations were much more important as reasons for satisfaction to have declined. As Table 5.2 shows, the main sources of reduced satisfaction were job insecurity, pay and the nature of management communication. It is also notable, though, that about a quarter of this group (constituting about 7 per cent of our whole sample) cited team working. There was thus a small but still interesting group who felt that the use of teams had actually reduced their level of satisfaction. It is of course this group which is given particular attention by those equating TQM with work intensification.

Loyalty and trust

How far did security and satisfaction mean that workers had a sense of confidence in management? We asked two questions about this. One inquired into workers' sense of loyalty to the organisation. This aimed to assess a general sense of belief in the goals of the

Table 5.3 Loyalty and trust

	Severn-Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Level of loyalty felt to organisation</i>							
Great deal	38	48	32	41	39	55	43
Little/hardly any/none	23	6	29	11	44	16	21
<i>Degree of trust between management and workers</i>							
Complete/most of time	10	49	19	20	11	16	21
Fair amount	21	44	35	55	31	41	38
Not much/none	69	7	46	25	58	43	41
<i>Changes in level of trust since introduction of Quality Programme</i>							
Increase	11	40	7	26	13	36	22
Same	56	58	70	55	78	46	60
Decrease	33	2	23	18	9	18	17

Base: Non-managerial employees; N = 254.

organisation, for example a commitment to a sense of public duty in the public sector organisations. Loyalty in this sense does not necessarily imply any confidence in management in particular. Previous research (Edwards and Whitston, 1993) has shown that, in the public sector in particular, workers often retain a strong sense of duty to the overall purpose of the organisation while being highly critical of management's ability to manage. We thus asked a second question, which may seem at first sight to be too simple, about the level of trust which existed between management and employees. It was, however, used effectively in the study just cited, and most people seem to have little difficulty with the concept of trust.

As Table 5.3 shows, a sense of loyalty ran strongly through most organisations, in particular the Halifax. It was weakest at Philips, though even here 56 per cent of employees said that they felt a great deal or a fair amount of loyalty. It was when we turned to confidence in management that scepticism began to creep in. Overall, twice as many respondents felt that there was little or no trust as felt that it was complete or present most of the time. Only in the Halifax did those who felt that there was trust outnumber the sceptics. In South Warwickshire the groups were virtually identical in size. Over half the Severn Trent and Philips samples felt that there was little or no trust.

A further question asked about changes in the level of trust specifically since the introduction of each organisation's quality programme. This

question was designed to invite respondents to think about ways in which the programme might have improved relations with management. Yet despite this prompt, 60 per cent felt that there had been no change, and those identifying an improvement only just outnumbered those feeling that there had been a decline. It was, again, the Halifax which stood out, with improved trust being reported, and British Steel also had a positive balance on this question.

Taking the two questions on trust together suggests a picture for each organisation. We go through them in turn.

Severn Trent: low and declining trust. This situation reflected job insecurity, which was illustrated by a redundancy programme in train during the research period. In addition, as described in Chapter 6, there was a sense that managers were rather distant from customers and that clerical and service employees were left to respond as best they could to customer criticisms. Among these criticisms were concerns about the level of top management pay. Workers thus felt somewhat exposed.

Halifax: high and increasing trust. The Halifax had committed itself to a policy of no compulsory redundancies as a result of the planned merger with the Leeds Building Society. Second, and relatedly, the firm was perceived as having a strong competitive situation. A statement made to staff said that the two Societies together had 28,000 staff and 17 million accounts. This was contrasted with the banks, one of which was claimed to have

100,000 staff and only 4 or 5 million accounts. Third, as mentioned in Chapter 4, the small size of branches contributed to a sense of close working relationships between managers and staff.

We may usefully contrast this picture with that of 'New Bank' developed in Rees's study. In the banks, rationalisation was a feature of the 1980s. Rees's analysis identifies three aspects: the re-organisation of branch jobs (which entails the removal of 'back office' jobs to regional centres and the sharpening of divisions between sections of a branch); the segmentation of the customer base, with special clients being dealt with in customised centres while branches handle the mass market; and the standardisation of branch procedures (see also Cressey and Scott, 1992). Such processes are plainly not absent in other parts of the financial services sector. We noted in Chapter 3 the widespread changes among building societies associated with changing competition, the shift to the status of banks and major mergers and re-organisations. It may be, however, that earlier and more rapid change in the banks contributed to a feeling of disillusion. For example, figures in the *Employment Gazette* indicate a decline in employment in banks and associated activities between June 1989 and September 1994: from 468,000 to 380,000. 'Other financial institutions' saw a small growth during the same period, by 8,500 to 169,000. Comparative levels of trust clearly fit this picture: in 'New Bank' 32 per cent of respondents felt that there was little or no trust in management, as compared with only 7 per cent in the Halifax.

In short, there were some common trends across the financial services sector in terms of growing competition. As we will see, wider use of appraisal and other formal performance measurement techniques was also common. But their effects seem to have varied according to the wider context. In the Halifax they had not yet undercut commitment to quality initiatives whereas in 'New Bank' there was more scepticism.

Lewisham: fairly low trust, with some decline. This situation probably reflects the extent and speed of organisational change in the wake of Compulsory Competitive Tendering. The associated uncertainties not surprisingly led to some doubts about managerial effectiveness. We explore some of the consequences in Chapter 6.

South Warwickshire: moderate and stable trust. Two considerations are relevant here. First, the definition of 'management' is more

unclear than it is in the other organisations. A sister or nurse manager is in some respects a manager but is also a professional colleague. Respondents may well have felt reasonable confidence in such immediate colleagues but more scepticism about wider managerial changes in the NHS. This interpretation is consistent with an earlier study discussed below (Edwards and Whitston, 1993). Its case study of a hospital showed that nursing and ancillary staff retained a great sense of loyalty to the ethos of public service, and to that extent trusted their management, while being deeply sceptical about commercialisation. Second, the underlying nature of work remained largely unchanged, at least for core medical staff not subject to competitive tendering. In this respect, there was perhaps less of a 'shock effect' than there was in Lewisham.

Philips: low and stable trust. Two factors applied here. First, as discussed in Chapter 6, the quality programme had not fundamentally shifted existing barriers between management and worker. Most workers carried out relatively low-skill tasks on an assembly line. The general principles of quality were certainly accepted, but as yet the quality initiative had not affected the sense of distance to be expected in an environment of this kind. Second, low pay was a persistent source of complaint, and there was some feeling that managers could be more open to pay demands. Thus trust remained relatively low.

British Steel: low but improving trust. BS shared some of the situation of Philips: a traditional manufacturing environment with a clear distance between manager and managed. There were three main differences: a more highly skilled work force; as discussed in Chapter 4, a feeling of stability after a major restructuring; and the new TOPICS programme, which entailed extensive work force training and the development of team work. Employees here are thus likely to have felt that there was a 'vision' of the future in which they could be involved.

The comparative picture. We may compare these figures with two other studies. First, the British Social Attitudes Survey discussed in Chapter 4 found that 26 per cent of its respondents felt that their workplace was 'very well managed' while 31 per cent said that relations with management were 'very good' (Hedges, 1994: 48). These figures are not very different from our figure of 21 per cent saying that there was trust completely or most of the time. In Chapter 4 we stressed that our organisations are well 'above average' in their

communication with staff and involvement in decision-making. This does not seem to have led to a notably high level of general trust in management.

A similar message emerges from comparison with a second study, conducted in four organisations between 1987 and 1989 (Edwards and Whitston, 1993). The language of TQM had not yet become common currency in any of them, though each had been making some efforts to strengthen communication with staff. The organisations were:

- ‘Multiplex’: a manufacturer of soaps, food, and medicines;
- an operating area of British Rail;
- a large general hospital; and
- ‘FinCo’, a financial services organisation.

The first is broadly comparable with our manufacturing firms; in particular its routine assembly line work with a large proportion of female employees is similar to the situation at Philips. The hospital is directly comparable to the South Warwickshire case, though the earlier study focused on nursing and ancillary staff only. FinCo and the Halifax are very similar organisations, though the FinCo sample included only relatively low level clerical workers. Given our wider range of occupations, and apart from any influence of QM, one would expect a higher level of trust than in the earlier study.

The data from the earlier study, reproduced in Appendix Table A.3, suggest that, if anything, trust is lower in the present six organisations. Overall, 21 per cent of the present respondents reported complete trust or trust most of the time, compared to 37 per cent in the earlier study. The figures for Philips are substantially lower than those for Multiplex; South Warwickshire’s are slightly below those in the hospital study; but the Halifax’s are above FinCo’s. The two samples are broadly similar in reported increases in the level of trust, about 20 per cent of respondents identifying an improvement. It is true, however, that the present sample was the less likely to say that the situation had worsened. In particular, the Halifax and South Warwickshire respondents were less sceptical than their counterparts in the earlier study.

Table 5.4 Effort levels

Conclusions. It does not, then, seem that TQM has transformed feelings of trust between managers and workers. Second, however, there may be a less profound sense of scepticism about management than there was in the past. The earlier study, like others conducted at the time (see Kelly and Kelly, 1991), found that traditional ‘them and us’ attitudes remained strong and that initiatives in the field on employee involvement had not cut very deep. The present results in Chapter 4 suggest that there may have been rather more change during the 1990s and that there was acceptance of quality initiatives. These did not, however, alter wider feelings of loyalty to the organisation.

Communication between management and worker is a case in point. We saw in Chapter 4 that workers felt that communication with management was improving and that they were more involved in decision-making. The earlier study did not ask a directly comparable question, but a broad question on changes in managerial behaviour elicited the view from 30 per cent of the sample that there was more communication, but 26 per cent denied that there was any change, with the remainder having no view at all. Plainly, the present results indicate much more communication. We also saw in Chapter 4, however, that managers did not equate this with empowerment. We have now seen that employees, with the exception of those in the Halifax, did not feel that there was any deep sense of trust between themselves and management. The limits of communication and involvement policies seem to have been recognised by employees. As we will see in Chapter 6, where three cases are explored in more depth, empowerment tends to be conspicuous by its absence.

II Effort, stress and monitoring

If security and satisfaction were increasing, this does not necessarily mean that work was becoming easier. On the contrary, the contemporary image of organisations is of their being ‘lean and mean’. That is, they have cut staffing levels to the minimum possible, have tightened the ways in which they evaluate staff performance, and have generally become more

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Change in level of effort over 3 years</i>							
Lot harder	46	71	50	61	37	34	50
A little harder	25	14	29	24	25	34	25
About same/less hard	30	14	21	15	39	32	25
<i>Changes in effort and whether like working this hard</i>							
'Committed' (working harder and like this)	61	61	67	62	39	54	57
'Stable' (no change in effort or less effort, and enjoy this)	29	17	12	16	34	35	24
'Pressure' (working same or harder and do not like this)	10	22	21	22	27	11	19

Note: The second panel combines replies from the first question with a separate question on enjoyment of work effort. There was a close but not exact correspondence between the 'stable' category and all those working at the same or less intensity.

Base: Non-managerial employees; N = 254.

demanding while also, it is claimed, more effective.

Levels of work effort

We asked, again following earlier studies, whether employees felt that they were working harder than three years previously. We went further, however, in also asking why there had been a change, whether people enjoyed working this hard, and what were the enjoyable or negative aspects.

The overall pattern confirmed earlier evidence (Edwards and Whitston, 1993) that workers feel that they are working harder: three-quarters of the present sample said that they were working 'a lot' or 'a little' harder (Table 5.4). The most dramatic increases were in the Halifax, followed by South Warwickshire and Lewisham, whereas at Philips those denying any change just outnumbered those saying that they were working a lot harder. Again, the earlier study did not ask exactly the same question, but it found that 38 per cent of workers were willing to say that they were working harder; the proportion was similar across all four organisations.

This is one point where Rees's four cases are pertinent. Among these, too, it was in the manufacturing firms that the least increase in effort levels was reported. During the 1980s, it was manufacturing which was the focus of

arguments that there was a continuing process of work intensification, and most evidence indeed suggested that demands on workers were increasing as a result of reduced staffing levels (Elger, 1990). The Multiplex evidence was consistent with this view (Edwards and Whitston, 1993: 84-90), as is that in Scott's (1994) case studies of three food manufacturing plants. Although the process did not stop in the 1990s, it seems plausible that, relative to the service and public sectors, it slowed down. There are two reasons for this. In manufacturing itself, much of the shake-out of labour occurred during the 1980s. In the other sectors, competitive forces accelerated from the late 1980s, with growing competition and restructuring in industries such as financial services and with privatisation and compulsory competitive tendering having evident effects in the public sector. As Colling and Ferner (1995) show in relation to privatisation, there is clear evidence of falling staffing levels and increasing work loads and longer hours.

Perceived reasons for changes in effort

What has been less studied is why employees feel that they have been working harder, together with their reaction to growing effort demands. On the reasons, we asked an open-ended question which produced a large number of comments, totalling 246. The most common type of response (28 per cent) identified staff reductions as the specific source:

[I am] expected to do more - cuts in staffing levels (Severn Trent).

Pressure of work: more patients treated with the same number and sometimes fewer staff (S. Warks).

Two fitters and one fitters' mate now down to one fitter (British Steel).

The other side of this coin is increased levels of output, cited by 21 per cent:

More tests - more responsibility (Severn Trent).

Output per line has been increased (Philips).

Increased workload due to increased production (Philips).

Thus half the replies focused on the relationship between the amount of work and the numbers available to perform it. This is again consistent with the earlier study, which found that, even where basic work organisation was unchanged, effort levels had increased as new work was brought in or times of relatively slack production were reduced. Such replies reflect a picture of relatively pure work intensification.

It was thus the quantity of work, and not specifically the effects of new work practices, which stood out for most respondents. However, 18 per cent of replies did identify greater responsibility or a wider variety of tasks, sometimes in combination with staff cuts:

More tasks taken on as a result of reorganising [and] less staff (Lewisham).

More work to do, i.e. maintenance as well as production (British Steel).

A further 12 per cent of replies mentioned a greater sense of commitment or accountability, sometimes linking this explicitly with a new role associated with TQM:

Because I care more about *my* responsibilities (Philips).

More emphasis on employee involvement (Severn Trent).

Additional duties [from the 'project owner' of a TQM group (Severn Trent).

Thus around 30 per cent of replies coming from those reporting working harder made some kind of connection with new work practices or the devolution of responsibility. This might be termed a set of responses in terms of work re-organisation.

Finally, a smaller group (11 per cent of replies) identified external competitive factors. Market competition seemed to be particularly significant in Philips but was also mentioned in the other private sector organisations, while government policies in relation to public

services featured in the two public sector organisations:

To increase output thus increasing profit and saving money on new employees (Philips).

To get more products out. To be in a more competitive position (Philips).

Compulsory Competitive Tendering, value for money ethos and flattening of structures (Lewisham).

Given the emphasis in much current commentary on the importance of market forces, what is perhaps surprising is how few employees made a direct connection between these forces and their own level of work effort, though it is of course possible that they were aware of more indirect links. Chapter 6 suggests that competitive forces were certainly present, but in the background.

Rees's firms show a similar pattern. The impact of staff reductions was particularly important in 'New Bank':

Streamlining by the bank has resulted in staff levels being reduced to the minimum.

Staffing levels have dropped. . . . We rarely ever 'clear' our work 'Back-log' is commonly used word nowadays.

In the other three organisations there were similar comments stressing the growing demands of work and the reduction in break times.

There was, then, a mix of reasons for greater work effort, but it was the quantity of work which seemed to predominate. This indicates that there is merit in a work intensification thesis, but also that intensification can go along with other trends, as we now show.

Responses to changed effort levels

Turning to feelings about work effort, we asked respondents whether they enjoyed working as hard as they did. As some of the preceding quotations show, several employees felt that they were working harder but that this was a desirable situation: 'I care more about *my* responsibilities'. This generated a three-fold classification: those working harder and enjoying doing so, whom we labelled the 'committed'; those reporting no change or a decline in effort levels; and those who were working harder and did not enjoy doing so, the 'pressured'. As Table 5.4 shows, over half the sample fell into the 'committed' category, with only the Philips respondents differing from the others (at 39 per cent). Fewer than one worker in five felt 'pressured'.

Though the overall pattern was to enjoy the level of work effort, it is still notable that a fifth of the sample were willing to say that their level of effort was excessive. Whether or not this is a large proportion is open to debate, but it does indicate that noticeable numbers of workers have found the pressures of new work organisation excessive.

Some of the 'feel' of the situation came out from open-ended questions on why work was enjoyable and what were the negative aspects. Those commenting on sources of enjoyment underlined the sense of satisfaction of completing a task. In line with the comments on work intensity noted above, negative aspects included pressures on time, tiredness, and a feeling that hard work was not noticed or appreciated. Illustrative comments included:

Too little time and too much pressure to be creative (Severn Trent).
...not everyone can keep up with the accelerated rate, so targets are harder to achieve all the time (Philips).

But perhaps particularly instructive were those who saw costs and benefits together:

Team working can be fun - and the outputs can be owned and shared by all the members [but] So many genuinely useful jobs outside of the team working environment just don't get done, or worse, half done (Severn Trent).
Satisfaction of helping more patients [but] Can't give quality service to every patient (S. Warks).
[There is satisfaction] because the day goes faster, and I achieve better results for the products [but there is also] tiredness and stress, and work down the drain for cost-cutting purposes (Philips).
I feel a greater sense of achievement and job satisfaction than before [but] Tiredness. Lost time for ad-hoc work on main job. Corners being cut sometimes (Philips).
[from an earlier question] You cannot have quantity and quality, especially in a 'caring organisation' [and there is] continual pressure to increase throughput and having to cut corners in order to keep your head above water (S. Warks).

Such comments illustrate the unsatisfactory nature of analyses which focus solely on the intensification aspects. Employees recognised that their work had become, at the same time, more rewarding and more demanding.

Stress

The point about the extent of demands on workers comes out from a further question on how frequently workers felt under stress. As Table 5.5 shows, one worker in seven (15 per cent) felt under pressure 'constantly, during every day' and a further 29 per cent reported stress 'very often'.

Perhaps not surprisingly, stress was most common in South Warwickshire: being responsible for people's health throughout the day, in a context of long hours and limited resources, brings evident strains. As our earlier study found, stress runs through health workers' lives and is often something about which workers find a lack of managerial sympathy, which naturally intensifies the problem (Edwards and Whitston, 1993: 154-8). Stress levels were lowest in British Steel and Severn Trent. The latter result contrasts interestingly with that on trust: low levels of trust in Severn Trent cannot be attributed to a sense of pressure or stress but reflect other difficulties with work re-organisation, as discussed in Chapter 6. A similar, though less dramatic, pattern marks British Steel, where relatively low levels of trust went along with a relative absence of work pressure.

Not surprisingly, work intensity and awareness of stress were closely related ($p < 0.00$; on a 3x3 table, $\gamma = 0.47$). Of those working 'a lot harder', 59 per cent felt under stress constantly or very often, compared to only 29 per cent of those not working any harder.

What makes workers work hard?

We also asked about influences on how hard employees worked. They are summarised in five categories which show the proportion saying that a given factor was an important influence. The most obvious motivator is pay, which requires no further comment. The category of 'management' summarises separate questions about supervisors, team leaders and more senior management. It assesses how far the direct authority of managers remains

Table 5.5 Stress levels: frequency experienced

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
Constantly	5	14	15	15	20	13	14
Very often	24	30	33	42	29	15	29
Often	21	34	22	20	11	13	20
Sometimes	41	18	26	20	31	44	30
Rarely/never	10	5	4	5	9	15	8

Base: Non-managerial employees (N = 254).

important in inducing workers to work hard. More indirect methods have received much attention recently. Thus it is commonly argued that employees expend effort, not because they are ordered to do so, but because firms establish normative expectations. The use of appraisal systems to establish norms of conduct and to induce employees to accept the legitimacy of managerial expectations has received particular attention (e.g. Townley, 1989; Grint, 1993). Another route to the same goal is the setting of targets for the quantity of work to be performed. The idea here is that employees come to accept the targets as their own goals. Finally, we asked about the importance of customers outside the workplace, as a further test of how far the customer-oriented principles of QM had become accepted.

As Table 5.6 shows, the indirect route of targets was the most common influence on work effort, being the most cited important influence in four of the six organisations. The other indirect method, of appraisals, was much less significant, except at the Halifax. The interest in the issue notwithstanding, appraisals still

seemed to be relatively unimportant. At the Halifax, and probably in much of the financial services sector, however, set performance targets went along with formal appraisal on achievement against those targets.

By contrast, direct pressure from management played a role in all organisations, suggesting that employers have not been able to distance themselves from day-to-day management as some accounts of new forms of labour control might imply. In line with the results of Chapter 4, customer awareness was notable, being cited by at least a third of respondents in each organisation. Finally, pay was relatively unimportant, except at British Steel.

An obvious question concerns the links between these influences and whether or not employees were working harder. Thus, if targets are particularly influential, one would expect their presence to encourage increased effort. There were in fact two statistically significant associations with intensity of work effort: those citing managers and appraisals as a source of work motivation were the most

Table 5.6 Influences on working hard

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Per cent citing factor as 'important influence'</i>							
Targets for output or volume	60	68	47	37	59	50	54
Customers outside workplace	35	36	41	34	37	50	39
Managers	46	62	56	41	35	46	48
Reports and appraisal	23	64	12	13	14	23	25
Pay	16	24	12	13	20	46	22

Base: All employees; N = 300.

Table 5.7 Monitoring of work performance and use of discipline

	Severn- Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Awareness of work being observed or monitored</i>							
To a great extent	31	52	19	15	15	24	26
To a reasonable extent	26	30	39	24	24	47	32
To some extent	33	18	31	46	33	11	29
Not at all	10	0	12	15	28	18	14
<i>Change in management approach to discipline</i>							
More strict	54	39	7950	61	52	56	
No change or less strict	46	61	2150	40	48	44	

Base: Non-managerial employees (N = 254).

likely to report working harder. There is thus evidence that both direct and indirect means to encourage effort have the expected effects.

Monitoring and discipline

A final measure of relations with management is the pattern of discipline: part of the picture of the lean and mean organisation is of a management less tolerant of employees who do not meet the demands placed on them. Edwards and Whitston (1993), for example, report a growing attention to the control of attendance in their four organisations.

We asked two sets of questions in this area. First, how far did workers feel that they were being observed or monitored while at work, and did they perceive any change in the degree of such surveillance? Plainly, the less that workers feel that they are being observed, the more free they will be to adjust to pressure by, say, taking breaks than they would if surveillance was very tight. The issue is also of some general interest, given current debates, discussed in Chapter 1, about electronic surveillance of workers and the possibility that QM is associated with a tightening of controls over workers. Second, we asked about discipline in particular.

On the level of surveillance, there was widespread awareness of the presence of monitoring: being observed or monitored 'to a great extent' was reported by a quarter (26 per cent) of respondents (Table 5.7). There were notable variations between organisations. Philips and South Warwickshire were relatively free of monitoring. By contrast, awareness was very high in the Halifax.

Again, Rees's comparative data are relevant, for these show a high level of monitoring in 'New Bank'. Comments from bank respondents include:

We have to mark down every customer that comes in and put down the time spent, because from this they work out how many staff are required . . . I'm worried that if the stats don't come out properly my job is in danger.

With the Productivity Management Programme, if you do not produce at least 90% per day questions will be asked and reasons demanded. PMP forms are completed daily showing exactly what you have done that day.

This evidence supports the view that, as a result of increasing competition and pressure on costs, the financial services industry has been particularly marked by growing measurement of work performance (Knights and Sturdy, 1990). Employees at the Halifax and the bank were closely aware of the monitoring of performance.

Several points stand out here. First, we have seen that the Halifax was marked by the highest degree of satisfaction with the quality programme, by high levels of trust, and by increasing amounts of work effort. Taken together with the present evidence in monitoring, this suggests that this organisation is one which does not fit the claims of critics of TQM, namely, that quality can be equated with increased worker degradation. There were also marked differences from New Bank. For example, the Halifax sample came higher in terms of perceived influence on quality, the level of trust in management and perceived job security. Though there were some common forces across the financial services sector, they did not necessarily undermine acceptance of quality, a point to which we return at the end of this chapter.

Second, in the case of South Warwickshire, a high level of work stress was not induced by intense monitoring. One can have stress without monitoring, and monitoring without stress. Third, in Philips a relatively high level of work pressure, as measured by the question on effort, was associated with relatively light monitoring,

so that management can generate pressure without having to monitor employees directly.

Data on changes in the extent of monitoring paint a similar picture. Monitoring was felt to be growing in the Halifax and declining at Philips, with a relative balance in the other organisations, though there was a noticeable rise at Lewisham.

We noted above that managerial pressure was a source of increased work effort. Evidence from the extent of monitoring points in the same direction: where workers were aware of some increase in monitoring they were more likely to say that they were working a lot harder than where no change in monitoring was reported ($p = 0.05$; gamma for a 3x3 table = 0.13); and an increase in monitoring was very strongly associated with an increase in work intensity ($p < 0.00$; gamma = 0.40).

As for discipline, Table 5.7 shows that over half the sample felt that management had become more strict over the previous three years. The increase was particularly notable at Lewisham. As we will see in Chapter 6, in this organisation pressures associated with competitive tendering were leading managers to insist on very tight discipline: a major change from the relatively relaxed approach to discipline traditional in many public service organisations (see Colling and Ferner, 1995). An increase in the use of discipline was felt least at the Halifax, which complements the picture on work monitoring. It is notable, however, that even here almost two workers in five felt that a stricter approach was being applied.

Conclusions

Overall, therefore, the evidence on stress, work monitoring and discipline suggests that there was a widespread feeling of work pressure. Its forms were, however, different. Thus at the Halifax performance monitoring was the key feature, with stress and the use of overt discipline being less marked than in other organisations. The effects of a more commercial environment in public services were illustrated by growing monitoring and discipline at Lewisham. At South Warwickshire, similar pressures

notwithstanding, it seems that shared norms of patient care acted to moderate the direct effects of these pressures. There was certainly stress, but this was not induced directly by a particularly strict workplace regime. At Philips, too, there was a sense of work intensification but direct monitoring and discipline did not seem to be prominent means promoting this. In short, the connections between work intensity, pressure and overt discipline varied between organisations.

III Work motivation

As explained in the introduction to this chapter, we asked some general questions about sources of motivation. These were not intended to explore the issue in any detail but to provide part of the context for QM, in particular dealing with the possibility that employees are interested mainly in pay or job security and hence that quality is not of central importance to them. The links between pay and quality are also assessed.

Source of motivation

Since we wanted to allow explicitly for the possibility that pay is a key motivator, we asked first about this, offering a four-point scale. We then asked about six other sources of motivation (listed in Table 5.8). A 'sense of team working' relates directly to QM activities. Two other sources of motivation, 'the opportunity to use skills' and 'variety of work tasks' are more indirectly linked to QM. The position with the next two, 'relations with management' and 'job satisfaction' is less clear. Finally, 'job security' is a relatively extrinsic motivator.

As Table 5.8 shows, pay did not stand out as a strong motivator: only 15 per cent of respondents said that they were motivated by it to a very large extent, while 24 per cent said that it motivated them 'hardly at all'. Job security was rated more highly, with a third of the sample (35 per cent) and as many as 57 per cent at British Steel saying that they were motivated by it to a very large extent. Yet more

Table 5.8 Sources of motivation

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
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Per cent motivated to a very large extent by:

Pay	12	2	11	10	23	30	15
Sense of team working	26	24	19	29	25	31	26
Opportunity to use skill	48	29	42	54	26	30	38
Variety of work tasks	56	26	42	44	36	41	40
Good relations with mgt	19	48	24	17	14	31	25
Job satisfaction	74	69	56	78	52	62	65
Job security	33	26	23	39	30	57	35

Per cent motivated hardly at all by:

Pay	29	12	19	44	27	11	24	
Sense of team working	7	2	8	10	8	6	7	
Opportunity to use skill	7	0	0	2	7	5	4	
Variety of work tasks	2	2	4	2	7	8	4	
Good relations with mgt	17	0	12		17	21	17	14
Job satisfaction	5	0	7		2	16	3	6
Job security	10	12	31	7	21	16	16	

Base: Non-managerial employees (N = 251).

intrinsic sources of satisfaction such as the use of skills and task variety scored slightly higher. One or the other of them was rated more highly than pay and job security in each of the six organisations. When we consider those saying that they were motivated hardly at all by a factor, it is clear that very few respondents gave no role at all to intrinsic satisfaction. The figures for team working were lower than for the more general intrinsic factors but team working still scored higher than pay as a motivator.

One other point of note is the weight placed on 'good relations with management' at the Halifax. This is consistent with our argument that close working relationships within an environment of small branches were important in promoting a sense of trust. Pay featured hardly at all as an important motivator here.

We would not want to minimise the importance of pay. One of the most popular theses in the management literature is Herzberg's view that pay is not a positive motivator though it can act as a de-motivator if it falls below some level. We asked respondents a conventional question of how their pay compared with that of comparable employers. As Table 5.9 shows, 70 per cent of the sample rated their pay as

average or better. Philips and South Warwickshire had the highest level of dissatisfaction, unsurprisingly in view of the relatively low wages in both. Overall, pay was hardly seen in favourable terms, with more respondents feeling that it was worse than average than felt that it was above average. but it was unlikely to have been a major demotivator. Pay is undoubtedly important, but in our organisations discontent with it was unlikely to have undercut QM initiatives, and nor did money act as a positive spur even where, as in Philips, workers were carrying out relatively mundane tasks.

Pay and quality

Turning to the direct link between pay and quality, we asked whether 'pay is now more closely linked to your performance' since the quality programme had been introduced. A very clear pattern emerged. At Lewisham and South Warwickshire, virtually everyone denied that there was any link. And only a few respondents (18 per cent) at Philips felt that there was any connection. Significant minorities at British Steel (35 per cent), Severn Trent (41 per cent) and the Halifax (45 per cent) said that there was such a link.

Table 5.9 Pay compared to that in comparable employers

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
Present employer pays:							
Better than average	31	21	37	8	16	19	21

About average	45	61	56	45	30	54	48
Worse than average	24	19	7	48	55	27	31

Base: Non-managerial employees (N = 250).

In all these organisations, employees were aware of the role of merit pay and appraisal. Typical replies from Severn Trent included:

Levels of increase depend on achieving targets and the way you achieve them.
Quality bonus scheme in operation i.e. up to 10% of basic income.

Interestingly, only one respondent made a specific reference to team performance:

Bad team performance → works failures → loss of quality payment. Individual performance not relevant.

This is a reference to a case discussed more fully in Chapter 6 in which a problem with the quality of water led to a loss of bonus for all workers concerned. It would appear that relatively few workers in the organisation as a whole were likely to think of this possibility. As we show, however, the fact that such incidents are possible raises some important points about the limitations of linking pay and quality.

At the Halifax, pay was linked to performance appraisals:

If your annual appraisal is unsatisfactory - nil pay rise, if outstanding - very high pay rise. Everything is evaluated - through quarterly reviews and appraisal everything we do is closely monitored. . . . The better we perform the more we are paid.
The people who write the appraisals are more strict with their comments but do also give praise when it is due.

It is notable that these comments do not make a direct link with quality as such, speaking more generally of performance appraisal. It does not seem that quality targets were made a central feature of appraisal, given that we had explicitly asked about links between quality initiatives and pay.

At British Steel,

Bonus is linked to performance. Workers now more aware of it.
Merit awards linked to annual performance.
Bonus scheme linked to plant productivity.
By contributing to output performance and so receiving good quarterly bonus payments.

Again, it seems that it is overall productivity and performance which is seen as central to variable pay, and not quality as such.

Our organisations seem, then, to have followed the view that quality should not be tied closely to pay, though it is possible that a more intensive exploration of appraisal systems would reveal the weight placed on quality. Despite the lack of such direct links, however, in three cases there may have been indirect connections in that all three were bringing in quality programmes alongside the use of merit and performance-related pay. In the case of the Halifax in particular, the possible tensions between the long-term and collective goals of quality and the individualised interests in pay seem to have been managed. At Severn Trent and British Steel, too, there was a reasonable welcome for the quality programmes, which suggests that they can work alongside contingent pay systems. As we will see in Chapter 6, however, there are conditions under which this can come apart.

IV Views on trade unions and quality

How far were these views of employees as individuals linked to their perception of collective representation? Since all six organisations used trade unions or a staff association as the primary means of collective bargaining, we asked about these institutions; there was no non-union channel of representation. We may, however, set our results alongside those of Rees's separate

Table 5.10 Union membership, and role of trade unions in quality initiatives and interest representation

	Severn Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
<i>Member of TU or staff association</i>							
	71	89	67	83	34	95	73
<i>Significance of role of TU or staff assn in introduction of quality initiatives</i>							
Very or fairly signif.	28	28	12	34	11	54	28
Neither sig. nor insig.	28	49	52	37	53	24	40
Fairly or very insignif.	45	23	36	29	36	22	31
<i>Success in representing interests of employees</i>							
Very successful or successful	10	28	29	33	18	30	25
Moderately successful	46	58	42	39	50	49	47
Little or no success	44	14	29	28	33	22	28
<i>Change in influence, over previous three years</i>							
Increase	3	21	0	30	21	5	14
No change	33	71	44	50	58	35	49
Decrease	65	7	57	20	20	60	37

Base: Non-managerial employees (N = 232).

study in which, as described in Chapter 3, two unionised and two non-union firms were compared. Lines of questioning were rather different and exact comparison with the present results is impossible. We begin with employee perceptions of the union role before summarising the employer view of unions. In Chapter 6, we look in more detail at unions as institutions and at the actual operation of quality initiatives.

Employee views of union effectiveness

Table 5.10 confirms the substantial role of unions or staff associations within our organisations. Almost three-quarters of our sample belonged to a union or association. The notable exception was Philips, where union membership had been eroding, a point considered further in Chapter 6.

Given the established position of unions in the other organisations, and given also the general welcome to quality initiatives discussed in Chapter 4, one might expect employees to feel that unions had played a significant role in the process. As the table shows, the most common response was to say that the union role was neither significant nor insignificant, with as many people saying that the role was insignificant as felt that it had been positive.

The most favourable reaction came from British Steel employees, while in Severn Trent and Lewisham as well as Philips those seeing the unions having an insignificant role outnumbered those with a favourable reaction.

We asked two further questions. The first was about the unions' general role in representation, to take account of the possibility that the role in QM was felt to be different from unions' more standard activities. In fact, patterns of replies were very similar. Second, we assessed perceived changes in the union role, with little change being the dominant response. In Severn Trent and British Steel, however, there was a widespread feeling that the role had been weakening in recent years.

We considered the relationship between the perceived union role and attitudes to quality and the extent of team work. In general, there were no statistically significant associations. For example, we examined initial attitudes to the quality programme and perceived level of employee influence over quality (see Tables 4.2 and 4.3). In neither case was there an association with the perceived role of the union. We also explored this issue within each organisation in turn, to take account of the possibility that, for example, relative

discontent with the unions in Severn Trent led to dissatisfaction with quality while there was the reverse pattern in an organisation such as the Halifax. In fact, there was no association of this kind. For example, in Severn Trent about half the sample were strongly in favour of the quality programme, regardless of their views of union involvement. The same was true in the Halifax.

Two associations of note did emerge. First, it will be recalled from Chapter 4 that a key indicator was whether or not training in quality or team working had been received. There was a tendency for those who had received such training to see the union role in a favourable light. This pattern held within most of the organisations, and particularly strongly in the two public sector bodies. For example, in South Warwickshire, 11 of the 20 employees (56 per cent) who had received this form of training identified a significant role for the unions, as against two out of the 18 (12 per cent) who had not received this training. Since we did not specifically anticipate this association, or indeed the importance of this particular type of training, it is a matter of *ex post* speculation as to what explains it. But it is possible that experience of this particular type of advanced training did lead employees to be more aware of the union contribution, perhaps because the training suggested the ways in which quality involves notions of partnership.

Second, there was a clear association between trust in management and the perceived role of the union in quality. A conventional picture of unions as being about conflict with management would expect that a strong role for unions would imply hostility to management and hence a low level of trust. In fact, the association ran in the opposite direction, of trust and a strong union role being directly associated ($p = 0.05$, $\gamma = 0.30$). Which way the direction of causation runs here is open to debate, and there may well be mutual reinforcement. What is clear is that trusting management and seeing a strong union role actually went together. This is consistent with the long-established thesis that it is possible, and indeed common and perhaps even the norm, to hold dual loyalties and to see that strong unions can assist management. The view receives a well-known statement in the 'union voice' models (Freeman and Medoff, 1984), which suggest that unions help to aggregate members' preferences and to reduce individual forms of 'voice' such as quitting. Managerial approaches to unions support this interpretation.

Management, unions and quality

Positive views of unions. In the Halifax there was an overwhelming view among managers that the union was involved in most aspects of change within Halifax, as the following quotes demonstrate:

The union is involved constantly in working practices, pay and the merger.

The union is involved in a lot of the Society's decisions.

The union is worth the subscription, they give good advice and are very supportive, they have definitely helped with quality initiatives.

If the union had not been here I think it would have been more difficult for managers. I think a union is very important.

Managers in the Halifax were, therefore, supportive of the union and saw its presence as a facilitator of constructive change. Unfortunately, an interview with a union official in the Halifax was not conducted due to the timescale of the project and the merger with the Leeds which was underway during the research.

In British Steel, most managers thought that, on balance, the unions had facilitated the quality initiatives, as these statements suggest:

If anything it [union involvement] has helped oil the wheels of change.

The unions helped the transition. I think it is better to have some representation from trade unions.

The union helped I suppose. Management handled TOPICS badly; they were reluctant to release information.

It is good they are involved and good they agree. I think it is important for workers to have a voice through the trade union.

Of the 20 managers interviewed, 17 were clear as to the benefits of working with and through the unions. There were also some managers, as there were employees, who thought the role of the unions in British Steel had been weakened. The union representatives considered that the key issue of concern around TOPICS had been job security. They confirmed that the commitment by British Steel to no compulsory redundancies had greatly assisted the implementation of the new project.

These views can be related to the place of unions in the two organisations. In the Halifax, the IUHS was in effect an enterprise union with a tradition of working closely with management. In the steel industry, unions have

a robust tradition, but there has also been a long history of peaceful industrial relations and co-operation in change. Unions remained part of the landscape of the industry.

Unions as marginal. In two organisations, the union role in quality was felt to be small. Managers in South Warwickshire considered the role of the unions to be relatively confined to issues of pay and working conditions. Two managers thought that the union should be fully involved in quality issues. It was only possible to interview a representative from the RCN. At the time of the research this union was in conflict over pay and moves by management towards local bargaining. In terms of quality, the union representative highlighted nurses' views that management appeared unwilling to reward the quality of, and commitment to, patient care that nurses continually demonstrated. In this case, unions seemed to be relatively distanced from quality initiatives.

The picture at Severn Trent was somewhat similar, though with more of a suggestion that there had been a conscious wish to limit the unions' role in quality. Managers considered the position of the unions to be declining somewhat, as these quotes display:

We have had a very quiet time of it on the union front.

The unions are not recognised as part of the TQM process.

Unions don't impact day to day life.

The unions are kept informed, I could be cynical about why but I won't.

It appeared therefore that the managers' views on the union mirrored the 'low and declining' trust level that workers said they had in managers. The official from MSF agreed that the union had not been involved in defining the processes in relation to the quality initiative. The main area of union involvement appeared to focus on the quality bonus for the process workers. If these workers met 100% quality standards they were given a 10% bonus. Concern was expressed that the system was inflexible: if the process workers could not find the origin of the problem affecting quality, they lost their bonus anyway. A recent case of contamination of the water supply at Worcester appeared to raise this issue: the bonus was withheld even though the workers concerned felt that they could not be held responsible. Union representatives within Severn Trent believed that on-going job losses were a continuing source of concern which had the potential to undermine quality initiatives.

Overall, the union's view was that managers were increasingly averse to hearing anything negative in relation to changes in company practices and the on-going restructuring of the organisation.

Unions in decline. By contrast, Philips managers were, on the whole, completely dismissive of the role and importance of the unions, as these statements demonstrate:

I think there is not any importance given to unions here.

Union membership is low due to ineffectiveness but then this is due to low membership.

The trade union is not involved any more than anyone else.

Unions have very little power in the factory.

The position of the unions in Philips is discussed in more detail in Chapter 6.

In Lewisham there was a consistent view by managers that trade union activity in all areas was declining, as these comments demonstrate:

The level of union activity has dropped dramatically in Lewisham.

The union has a very low profile lately, only one third of staff are involved.

The union is not very strong.

In relation to DIRECTeam (analysed in more depth in Chapter 6) the displacement of the union was mentioned by the management of DIRECTeam and managers from other areas of the Council. As the following quotes display, there appeared to have been a concerted effort to replace the worker/union communication channels with direct worker/management communication:

We have stolen the trade union/employee representation role. People come to managers now not trade union representatives. Union membership is only 25% in DIRECTeam and falling.

In DIRECTeam management are very strong and dictatorial, what management want happens. DIRECTeam management are seen as aggressive and dictatorial, they run rough shod over staff.

DIRECTeam have a brilliant public face but for those who work for them and with them the managers are seen as ruthless.

The majority of managers in other areas of the Council strongly believed that the ascendancy of the management over the union and subsequently the employees was essentially negative for the workers in DIRECT. The

implications for quality are discussed further in Chapter 6.

Comparative evidence

Rees's findings are relevant here. We first set out some key background facts. In the two unionised firms, there was 100% membership in one union at 'Auto Components' while at 'New Bank' membership was under half the sample and was split between the bank's staff association and BIFU. In both cases, the great majority of respondents felt that new work practices had had little effect on the strength of unions, though rather more perceived a fall than a rise. Respondents were also asked about the union role in the outcome of new working practices. At Auto Components, 40 per cent described the role as very or fairly significant (a proportion rather higher than that to our similar question), but at New Bank the figure was only 7 per cent. Moreover, when asked which level of the union had the most influence, Auto Components respondents gave a high score to the union convenor within the plant.

These findings parallel more qualitative information. At Auto Components, a history of adversarial relationships had been transformed, largely through the shared experience of going through a period of great uncertainty, involving heavy job losses and the threat of total closure, and emerging with an established market position. Employment fell from 1200 in 1979 to a mere 300 in 1982. A new managing director cut employment even further and made the key decision to concentrate on a narrow range of products. The firm was able to develop its expertise, with quality being a key part of the process, so that by the early 1990s it held 30 per cent of the entire world market in its specialised niche. The role of the union was important in the whole definition of quality. Thus the long-serving union convenor recalled that he had opposed the label of TQM because 'people look at the words "total" and "management" and it has strange effects on them, so we kicked it around and came up with "continuous on-going improvement" which means exactly the same but which people have embraced'. In short, in this case a strong union went along with, and arguably was a central part of, quality improvement. The strong union tradition among the work force meant that union avoidance was not a feasible management policy, and managers recognised this. Indeed they increasingly worked with and through the union, seeing the convenor as an important communications link and facilitator

of new work practices. Two shop floor comments summarise the position:

It's a very friendly atmosphere here between management and the shop floor.

The union allows the company to do certain things but not others. They allow [managers] to get people to do excessive overtime, although they don't like it. But they'll argue about getting people to do weekend shifts, and say the company should employ more people instead.

The union was thus seen as having some independence while also helping in quality initiatives. By contrast, the union and staff association at 'New Bank' were seen as weak, and workers were relatively apathetic. Management strategy could be characterised as non-engagement with the union: introducing change while largely ignoring the union, particularly at workplace level.

How do these contrasts link with attitudes to quality and management as a whole? In relation to perceived influence over quality, the present six organisations scored somewhat higher than Rees's four. As noted above, respondents in the Halifax were more satisfied with their ability to influence quality than their counterparts in New Bank, and they also had higher levels of trust in management. In the case of New Bank, the lack of an effective role for the union would seem to be one part of a re-structuring involving tighter monitoring and the abandonment of long-standing traditions of 'bank employment'. This may have made acceptance of quality initiatives more difficult than was the case in the Halifax. As for 'Auto Components', trust and job security were felt to be relatively high.

Turning to the non-union firms, no questioning about unions was permitted at 'Hotel Co'. In relation to quality in general, responses were generally favourable. For example, trust in management and perceived job security were quite high, and respondents also evaluated training favourably. Team work was also seen as important. For example, the distinction between bar, restaurant and room service staff has been removed and workers can now operate in all these areas. As a relatively upmarket chain, 'Hotel Co' could afford to invest in the necessary training. In this environment, the absence of a union did not affect the quality initiative.

As for 'Office Tech', a non-union firm since it was set up on a 'greenfield site' in the mid-1980s, workers were asked if they saw benefits

if the company recognised a union. Almost three-quarters could see no benefits, and a similar proportion would not join a union even if one were recognised. Most felt that a union was not necessary as there already existed good relationships with management. This employee scepticism of unions did not, however, go along with a favourable set of attitudes to management. Levels of trust were relatively low and workers were prone to perceive a tightening of discipline. This pattern can be related to the nature of the firm's operations. As the British subsidiary of a Japanese firm, the company has a strong focus on product quality. The emphasis is on process control and the 'hard' aspects of continuous improvement. Most workers operate individual work stations on an assembly line, and the scope for empowerment is very limited. In many respects, the type of work would be similar to Philips, and workers' expectations of involvement were also constrained. A few quotes give the flavour:

Management are constantly distancing themselves, and are only interested in their own existence within the company structure.

We have no motivation at work. As there is no or hardly any promotion we have nothing to aim for.

[Office Tech] is a good company to work for, but I do not wish to stay in a dead end job. It is too boring.

There are some parallels with the studies of manufacturing discussed in Chapter 1, which stress that quality does not change the basic structure of jobs. In the present context, the key point is that being non-union had not helped the firm to escape from the constraints of a hard approach to quality. In many respects, it was similar to Philips in the limited impact of quality initiatives.

Conclusions

There is thus some suggestion that unions can play a role most effectively in conditions in which quality programmes take on an 'advanced' form, in which employers may be trying to build a strong sense of shared identity with employees, and in which there are existing co-operative bargaining relationships. The Halifax, British Steel and Auto Components would fall into this category. Perhaps the more common picture in the unionised sector as a whole, however, is that managers do not see a very substantial role for unions when implementing TQM (Geary, 1995), as at Severn Trent and, more forcibly, New

Bank, Philips and Lewisham. Our case studies confirm the view that in many cases unions tend to be excluded from the quality process. As for the non-union cases, much also seems to depend on context rather than union status as such. Thus Office Tech seemed to face many of the same issues as Philips, whereas 'Hotel Co' had managed to sustain a more effective quality programme.

V Summary

Critics of TQM underline its potential links with work intensification. We have seen that such a connection is certainly possible. There was no evidence that a general sense of trust existed between management and workers, and trust levels were if anything below those of organisations studied around 1990. An increase in work effort and a substantial level of stress were also widely reported. However, the majority of the sample was 'committed' in the sense of working harder and enjoying doing so. A sense of increased responsibility often underlay this attitude, though this did not mean that workers were simply immune to the associated pressures. Several explicitly linked the benefits and the costs of working harder, so that there was a clear recognition of the realities of the situation. In contrast to the more extreme criticisms of TQM, workers in our organisations were not duped into accepting quality programmes and nor did they feel that their disciplines were necessarily unreasonable.

We suggested above that there may have been differences between manufacturing and other

sectors in the extent and timing of changes in work intensity. It seems that it is in the service sectors that much of the increase took place during the early 1990s. We also noted high levels of performance monitoring in the Halifax and the bank which was studied separately by Rees. But what also stands out, from this chapter and from Chapter 4, is the extent of general job satisfaction and of welcome for quality initiatives at the Halifax, marked levels of monitoring notwithstanding. The study of the bank found, by contrast, quite high levels of employee discontent about such things as communication systems. It is possible that these contrasts within the financial services sector reflect differences in the context of quality initiatives, notably the degree of job security and the pattern of work re-organisation as discussed above.

Taking our present results and those of Chapter 4 together suggests an interesting picture of the links between quality initiatives and worker attitudes more generally. Chapter 4 revealed widespread acceptance of the principles of quality. The very different situations regarding trust and job security analysed in this chapter did not, therefore, correlate highly with views on quality. It is thus possible to produce favourable general views on quality despite unfavourable conditions, Severn Trent and Philips being the clearest exemplars of the point. But debates on quality generally go to a second stage, of arguing that attitudes to quality can actually promote more positive views of management in general and accordingly contribute to competitiveness. We have found little evidence to support this: trust levels were not particularly high, and firms with the greatest job insecurity had the lowest trust levels. In some circumstances, quality initiatives can be part of a wider set of trends which reinforce each other, as the Halifax illustrates. British Steel may also have been moving in this direction, though the developments were too recent to be sure. In the other four cases, quality remained somewhat disconnected from wider developments. Its promise had yet to be realised.

Finally, we have seen that unions can play varying roles in quality programmes. In four of our six organisations, the role tended to be weak, as we discuss further in Chapter 6. But we found evidence across all the organisations that trust in management was positively associated with a strong union role. We also suggested that at the Halifax and 'Auto Components', and perhaps to a lesser extent at

British Steel, management's positive relation with the unions was one of the conditions promoting not merely acceptance of quality but also the more positive wider role in quality discussed above. The 'Office Tech' case shows that non-union employees do not always accept quality programmes, though in other cases, as at 'Hotel Co', they often do.

The following two chapters develop these arguments. Chapter 6 explores three cases in more detail, to reveal the constraints on quality initiatives. Chapter 7 examines statistically the relationships between quality, insecurity and trust, demonstrating in particular the different kinds of connection which existed in the different organisations.

Six

EMPOWERMENT AND QUALITY INITIATIVES: THREE CASES

The terms 'involvement' and 'empowerment' often appear to be used interchangeably:

The use of committees or teams and the concept of employee involvement is deemed crucial to the success of a TQM programme. Baldrige award winning companies believe that employee empowerment is an underlying framework for total quality success (Hanson et al. , 1995: 47).

As discussed in Chapter 4, it is preferable to distinguish between the two, seeing involvement as covering such developments as problem-solving teams and other forms of participation in the immediate task while reserving 'empowerment' for more advanced practices in which tasks are allocated to teams as a whole and in which direct managerial supervision of work is reduced or eliminated. We saw in that chapter that respondents in each of the six organisations generally believed that, although the degree of workers' involvement in problem-solving was relatively high, empowerment was contained within narrow bands. The views of managers were consistent, with virtually all feeling that empowerment was absent within their organisations. Chapter 5 pointed to a range of wider developments which could undercut quality initiatives. In order to analyse this further it is necessary to understand the relationship between quality initiatives and wider organisational practices.

In this chapter we thus focus on two issues: the meaning of empowerment, and links between QM and wider developments. We are thus concerned with the processes and context of QM and need a more qualitative perspective than that deployed in previous chapters. The analysis follows many of the themes of contingency theory considered in Chapter 1 by highlighting the key limitations of quality programmes, and it illustrates how issues such as job insecurity, discussed in Chapter 5, work in practice. Though it points to practical constraints on QM, it also confirms the survey data on the general value placed on ideas of quality. We are thus exploring qualifications about the implementation of quality ideas which, though important, do not necessarily mean that the ideas themselves are flawed. In

particular, we show that managerial objectives were more pragmatic than is implied in the language of empowerment. Measured against this more realistic standpoint, there were 'successes' as well as 'failures'.

Three of the case study organisations were chosen for more detailed analysis. Interviews were conducted with managers, employees and trade union representatives. In addition, interviews with workers were conducted at the end of the project. This allowed the researcher to question workers directly on some of the issues raised through discussions with managers and trade union officials. Although the number of workers interviewed in this way appears to be small, their views did not significantly differ from the views expressed by management in relation to employee involvement and empowerment. What is important is the way in which workers articulated their concerns about wider organisational changes which they felt impacted negatively on the quality initiatives.

Severn Trent illustrates a growing move towards quality principles but one that was constrained by other developments, notably perceived job insecurity and a sense of division between management and worker. This division may have been exacerbated by the move from the public to the private sector and the high profile of such issues as service quality and managerial pay in the water industry.

Lewisham Council provided the best research access within the public sector. The case contains perhaps the clearest effort at empowerment that we came across and it illustrates the conditions, in particular financial stringency, making such efforts hard to sustain.

Philips Hastings was in the early stages of implementing a quality initiative and therefore allowed observation of the emerging process. The case also allows us to explore some of the tensions in a manufacturing environment between quality principles and short-term production pressures.

In each case we describe the initial impression of 'quality' as one enters the organisation's offices. We then explore involvement, empowerment, and union and worker views.

I **Severn Trent Water**

At the Head Office of Severn Trent Water, a receptionist (always a woman during the research) greets all visitors and customers. After stating their name and who they wish to

see, visitors are directed to a waiting area until the relevant person comes to collect them. The majority of people who were visiting the head office premises during the research appeared to be business visitors rather than customers with a query or enquiry. On the table in the waiting area the daily papers are available to read whilst waiting. Although people are going in and out of the building quite frequently, the reception area is relatively quiet and calm. A notice is displayed on the coffee table which states that if you have had to wait more than five minutes you should advise the receptionist. Notice boards are prominently displayed showing various diagrams and charts relating to the progress of the quality initiative within Severn Trent Water.

Interviews were conducted in managers' offices, all of which were well furnished. The Managing Director's office in particular was extremely comfortable with a small lounge area. All the managers interviewed were white males, a personnel profile that appeared to be representative of the management structure within the head office. The interview with the union representative was conducted in the union office and a room was made available at one of the district offices in which to interview employees.

During the many visits by the researcher to interview managers at the Head Office location, Severn Trent Water was receiving critical attention from the media (press and television) in relation to product quality (contamination of the water supply in Worcester), customer service (problems with the water supply) and employee relations (the reduction of approximately 700 jobs at head office).ⁱⁱⁱ Discussions on these issues and changes were raised during interviews with managers and workers and, as this chapter will demonstrate, these wider issues were considered by employees to have a direct impact on quality.

Employee involvement

When asked, all Severn Trent managers were able to provide some examples of increased employee involvement in problem-solving which they said had arisen from the quality initiatives. All managers agreed that employee involvement had increased and the majority thought that involvement had increased extensively, as the following comments indicate.

There is a high percentage of people who feel involved in TQM change.

Previously managers solved problems and told staff what to do. We have moved away from hierarchical decision-making. We now have process groups and quality groups.

With the quality initiative now we don't automatically look to one person or a person in a hierarchical position. Now we get a group together to analyse the problem and find the answer.

While acknowledging an increase in employee involvement, three managers qualified this view, suggesting that a really significant level of involvement had not been achieved at the time of the research:

We are early days into this we have moved but not won the battle fully.

There is a problem building up a critical mass of people who understand the techniques.

I don't think it has got very far at the moment.

Managers considered employees to be enthusiastic about quality and the changes brought about by the emphasis on quality. Overall, research interviews with managers indicated that employees were perceived to be embracing quality principles in all areas of work.

Employee empowerment

Only one manager considered employees to be fully empowered. As he stated,

I can't believe there is anyone who does not feel empowered.

The majority of managers in Severn Trent were unhappy with the use of the term empowerment. It was considered to be a concept that was, in practice, difficult to implement. As different managers explained:

It doesn't exist, I don't feel comfortable with empowerment.

This company doesn't like mistakes, therefore empowerment is not enjoyed by the work force.

Very little empowerment in the field . . . I don't see empowerment working in Severn Trent.

We need to know what it means. It is just being used as a word and it gives the wrong message.

We are a highly structured organisation which means very little empowerment.

Empowerment is not one of our principles.

A minority of managers said that while some progress had been made, it was very difficult to implement a policy of employee empowerment. In trying to deal with the confusion over what 'empowerment' really meant, one manager had decided to explain it to his workers in the following way:

We just say that this means everyone understanding the full extent of the job they are doing.

The research interviews therefore discovered a considerable degree of ambiguity, even confusion regarding the meaning of empowerment, its policy emphasis and its implementation in practice. In particular, the emphasis on the need to avoid mistakes and on 'structure' meant that managers recognised that empowerment had to be contained within the realities of meeting targets and service standards. As will be seen, managers in the other two organisations took a similar view.

Trade union perspectives

In Severn Trent the MSF union represents the largest number of workers. In a research interview with a union representative he stated that the union was not really involved in defining the quality initiative. The quality facilitators were considered to be the enablers of the process and, as the union had activists who happened to be chosen as quality facilitators, it was considered that the union had representation within the process. The union representative considered that the quality initiative presented no real problems for the staff group. However, although he confirmed that customer initiatives were welcomed by the staff, he also stated that there was a sense of increasing cynicism surrounding staff's perceptions of other aspects of the quality programme. For example, the forthcoming shedding of approximately 750 staff within the Head Office was causing concern. If staff reductions continued to run simultaneously alongside the emphasis on quality initiatives and staffing levels became ever tighter, the union representative predicted that disillusionment with the quality programme could emerge from within the work force. Though acknowledging that employee involvement had increased to varying degrees within the work force, the union representative's view of empowerment mirrored that of the managers who were interviewed. He highlighted a 'blame culture' within Severn Trent as one of the main barriers

to empowerment. We now consider the nature of this culture.

Worker responses

Quality principles. In line with the questionnaire survey results discussed in Chapter 4, all the Severn Trent workers interviewed expressed a commitment to providing quality of service. There was a perception that the Working for Quality initiative had permeated the organisation much more than previous initiatives which, as one worker put it, 'tended to come and go'.

This Working for Quality [WfQ] has more of a grip than previous initiatives.

Some took the view that WfQ had not really changed the way people worked but that it had made everyone much more aware of quality issues and there was more sharing of information between employees than in the past:

We have always been working for quality.

Working for quality has not changed the way we work but the emphasis on quality is more serious now.

Now people are more willing to share information . . . there is easier access to some managers.

The workers stressed the importance of ensuring product quality and quality of service to customers at all times. As one explained, 'with access to all this modern technology people should not be without water.'

Communication and training. However, though it was clear that the principles of WfQ were clearly established within the company, workers perceived some emerging contradictions within the quality initiative. These tensions, workers explained, could present problems for both employees and the company in terms of quality of service. Comments focused on the extent of upward communication and on training.

Although it was agreed that information was 'cascaded' down the organisation, there was a sense that feedback on the suggestions and ideas put forward at localised meetings was not very forthcoming. There was a perception that, although suggestions were made, the majority were probably not implemented. This view is demonstrated by the following comment:

We can put ideas forward but we feel the company doesn't always take on board the suggestions.

There was a consensus that top managers were perceived by employees as being quite detached from the work force, as these workers stated:

Managers just don't talk to workers enough.

Senior managers should have more contact with staff at the bottom.

Managers need to spend more time with the workers.

Managers at the top are quite detached. They don't know the names or faces of the work force.

These responses help us to get behind the quantitative information in Chapter 4. Though in general Severn Trent workers were not markedly critical of communication systems, there seems also to have been a specific feeling of distance from the top management of the company. This may well have reflected the changes associated with privatisation and a resulting sense among workers that they were not informed of the many new developments in train.

Workers considered that opportunities for training had improved following the emphasis on quality. This expansion of training opportunities was widely seen as very positive. However, a view was also expressed that it was not always practically possible to take advantage of these increased opportunities due to tight staffing levels:

Any release of staff causes additional pressure for other workers and can cause tensions between workers.

Expectations are raised by extra training but the promotion opportunities are not really there.

Training for quality puts pressure on other workers.

Training was also perceived to provide added protection against job loss. All the research interviewees agreed that job security was of primary concern within the work force. Therefore the inability to take advantage of additional training due to staff shortages was of considerable concern.

Job security and trust in management. The wider economic context underpinned workers' concerns about the quality initiative itself. Central here was job security. Any further reductions in the work force were viewed as

having a direct impact on quality. Staff reductions through reorganisation and the company's reluctance to replace people who left was considered a problem when trying to ensure quality:

Sometimes increased workloads mean you have to do things less thoroughly.

There is more pressure now due to reductions in personnel and time limits on everything.

There is a danger of quantity impacting on quality for example responding to time constraints when completing a job.

Employees stressed that as workloads increased due to staff reductions, there was an emerging view that some quality initiatives might be driven more by cost-cutting.

The issue of directors' pay was highlighted as another example of the distance between top managers (who rarely came into contact with customers) and workers. The workers interviewed all considered that management skills in dealing with the media and addressing customers via television were very poor which contradicted the emphasis on quality and customer service within the company. It was generally agreed that the publicity surrounding directors' pay damaged customer relations. Workers dealing directly with customers described how they were the ones who had to develop the diplomatic skills. As one worker said:

Just recently every time we have gone out to deal with a problem the customer complains about the same issue, the pay of the people at the top. I mean there is nothing we can say, it can be very difficult at times, trying to be diplomatic whilst taking time to talk things through with customers and getting the job done within the time allotted.

The issue of empowerment was as confusing to workers as it appeared to be to managers. Workers talked about constraints on empowerment such as the increasing focus on measurements within Severn Trent which were not flexible. The point was made in relation to a recent water pollution incident at Worcester. This was due to the tipping of thinners into the river above a treatment works. The pollution was colourless and odourless and was not noticed by the process workers. It only became apparent when water entered houses and reached room temperature. The workers felt that they could not be blamed for the incident and yet they lost their quality bonus. This was interpreted as an example of how management

had a tendency to look for someone to blame when something went wrong. This particular issue was also raised as a problem by two managers.

Conclusions

These interviews demonstrated that Severn Trent workers were supportive of, and committed to, ensuring quality. The main focus of their concerns was increasing workloads, brought about by reductions in the work force. There was also a sense of frustration about the way the issue of directors' pay had been handled by senior management which placed extra responsibility on employees dealing directly with the customer to handle and absorb the impact of any bad publicity. In addition, this reinforced the view that top management appeared to be quite detached from the day-to-day operations of the organisation. According to the workers, any real empowerment of the work force was unlikely due to the highly structured nature of the organisation and the tendency to look for someone to blame when problems occurred.

These findings help to explain the fact, noticed in Chapters 4 and 5, that at Severn Trent acceptance of quality ideas was high despite a low level of trust in management. The potential of QM was reduced by concerns about job security and about a culture of blame.

II Lewisham Council

When arriving at the reception desk of the main building of Lewisham Council, the visitor is struck by the contrast with the other two organisations discussed in this chapter: what is notable is the great diversity of people who work for, or are customers or clients of, the Council. This is best demonstrated by the clear and extensive Lewisham Council Service Charter statement displayed at the reception desk which says:

This council serves our community, the staff are part of this community and aim to provide fair and efficient services to all regardless of race, sex, age, sexuality, religion or disability. In providing these services we will not tolerate any abuse be it verbal or physical, racist or sexist towards any member of staff or anyone else living in our community. Our staff will challenge any such behaviour and services to the individual may be suspended or withdrawn if behaviour continues.

The reception area is quite large and bustling with people, both workers coming and going and customers with very diverse queries and enquires. The reception is a busy and quite noisy place. The receptionist deals with people courteously and as promptly as the volume allows. At the time of the research, the reception service (which consisted of female receptionists) had been in place for three and a half years. Previously there was just a desk staffed by the male workers in the post room. The fact that all receptionists were now female was explained as 'something that just happened' by one of the managers. All the receptionists were trained in first aid in order to assist not only 'customers' within the building but also any member of the community who may be near the Council building. Only a couple of chairs were available within the reception area and therefore people tended to remain standing. The job of receptionist appeared to be quite stressful and skills of tact and efficiency were clearly of great importance in dealing with customers. Any statement relating to waiting times (as displayed at Severn Trent) would have appeared unrealistic considering how busy the reception was. First impressions were that the Council appeared to be representative of the community which it served.

Interviews with managers were conducted in specially booked rooms away from the office areas. Thirteen female managers and seven male managers were interviewed. Union representatives were interviewed in their offices and a room was made available at the union premises in which to interview workers. The extent of the diversity in terms of customers, employees and the services offered by the Council was reinforced during interviews with managers and workers from all different areas of the Council. These interviews demonstrated the mixture of cultures present within such a large and complex organisation.

Given this diversity, it is difficult to adequately present the changes taking place within the Council. However, certain themes could be discerned from the research data. The central one was the way in which budgetary pressures limited quality initiatives, a point which came out particularly strongly in relation to an innovation known as DIRECTeam.

Employee involvement and empowerment

The majority of managers confirmed that employee involvement had definitely increased with the focus on quality, as the following quotations illustrate:

Lots more involvement of staff; previously they felt they were just told what to do.

Staff and the public are more involved.

Everyone is briefed and has the opportunity to input to improve their own work.

The service plan for the unit was done in conjunction with the staff. I now talk to them about budgets and the implications.

Two managers did question whether there was any really significant change in employee involvement within Lewisham:

Customers are more aware of the services available to them but I don't think people internally feel more involved.

Although we have spoken a lot about quality and involvement it is not really up and going.

In the main, however, employee involvement was widely perceived by managers to have increased.

The views of Council managers on empowerment followed a similar pattern to those of Severn Trent managers. The majority of managers in Lewisham did not feel employees were empowered:

I don't think people do feel empowered.

No. Employees don't feel empowered, there are still quite rigid parameters.

If you ask employees they wouldn't know what you are talking about.

Some staff feel that despite everything, Lewisham does not empower but instructs.

You can only go so far with empowerment.

Employees just have to fit into tight budget.

One manager considered that a discussion on empowering workers was not realistic within the Council:

at the end of the day this organisation is not in control of its own destiny, the whole organisation is dis-empowered.

Key themes to stand out here were the constraints of increasingly tight budgets. As the last quote illustrates, the on-going cuts in local government funding were a major constraint on both quality initiatives and the very concept of empowerment. Just two managers thought empowerment existed at Lewisham Council and one of them referred to the empowerment of managers only: 'I am empowered to run my

service how I want.' Hence, as in the other two organisations, managerial interviewees expressed considerable scepticism about the practice of empowerment.

Trade union perspectives

Representatives from UNISON and the TGWU were interviewed. There was a consensus that the unions had been prepared to work with the Council to bring about change. The unions acknowledged the public relations value of securing awards such as the Charter Mark and Investors in People, and they supported these initiatives in principle. However, the general view was that, although the Council wanted quality, the main driving force was towards cost-cutting. The increasing impact of Compulsory Competitive Tendering (CCT) was considered to be of great concern to employees in all areas. Recent management-imposed changes to the terms and conditions of all manual workers in DIRECTeam (discussed further below) had led a significant number of employees to contact the unions for advice and assistance. These problems within DIRECTeam were confirmed by the presence of members of DIRECTeam picketing the main entrance to the Council buildings during the research. These developments appeared to have strengthened the union's perceptions that 'more for less' was the reality behind the Council's quality focus. In relation to empowerment, the union representatives considered that the imposition of these changes within DIRECTeam had brought into question the whole concept of empowerment within the Council.

Worker responses

Quality principles. All the workers interviewed talked about the importance of quality in the services provided by the Council. They felt that focusing on quality had the potential to improve services to customers and the work experience of employees. But they also stressed that the diversity of workplaces within the Council reinforced the difficulties of applying a consistent measure to quality. As one employee explained:

I work in a difficult area. I might have to clean a staircase and after two hours it is as bad again. Whereas someone in a better area might only clean a staircase twice a week, it all depends where you work.

Despite what was described by the workers as initial employee scepticism or cynicism about the focus on quality issues, it was widely felt that there was now a genuine effort by workers to embrace quality principles in all areas of the

Council's operations. However, within this commitment there appeared to be deep-seated concerns as in other organisations about other organisational changes. The increased emphasis on CCT within the Council was considered as potentially contradicting and undermining the quality initiatives.

DIRECTeam is considered by senior management to be the flagship of the Council in terms of quality of service provision and empowerment of the work force. It is the in-house agency responsible for street sweeping, refuse collection, highways, vehicle maintenance, buildings, and cleaning and grounds maintenance. It is based on the principle of devolution of responsibility. Under the first round of CCT, the management team had successfully kept in-house the sections of the services put out to tender. During that time, DIRECTeam had undergone radical restructuring involving redundancies and a reorganisation of work. This began with delayering. As the Director explained:

Previously there had been eight tiers between management and the street cleaner. There are now three. We made approximately 1500 redundancies but we always tackled management first to set an example.

Initially, it appeared that the reorganisation had been completed with some success in terms of worker moral and customer satisfaction, as the Director stated:

When refuse collection came up for tendering we recognised that there was a need to increase productivity. This was done by the introduction of 'wheelybins'. Customer satisfaction went sky high, the feedback to councillors was wonderful. This told us what a source of power customer feedback is. Workers were involved in buying equipment, clothes and in organising ways of working.

As Chapter 5 demonstrates, however, part of this strategy appeared to be to circumvent the more traditional channel of communication which involved trade union representatives. Involvement was seen as a more decentralised and individualised issue. Empowerment was defined by the Director in the following way:

We define simple guidelines within which you can do what you like, but you can't go outside the guidelines.

The recent round of CCT (which now involved 90% of the work force in DIRECTeam) also maintained in-house the work areas for which tendering was required. This, however, was accomplished by the acceptance by employees

of less favourable terms and conditions of the workers. These changes included the erosion of holiday leave, reductions in sickness pay and cuts in take-home pay.

One important effect of these changes is to highlight the tensions between the focus on quality within the Council, the pressure of CCT, and the need to cut costs due to ever shrinking resources. From discussions with workers in DIRECTeam and in other areas of the Council it was evident that the workers within the Council and DIRECTeam no longer considered DIRECTeam to be the flagship of the Council.

Within DIRECTeam these reduced terms and conditions appeared to have damaged morale particularly because of the reductions in pay, as these workers explained:

What once brought hope and co-operation in DIRECTeam has now collapsed into a view that quality is something we are unable to achieve, it is just about cost-cutting and management control.

Morale has hit rock bottom in DIRECTeam now.

There is a management worker divide now, workers will do what they have to and no more.

In other areas of the Council there was concern about the introduction of less favourable terms and conditions for DIRECTeam workers and the implications these might have for other areas of the Council which were preparing for CCT, as one supervisor articulated when talking about CCT:

My girls are concerned about the changes in terms and conditions in DIRECTeam, if this is what happens under CCT then there will be problems. Lately, in any area management think they can save money they will claw it back.

What is significant about these comments is how they express a sense of powerlessness which clearly contradicts any concept of empowerment. What began as a radical agenda for change within DIRECTeam, which appeared to have been customer driven and employee centred, had turned sour. The following comment from a member of DIRECTeam articulates how people both inside

and outside DIRECTeam appeared to view the changes,

A lot of DIRECTeam people were brainwashed. They were led to believe they were the best but employees in DIRECTeam have to fit into tight budgets, give up holidays and sick leave.

Conclusions

Workers in Lewisham were aware of the importance of providing quality services in all areas of the Council. In supporting these principles, they pointed to the necessity of recognising the diversity of work areas when applying any specific standards. There was also a widespread understanding of the increasing move towards CCT and, while not opposing the principle, many interviewees expressed concerns about the implications of CCT in relation to staffing levels and terms and conditions of employment. The recent developments in DIRECTeam, which placed the employees on inferior terms and conditions than the rest of the Council, was viewed as a negative move by workers inside and outside DIRECTeam. Initial progress, in terms of increased commitment and involvement of the workers in DIRECTeam, appeared to have been lost following the imposition of new, disadvantageous terms and conditions of employment. Many workers complained that they had responded to all the demands of the quality initiative only to be rewarded by reduced pay and conditions. The concept of empowerment was considered to be out of place in an organisation such as DIRECTeam which gave workers the choice of signing new contracts accepting worse terms and conditions, or being sacked. Hence as in the other organisations, emerging tensions were evident between quality initiatives and other organisational change programmes.

DIRECTeam was a bold experiment in moving towards empowerment which ran up against two constraints: the difficulty of devolving authority where activities are wide-ranging and diverse; and budgetary pressures. It was hard in this context to provide the sense of purpose which, we saw in Chapter 5, tends to lead to favourable views of quality. The lesson is not that the experiment was a mistake but that it was perhaps too ambitious for the circumstances.

III Philips Hastings

The reception area at Philips is small but has a pleasant and slightly intimate atmosphere.

Visitors are greeted by a female receptionist who is both friendly and efficient. For the period of the research a base was provided within the quality department. Philips provided the most extensive access of all the companies who participated in the project. Having a base within the office environment allowed the researcher to observe some of the day-to-day operations within the organisation. The shop floor area was reached through a connecting corridor from the offices. Interviews took place in managers' offices and at desks on the shop floor. Eighteen male managers and three female managers were interviewed.

Employee involvement and empowerment

Philips managers were more cautious about improvements in employee involvement than their counterparts at Severn Trent and Lewisham Council. Only a minority of managers stated that levels of employee involvement had increased in some areas, but the majority doubted whether more people involvement had been achieved, as the following statements demonstrate:

There is no real people involvement.

Workers on the shop floor feel no matter what they say things won't change. I think it is a fair reflection of how they experience work.

We are doing a good job of people involvement in the staff area. I am not sure how we can involve the shop floor but we are looking at it.

Staff have more of a history of quality. The shop floor is further behind.

There is some change but the shop floor would say no change.

Interviews with managers at Philips revealed that they acknowledged a division between the shop floor workers and management. The question of empowerment in relation to the shop floor was considered to be highly problematic. The majority of managers stated that there was no empowerment for shop floor workers:

The shop floor don't feel empowered.

There is no empowerment on the shop floor.

Empowerment is about management not workers at the lower end.

I feel very empowered but my guys probably feel less empowered.

This term is used to death, direct operators don't feel they are empowered.

Shop floor kettle lines don't feel empowered.

Three managers thought that some level of empowerment was taking place, but probably only for a minority of staff workers:

The extent of empowerment varies a great deal, I imagine the shop floor are much less empowered.

Staff or middle management here should understand they are empowered. Direct operators don't think they are empowered.

Hence, managers shared a view that employee involvement and empowerment was particularly problematic for shop floor workers.

Trade union perspectives

Representatives from MSF and AEU argued strongly that any problems with quality were usually not the responsibility of shop floor workers, emphasising that, according to company measurements, quality had improved. However, the ability of assembly line workers consistently to produce quality products was subject to the provision of quality components and this was out of their control. The representatives explained that, if any components were below standard, they were usually rejected, but if orders were urgent, and not enough satisfactory components were available, then it was sometimes necessary to compromise on quality. This was considered to be a particular problem, because shop floor workers were told to use components one day, which on another day would be rejected on grounds of quality. These perceived inconsistencies generated frustrations on the shop floor. The union representatives insisted that problems with quality were more likely to emerge within the processes before assembly took place on the shop floor. They argued that delivery of quality components and design problems could all affect quality and output.

In terms of 'empowerment', both unions considered that the managerial pressure for output would undermine any attempts that the company might make to empower shop floor workers. Discussions over the low level of union membership within Philips highlighted the issue of pay in two inter-related ways. First, low pay on the shop floor was considered to be 'in tension' with paying union subscriptions. Second, the problems experienced by the union in trying to achieve higher pay had led to a

decline in union membership. As one manager confirmed when asked about the relationship with the unions,

On pay Philips say take it or leave it.

Here again, the issue of low pay appeared to be a factor in the relationship between the shop floor and the union and the shop floor and management.

Worker responses

We saw in Chapter 5 (Table 5.9) that Philips workers were among the least satisfied with their current level of pay, suggesting that the unions' concerns reflected a deeper shop floor feeling. This sense of being treated as rather lowly pervaded workers' views of day-to-day working relationships.

Observation of a 'Town Meeting' - an open meeting held off-site at which all employees could pose questions to managers - proved of great assistance in collecting qualitative data from the work force. A veto on discussions about pay had been communicated to workers prior to the Town Meeting. This appeared to display some sensitivity by management to the issue of low pay on the shop floor. However, this veto did not stop the shop floor from raising the issue of pay. The first part of the meeting contained an outline of the factory's progress in relation to objectives. This was followed by a question and answer session.

A case of product design. It appeared that operators on the kettle lines were experiencing considerable problems (which were out of their control) when trying to meet quality and output requirements. One manager admitted that working on the kettle lines could be very difficult: 'kettles is the worst job on the shop floor.'

A question was raised at the meeting by a shop floor worker with regard to the fitting of a handle onto a metal kettle. The worker explained that it was impossible for the operators on the line to meet the required output because the handle on the kettle was not fitting correctly. Consequently time was lost trying to manoeuvre the handle into the correct fitting. Shop floor workers wanted the times to be altered to take account of this problem. The rate setter, who was a white collar worker, responded by saying that the times had been set on the understanding that there were no problems in assembling the kettle and therefore he had done his job correctly. The problem, he suggested, must be in development. Yet

development representatives stated they were unaware of the problem.

The shop floor worker insisted that the problem had been reported many months previously but nothing had been done and now it was undermining the operators' ability to reach their targets. As one shop floor worker stated:

we have to produce your numbers when you want them; how can we do it when the problem with the handle slows us down?

In response, management acknowledged that there was a quality issue on this particular kettle and that there was a learning curve in all new developments. Shop floor workers replied,

if there is a learning curve why isn't that built into the times we are given to assemble it? Otherwise we lose out on our bonus. We are still having problems with it after a year.

A circular argument ensued, after which it was decided that the development department would invite a couple of workers from the line to see how they developed new products.

Other concerns raised by shop floor workers related to the quality of components and delays in the supply of components. They argued that all these factors reduced their ability to produce a quality product of the required output to the set deadline.

This interaction between shop floor workers and management illustrates how issues of quality reached a critical point on the assembly line. If they were to provide quality goods and services, it was essential for the shop floor to receive quality components, available in sufficient numbers, to enable fast assembly. The issues raised by the shop floor workers were therefore of crucial importance for quality.

This type of debate would, on the surface, appear to be the very kind of issue that the Town Meeting was designed to address. However, the proposed solution of inviting shop floor representatives to development did not seem to address the real problem. Enquiries on the kettle line and interviews with a senior manager in the development department two weeks later revealed that the problem had still not yet been solved. The solution of bringing workers off the shop floor to see what happened in development was raised by the researcher and an alternative solution was suggested in which someone from development might go down to the shop floor to see the problems at first hand. It was during this discussion that the points raised by other

workers on the shop floor were re-affirmed. As two of the managers explained in separate interviews, the deadlines for developing new products were extremely tight. Consequently, once a product had been tested and monitored for a period, it was then necessary for the development department to invest all its efforts in working on the next new

product. This made it almost impossible for workers in development to go back to finished products to deal with any problems. These problems appeared to be compounded by the fact that any difficulties in assembly were not incorporated in the times set for production.

This situation would seem to explain why, as detailed in Chapter 4, Philips workers had the least favourable response to questions about their influence on quality. These views are clearly supported by this manager's response:

the shop floor picks up the problems of design and supplies.

As also noted in Chapter 4, workers' level of involvement in problem-solving showed least change in Philips. Given some of the issues raised at the Town Meeting and management's response, the concept of employee involvement and empowerment may appear to be contradicting the day-to-day experience of some shop floor workers who seek to reach required output levels. As one worker stated, 'the production line has no opportunity to discuss problems at assembly'. The issues raised at the Town Meeting highlight the problems surrounding employee involvement and empowerment in Philips. Managers' views that the majority of workers on the shop floor experience little or no employee involvement and no empowerment are supported by interviews with some of these workers and observation of the Town Meeting. These issues raised at the Town Meeting demonstrate how managerial concern to meet deadlines and quotas can override quality concerns when these are raised by shop floor workers.

Symbols of the manager-worker divide. The Town Meeting also highlighted the 'them and us' divisions between workers and management which had already been acknowledged by managers in these statements:

There is a perception that Philips is a bad employer at shop floor level.

The shop floor are not really interested, they think they are downtrodden and ignored.

In addition to these work-related problems of the gulf between shop floor workers and

managers, there were also symbolic issues which appeared just as important to shop floor workers. Although originally new uniforms had been issued for all employees, managers had successfully resisted wearing them. This was referred to many times by workers and supervisors as an example of how managers wanted to keep the existing divisions within the work force. Also, although a room just off the shop floor area had been set aside for smoking, some managers appeared reluctant to use it and preferred to stand outside the front of the building to have a smoke. During research visits, this practice of some managers smoking outside the entrance to the reception was noticeable. This again was perceived by shop floor workers as an example of managers resisting integration with the shop floor and being afforded special treatment:

We are not allowed to leave the building at all and yet managers can step outside to smoke and no one says anything.

When asked about such points, managers tended to dismiss them as 'grumbles' which were unimportant and in some cases petty. However, for shop floor workers these discrepancies contradicted managerial statements about the plant being a team. Some managers were clearly resisting any attempt to break down the established hierarchies between shop floor workers and management.

Conclusions

All Philips workers interviewed understood the importance of ensuring quality products in order to compete effectively in the marketplace. However, workers on the shop floor stressed that problems in quality could arise due to a shortage of quality components or unexpected design problems which emerged at the point of assembly. Empowerment in any form appeared to be absent for the majority of workers at shop floor level. Indeed what was considered acceptable in terms of quality could be dependent on the timescale for delivery and the quality of components available. These processes served to reproduce a sense of disempowerment for some shop floor workers. Hence quality initiatives appeared to be in tension with other organisational practices to the detriment of the former.

IV Comparative overview and conclusion

The limits to empowerment. 'Empowerment' offers a redistribution of power down the organisation whereas involvement means the

more limited and constrained participation of employees. Although some literature on TQM conflates the two and makes large claims about a growth in empowerment, the great majority of our respondents experienced no such confusion. The need for discipline in meeting quality standards and the constraints of budgets were acknowledged. The approach to quality was more pragmatic than proponents of TQM often suggest.

In both Severn Trent and Lewisham, managers pointed to increases in employee involvement following the quality initiative. In Philips the general view was that some staff workers may be experiencing greater employee involvement. However, the majority of managers did not think that there had been any increased employee involvement on the shop floor as a whole. The views of managers in these three organisations corresponds with the findings of the employee questionnaire outlined in Chapter 4, which found middling levels of involvement in Severn Trent and Lewisham and the lowest involvement in Philips.

As these responses illustrate, the whole concept of empowerment appears to be seen by managers in these organisations as highly problematic. A consistent explanation from managers at Severn Trent and Lewisham was that the rigid hierarchical structure of their organisations, combined with a management culture that was increasingly intolerant of mistakes, made the concept of empowerment inappropriate. At Severn Trent there was clearly a view shared by managers, the trade union and employees that, realistically, if something went wrong the emphasis within management was still to look for someone to blame. Lewisham managers talked of how the diversity of the departments, cultures and management styles that were present within the Council combined with shrinking resources to make it difficult to develop any consistent definition of, or approach to, empowerment. Managers at Philips consistently highlighted the difficulties surrounding empowerment for shop floor workers. In particular, the nature of the mechanised and routinised work, the focus on output, combined with the seasonal fluctuations in production (which made the organisation reliant on temporary workers at certain times during the year), were seen as posing problems for any empowerment of shop floor workers.

Quality v. budgets. All the union representatives interviewed were supportive of the principles behind the quality initiatives in their particular organisations. However, each union expressed the view that quality could not

be achieved if the main underlying objective behind any quality programme was cost-cutting. There was a consensus that, if employees were faced with continual reductions in resources, conflicting demands and increased workloads, then quality would inevitably suffer. In all three companies, union representatives considered inter-related issues surrounding organisational culture, and structure to be barriers to employee empowerment. The perceived blame culture in Severn Trent, hierarchical structures and diverse management styles in Lewisham Council and the emphasis on throughput in Philips were some of the barriers outlined by the union representatives within the three companies.

For employees at Severn Trent the enthusiasm for, and commitment to, quality initiatives was balanced against emerging concerns surrounding ever-tightening staffing levels and increased workloads combined with a blame culture. The emerging distance between senior management, the work force and the customers was also considered to be a problem which had implications for the quality initiative.

Within Lewisham Council the focus on providing quality services to members of the community was perceived by workers as an extension of the established culture within the public sector. However, reducing resources and the introduction of other radical changes such as CCT were causing concern for some workers. These concerns appeared to have been intensified by the reduction in terms and conditions of employment within DIRECTeam following their tender to keep the services in-house.

Philips workers appeared to be focused on, and committed to, providing a quality product. However, it was clear there were barriers between management and workers within the factory. Although quality had improved, this appeared to be in spite of some on-going problems centred around the design of products and the supply of quality components.

Despite these important issues, employees were co-operating with and sympathetic to the drive for quality. The radical changes and restructuring involving job losses in Severn Trent and Lewisham Council, combined with the drive for quality, seem to have been accomplished with the co-operation of workers and trade unions. In Philips quality has, according to management calculations, improved. Shop floor workers and union representatives expressed commitment to the

company's objectives by highlighting what they perceived to be frustrating barriers to achieving quality. Educating the work force to the importance of quality has clearly been achieved in these organisations.

However, as the findings discussed in this chapter also demonstrate, the success of quality initiatives is dependent on the co-operation and commitment of the work force. The research findings suggest that this co-operation could prove to be fragile if employees perceive quality initiatives to be inherently contradictory or believe other organisational changes are impacting negatively on quality. If employees feel they cannot deliver quality because of constraints brought about by problems beyond their control then any initial commitment by the work force to delivering quality is in danger of collapse.

Barriers to quality. In terms of overall lessons from these three cases, this chapter has outlined several barriers to the implementation of quality. They include:

- tightening staffing levels combined with increased workloads;
- inflexible throughput times;
- the supply of quality components ;
- delivering quality and yet receiving reduced pay and conditions;
- perceived distance between shop floor and management.

These barriers seem to focus in particular upon inconsistencies and contradictions perceived by employees in relation to quality initiatives. For example, devolving power can create the image of autonomy, but if, in practice, devolution means only that those at the bottom are blamed when things go wrong, then disillusion may set in.

In terms of the theories of QM discussed in Chapter 1, this chapter has been consistent with many of the arguments of contingency theory, to the effect that practical constraints and short-term pressures can undermine the promise of QM. However, these conditions were not universal, and as indicated in Chapter 5 some of the other organisations were able to contain such pressures. There was also some evidence to exploit the 'exploitation' view that work loads and stress can increase. However, these outcomes did not seem to be the result of QM itself, but were instead the product of wider developments independent of the quality initiative. And although there was disillusion among some workers, this did not entail a total

rejection of the ideas of quality. In the following chapter we assess systematically variations in perceptions of quality.

Seven

THE DETERMINANTS OF ATTITUDES TO QUALITY

The purpose of this chapter is to explore the connections between the sets of factors considered in Chapters 4 and 5. How far is a favourable attitude to quality dependent on a high level of job security and of trust in management, and on an absence of stress? We have seen, for example, that stress was widespread. If it also turns out that its presence reduces acceptance of quality programmes, then it is reasonable to infer that its existence is an important constraint on the vision of commitment through quality. A particular theory derives from the 'exploitation' models discussed in Chapter 1. These expect that increased levels of effort and closer monitoring of performance associated with QM will cause discontent and hence an unfavourable view of quality and a low level of trust in management.

It is straightforward to analyse the association between pairs of variables. However, we have also seen that in many respects there were variations between organisations. If we find that, say, stress and perceived influence over quality were related, it is possible that this is because both factors were high in some organisations and not in others. We considered this issue in two ways:

Tabulations within each organisation. We checked many of the associations within each of the six organisations. This method throws up some interesting results but it has the problem that numbers are often too small to reach reliable conclusions.

Multivariate models. We therefore used loglinear models, which are very useful where there are three or more variables and where interaction among them is of particular interest. In essence, these models take a three-way table and test how well a particular model fits the data. For example, one can test whether stress and influence are related independently of the organisation concerned, or whether there are interactions among the variables. Appendix C gives a brief summary of loglinear models based on Gilbert's (1993) account.

We begin by looking at three of the measures of approaches to quality discussed in Chapter 4. Each is related to measures of security, trust in management, stress and work effort discussed in Chapter 5. In the second part of the chapter we look at determinants of trust. Finally, we explore linkages among this second set of variables, asking how far working harder, for example, went along with decreased job security.

I Is commitment to quality undermined by insecurity or stress?

We consider three indicators of views of quality. We give most attention to the first measure before summarising results on the second two.

Perceived influence over quality (see Table 4.3). It measures directly how much say employees feel that they have.

Changes in involvement in problem-solving are of some interest, but it is plainly possible to report an increase from a low base. For example, someone may feel under stress and work pressure, and thus be generally unhappy about quality programmes, while also admitting that things are better than they were in the past.

Similarly, **initial attitudes to quality** (Table 4.2) could be favourable, in the hope that the programmes would improve matters, even though feelings of stress predominated workers' attitudes to work.

Influence over quality

The overall pattern. Table 7.1 shows some key associations between perceived influence over quality and a range of possible determinants. Not surprisingly, job security promoted a favourable view of quality. Thus, of those feeling a high or very high level of security, 69 per cent felt that employees had a significant influence over quality; but the figure was 55 per cent where security was low or very low. Similarly, influence over quality was associated with the absence of stress, the view that management communication had increased and a high level of trust in management. It is notable that, in relation to communication and trust, there was a clear difference between the lowest category and the other two. For example, in relation to trust,

Table 7.1 Correlates of level of employee influence on quality

(Row percentages)	Level of influence on quality			
	Significant	Some	Little/none	All
<i>Job security*</i>				
Very high or high	69	25	6	100
Some	58	35	7	100
Low or very low	55	30	15	100
<i>Stress***</i>				
Low	66	29	5	100
Medium	67	26	7	100
High	38	41	21	100
<i>Perceived change in amount of communication from management**</i>				
Great increase	71	26	4	100
Increase	66	30	5	100
No change or decrease	49	36	15	100
<i>Trust in management***</i>				
Complete/most of time	76	21	4	100
Some	73	24	3	100
Little/none	45	40	15	100
<i>Change in level of work effort</i>				
Great increase	66	27	8	100
Some increase	68	26	6	100
No change/decrease	55	38	7	100
<i>Changes in effort and whether like working this hard***</i>				
'Committed' (working harder and like this)	73	23	4	100
'Stable' (no change, or less effort and enjoy this)	54	38	8	100
'Pressure' (working same/harder & dislike this)	40	41	18	100
<i>Important influences in working hard:</i>				
<i>Output or volume targets***</i>				
Yes	70	23	7	100
No	52	40	8	100
<i>Reports and appraisals**</i>				
Yes	76	23	2	100
No	57	33	10	100
<i>Clients or customers outside workplace*</i>				
Yes	70	23	7	100
No	56	35	9	100
<i>Awareness of monitoring of performance**</i>				
Very aware	72	25	3	100
Somewhat aware	69	23	7	100
Little or no awareness	54	36	10	100

Base: Non-managerial employees; numbers vary due to missing data but are approx. 250.

*** = Significant at 1 per cent level. * = Significance level 5-10 per cent.

** = Significance level 1-5 per cent.

there was no difference in perceived influence between those identifying complete or only some trust, with a sharp decline where there was felt to be little or no trust. This suggests that some degree of trust is needed to promote quality initiatives but that, once some threshold is reached, little further effect is felt.

Stress. A cross-tabulation of the link with stress within each organisation showed that the overall relationship held in three cases but not the other three. This was confirmed in a loglinear analysis which showed that only a model of interaction fitted the data. That is, there was an association between level of influence and stress, but this depended on the organisation for its strength. At the Halifax and in Lewisham and South Warwickshire, the overall relationship held: stress was associated with an unfavourable view of quality. But in Severn Trent and the two manufacturing cases, stress and influence over quality were largely disconnected from each other. This suggests that, in these traditionally blue-collar environments, stress does not undercut views of quality. As we saw in Chapter 5, stress levels were rather lower here than in the other organisations, suggesting that where stress is most prominent it is likely to lead to a relatively critical view of quality.

Trust. There was a similar situation with respect to trust. A loglinear analysis of level of influence, trust and organisation showed that interaction effects were at work. Thus trust was associated with influence over quality, but in organisationally specific ways. In view of the importance attached in debates on quality to good employee relations as a core condition for QM to succeed, it is worth considering the picture in each organisation in turn.

In *Severn Trent*, the most notable fact was that the largest group identified low levels of trust but a high degree of influence over quality. In this case, it seems that employees can feel that they can have some influence over quality despite their distrust in management. As discussed in Chapters 3 and 6, the reason would appear to lie in the way in which the quality programme was introduced and in the context of the initiative. There was a sustained effort to communicate beliefs in quality, and many employees did feel that their own involvement had increased. However, as we saw in Chapter 6, problems of pay and a sense of distance between management and workers remained. The positive implication for QM is that relevant initiatives can work without high

levels of trust. The obverse of this is that there is little to suggest that the initiatives have themselves changed the wider context of management-worker relations.

This organisation illustrates particularly sharply the point that quality initiatives can be substantially isolated from the rest of work life. This might suggest that further developments in the quality area will be constrained by a lack of trust. An interesting issue for those in the organisation to pursue is how far the quality initiative can be used to break down distrust.

British Steel displays a similar but less marked pattern: relatively more respondents felt that there was a reasonable level of trust, but there was also a notable group who felt that there was little trust while also perceiving influence over quality. In these two large organisations, each with a long-established way of doing things, quality initiatives have had some clear effects but the context has meant that some traditional sources of distrust have remained.

In the *Halifax*, there were both high levels of trust and a high role in quality, so that there was little variation *within* this organisation. It may well be that trust promoted acceptance of quality in this case. We have commented in previous chapters on contrasts with other financial services organisations in this respect, and also on the reasons for this difference, notably the competitive environment and the pattern of working relationships within branches of the Halifax.

There was a similar pattern at *South Warwickshire*, except that the largest group identified a moderate level of trust and a high influence over quality. The pattern here seems to have reflected an existing belief in patient care but also concerns about budgetary constraints.

In the cases of *Lewisham* and *Philips*, particularly so in the latter, there was a clear association between levels of trust and perceived influence over quality. In both cases, it is reasonable to conclude that low trust may have limited acceptance of the quality programmes. We reviewed some of the reasons for this in Chapter 6. At Lewisham it was the changes associated with commercialisation which were making it hard to induce a deep sense of commitment among the work force. At Philips, the situation was rather different: essentially, one of a relatively unskilled work force remaining distanced from management. Here, quality had not cut very deep into day-to-day realities.

Job security. The findings for job security were more straightforward. In this case (whose results are explored more fully in Appendix C), a model of two-way associations (just) fitted the data. We can conclude that security promoted a favourable view of quality, independently of the organisation concerned.

In general, however, and in contrast to the 'work intensification' thesis discussed in Chapter 1, we certainly cannot conclude that attitudes to management and quality are uniformly connected. This point comes out even more strongly when we consider work intensity directly.

Work intensity. Chapter 5 introduced two ways of looking at this: reported work pressures, and a measure combining these pressures with whether or not workers enjoyed working as hard as they did.

INTENSITY has three categories: working a lot harder; working harder; and no change or working less hard.

EFFORT is classified as in Chapter 5 into the 'committed' (working harder and like this) the 'stable' (no change in effort, or less effort and like this) and the 'pressured' (working harder and dislike it).

An intensification thesis would expect inverse relationships with influence over quality.

Looking first at reported work intensity, there was no association with perceived influence over quality. There was, however, a very clear relationship with the measure of EFFORT. Thus 73 per cent of the 'committed' but only 40 per cent of the 'pressured' felt that they had a significant amount of influence over quality. These results plainly run counter to an exploitation model.

An inspection of the relationship with EFFORT within each organisation found that it remained evident in three of them, in two of which, despite small numbers, it was statistically significant. The two were Lewisham and South Warwickshire, with Philips being the other where a noticeable link existed. In the other three cases there was no clear link. A loglinear analysis confirmed that the relationship between EFFORT and influence over quality depended on interactions with the organisation in which each respondent worked.

These relationships parallel those in relation to trust. In Severn Trent, for example, EFFORT was relatively disconnected from influence over quality, as was the case with trust. By contrast,

at Lewisham and Philips effort levels, like trust, were connected with influence over quality. As we saw in Chapter 6, in these two organisations there were clear pressures, associated with DIRECTeam and the day-to-day demands of production respectively, on workers. It would seem that these undercut attitudes to quality. South Warwickshire was a distinct case in which trust went along with perceived influence over quality while a sense of being pressured led to effects in the opposite direction. In this case, an *ex post facto* explanation would be that there was some reasonable general level of trust which neither promoted nor retarded acceptance of the quality programme, while those feeling under pressure perhaps resented the changes that were causing it and accordingly reduced their commitment to quality.

The control of performance. When we turn to the extent of performance monitoring, a 'work intensification' thesis would expect that those who experience managerial pressure as a source of work effort will feel under pressure and will thus claim little influence over quality. Some writers within this school would expect an even stronger association with whether or not workers were subject to appraisal of their work. The argument here is that appraisal is a more sophisticated tool of surveillance than straight 'over the shoulder' supervision (see Grint, 1993). The same point would be true of those reporting high or increasing levels of performance monitoring. (See Table 5.6 for the basic data).

Table 7.1 lists three influences on working hard, of which we consider two here:

TARGETS: whether or not there were specific output or volume targets; and

APPRAISE: whether reports and appraisal were an important influence.

We also discuss:

MGTPRESS: whether or not managerial pressure was an important influence.

As Table 7.1 shows, those subject to appraisal, for example, were likely to report relatively high, and not low, influence over quality. The same pattern held for awareness of monitoring of performance. This fits a 'disciplined worker' thesis in which closer monitoring promotes a sense of responsibility and focus and also permits a greater influence over quality.

Despite the interest of these associations, it is probably the case that influences on work effort

are not the primary factor shaping attitudes to quality. When we fitted a loglinear model for management as a source of work effort (MGTPRESS), influence over quality, and organisation, we found that a model of 'no association' could not be rejected. We also included EFFORT as a fourth variable. The analysis found that a model in which MGTPRESS played no part fitted the data satisfactorily. In this model, it seems that it was the associations involving EFFORT rather than managerial pressure which were predominant. We cannot, therefore, conclude that control of work effort by management has a major independent effect on views of quality. But it is clear from the bivariate associations that there was some link; crucially, this was in the direction opposite that expected by a work intensification thesis.

If we look at the indirect, and more 'sophisticated', methods of encouraging hard work, namely, the setting of targets and the use of appraisals, we find a stronger set of associations. In both cases, we looked at loglinear models containing three other variables: influence over quality, EFFORT, and organisation. In the case of APPRAISE, we found, in line with the previous results, that EFFORT and influence were related and also interacted with organisation. But a separate effect of the link between appraisal and influence also remained. In the case of TARGETS, the effects on influence depended on organisationally-specific factors. The role of EFFORT was unchanged. Thus, even allowing for work effort, targets and appraisals seem to have promoted a favourable attitude to quality.

Changes in problem-solving; and initial attitudes to quality

In broad terms, the patterns of association with our other two variables paralleled those for perceived influence over quality. For example, increases in involvement in problem-solving were associated with a sense of job security, with increasing job satisfaction and with a feeling of trust in management. However, work INTENSITY was also associated ($p = 0.01$; $\gamma = 0.23$). This may be because we are here dealing with two 'change' variables: increases in work effort were associated with an increased sense of problem-solving. This association was clearly observable in three organisations. It is further evidence against a work intensification model. Examination of the measure of EFFORT showed, in line with earlier results, that the relatively small number of employees feeling 'pressured' were least

likely to feel that problem-solving had improved.

The picture for initial attitudes to quality was broadly similar. A notable result was the effects of appraisals and targets. Again, we find their use promoting a favourable attitude to quality. Such results strengthen the general interpretation on the lines of the disciplined worker model.

II Determinants of trust in management

Table 7.2 follows the logic of the previous section, but with attention now focused on what underlies the degree of trust that workers feel in their managements. A very similar pattern of replies can be observed. Trust in management was promoted by experience of training related to quality, by a sense of job security and by a belief that the extent of communication from management was increasing.

The 'disciplined worker' thesis also holds here. Those who we classified as 'committed' (working harder and liking doing so) had significantly higher levels of trust not only than those who were under pressure but also than the group experiencing little or no change. The associations with sources of working hard were also in a similar direction, with the presence of targets for output, for example, being associated with a high level of trust.

Examination of the relationship between trust and EFFORT within each organisation produced results that follow the discussion of influence over quality. We saw that there seemed to be clear relationships involving these three variables at Lewisham, Philips and South Warwickshire. There were also the expected links between Trust and Effort. At Lewisham, for example, nearly a third of the 'committed' felt that trust was high, whereas none of the 'stable' or 'pressured' groups said the same. In this case, work pressure and low trust acted together and, as we saw above, tended to reduce acceptance of the quality programme. At South Warwickshire, the 'pressured' stood out in feeling that there was little or no trust, while the 'committed' and 'no change' groups were similar to each other.

Table 7.2 Influences on trust in management

(Row percentages)	Degree of trust in management			
	Complete/most of time	Some	Little/none	All
<i>Training: whether training in team work or quality received***</i>				
Yes	71	60	41	100
No	29	40	59	100
<i>Job security***</i>				
Very high or high	37	40	23	100
Some	15	49	37	100
Low or very low	6	14	81	100
<i>Perceived change in amount of communication from management***</i>				
Great increase	36	43	21	100
Increase	25	42	33	100
No change or decrease	2	29	70	100
<i>Change in level of work effort*</i>				
Great increase	29	33	39	100
Some increase	15	47	38	100
No change/decrease	17	36	47	100
<i>Changes in effort and whether like working this hard**</i>				
'Committed'	27	41	32	100
'Stable'	13	38	49	100
'Pressure'	13	30	54	100
<i>Important influences in working hard:</i>				
<i>Output or volume targets***</i>				
Yes	30	37	33	100
No	11	40	50	100
<i>Reports and appraisals***</i>				
Yes	38	33	30	100
No	15	40	45	100
<i>Clients or customers outside workplace</i>				
Yes	20	39	41	100
No	21	38	41	100
<i>Awareness of monitoring of performance*</i>				
Very aware	28	37	35	100
Somewhat aware	26	39	35	100
Little or no awareness	12	39	49	100

*** = Chi-square statistic significant at 1 per cent level or better.

** = Significance level 1-5 per cent.

* = Significance level 5-10 per cent.

These results conform to the suggestion made above, that, in this case, work pressure among a minority of staff tended to undermine their trust in management and their acceptance of quality. In general, however, there was a sufficient degree of trust for the quality programme to continue to attract support.

III Stress, trust and effort: the disillusioned worker?

We have charted a series of connections with trust and influence over quality. We now turn to the strength of the associations between the 'independent variables'. The purpose of this exercise is to pick up one of the points about case study findings that we considered in Chapter 1. The tendency in many studies is to paint a relatively uniform picture of worker responses. The suggestion is thus that new forms of managerial control induce a sense of stress and working harder and thereby undermine trust in management. It is important to consider how far there is in fact a close set of connections of this kind.

Sources of work effort and views of work intensity

If we look first at the links between the influences on working hard and the level of work effort, we find, in general, no association. For example, management pressure as a reason for working hard (MGTPRESS) was not associated with perceived work INTENSITY. The one association that was present contradicted an intensification thesis: where appraisal was cited as a reason for effort (APPRAISE), employees were more, rather than less, likely than otherwise to fall into the 'committed' category on our measure of EFFORT ($p = 0.06$). There was a rather stronger association with INTENSITY ($p < 0.001$).

We explored this issue further with loglinear analysis. Consider for example the relationship between management as a source of work pressure (MGTPRESS), INTENSITY and in which organisation an employee worked. A satisfactory model suggested that there was a link between INTENSITY and organisation. This underlines the argument in Chapter 5 that organisations did indeed differ in the level of work intensity. But there was no link between MGTPRESS and INTENSITY.

It was the more indirect means of ensuring high work effort, notably pre-defined targets and the use of appraisals, which had some linkages

with level of work effort and other aspects of employee attitudes. For example, the use of appraisal (APPRAISE) was connected to work INTENSITY ($p < 0.00$, $\gamma = 0.35$) as well as to the perceived extent of the monitoring of work. A loglinear analysis of organisation, the use of appraisal and EFFORT suggested, however, that appraisal and organisation were linked, as were EFFORT and organisation. There was thus no discernible tendency for appraisal and EFFORT to be related, suggesting that there was not a close clustering of the various factors which we have been examining.

Consider also the linkages between trust and the use of targets within each organisation. A loglinear analysis found that all three variables were connected. That is, trust and the use of targets were related, and, as we have already seen in Chapter 5, trust was much higher in some organisations than others and the use of targets also varied between organisations. But the pattern did not depend on which organisation one worked in. Ten per cent of those not subject to targets felt that there was a high level of trust in management, but where targets were identified the proportion rose to 30 per cent.

Sources of work effort and job satisfaction

We also looked at linkages between sources of work effort and job satisfaction. Consider for example the use of targets as an influence on working hard, which, as we saw in Chapter 5, was mentioned by just over half our respondents (Table 5.6). A simple tabulation showed that those who were given explicit targets and saw these as a source of work effort were more likely to report job satisfaction than those not so subject to targets. Sixty-six per cent of those subject to targets reported increased job satisfaction, as against 43 per cent without targets. A loglinear analysis including organisation confirmed that there was a relationship between targets and satisfaction but found no links between either measure and organisational context. At least across these six organisations, therefore, it seems that being given explicit targets is associated with a rising level of job satisfaction regardless of context.

Taken together with the association between perceived influence over quality and job security, which indicated a context-free linkage, this last result suggests that the effects of satisfaction and security are fairly general ones. The role of trust, however, seems to be much more context-dependent.

Implications

The overall implication is that a model of the uniformly disillusioned worker does not apply. We have certainly seen, in Chapters 5 and 6, that low levels of trust and high amounts of stress were widespread and that such conditions can undercut quality initiatives. But, first, such effects were far from universal. Second, a model of the disciplined rather than the disillusioned worker most closely fits the data. Third, though there were strong relationships within the data, attitudes were far from tightly connected. Thus views on work INTENSITY were largely independent from those on other topics, and in other respects associations were clear but not necessarily strong. We have consistently reported gamma as well as chi-square statistics. The latter often show a very significant relationship in the sense that it is unlikely to have arisen by chance. The gamma figures, though also significant, tend to fall in the range of 0.3 to 0.5: large but still indicating the number of respondents who did not fall into the predicted categories. Or consider the question, discussed in Chapter 5, of whether pay and performance in relation to quality are linked. In three organisations, about half of respondents felt that there was such a link while the other half did not, even though forms of pay and appraisal were largely uniform within each organisation. Worker responses were neither uniform nor generally disillusioned.

IV Conclusions

This chapter has presented statistical evidence in support of what we have called the disciplined worker hypothesis. This hypothesis is by no means novel to us. Most relevant evidence has come from intensive case studies. Leidner (1993: 137) for example discusses service sector workers, using case studies of McDonald's and insurance sales workers in America. She argues that it is commonly assumed that workers carrying out the highly routinised tasks that were fundamental to these organisations will feel resentment and hostility to management. In fact, clear routines could be helpful in structuring the working day and in relieving the uncertainty of dealing with customers. We have provided quantitative evidence which complements such material. For example, workers subject to clear output targets, within our six organisations at least, felt relatively high levels of trust in management and a growing level of job satisfaction. Similarly, we found that the extent of

performance monitoring was directly related to perceived influence over quality.

This is not, however, to suggest that a critical perspective on QM is wrong. We have also seen that perceived influence over quality was strongly related to trust in management, levels of communication, the amount of stress experienced and the type of training to which employees were exposed. To the extent that managements find it difficult, because of external forces, to sustain an environment which allows for trust, communication and training and which controls the amount of stress, then the conditions for the acceptance of quality initiatives will not be realised.

There is also a more general implication. Our organisations, though deliberately chosen not to be 'leading edge' cases of QM, were well 'above average' on such comparative indicators of management communication as we were able to assemble. If we consider firms in general, it is likely that relatively low levels of communication and of job security will make it difficult for quality initiatives to become generalised.

We identified one of the goals of the study as being to relate QM to organisational contexts, that is to move away from universalistic prescriptions of success or diagnoses of failure. In Chapter 6, we explored the meanings of quality in different situations. In this chapter, we have returned to our survey data and have seen that numerous aspects of the determinants of employee views of quality rested on the specific context. For example, it is not the case that a low level of trust in management uniformly reduces perceived influence over quality. In two organisations, there was such a clear association. One of these, Philips, has parallels with the manufacturing firms which have predominated in the critical literature: a relatively low-skilled work force performing routine assembly-line operations. In this case, poor trust and lack of interest in quality seem to go together. The same was true in Lewisham, though the dynamics were different. In Severn Trent and British Steel, some moves were being made to develop QM and these were having an effect despite problems of distrust. In the two other cases, trust and acceptance of quality went together. We suspect that similar variations would occur if other organisations were studied. Thus general critiques of TQM, as much as favourable evaluations, may reflect specific circumstances rather than the inherent nature of quality initiatives.

We have also found that other factors do seem to operate independently of organisational context. In particular, levels of job security and changes in job satisfaction had similar effects on views of quality across all organisations. This finding supports the view that low levels of security can be an important constraint on quality endeavours.

Finally, we would underline the variety of worker perceptions. For example, though most workers were 'committed' there was a notable minority who felt 'pressured', and in some organisations it was this group who had the lowest trust in management. This is important analytically and practically. Analytically, the idea of uniform worker responses does not work. Practically, there may be a small but still important group who feel alienated from quality activities and whose presence could undermine further developments. We pursue such points in the final chapter.

Eight

CONCLUSIONS AND IMPLICATIONS

This study has explored the extent and nature of employee involvement in quality initiatives and the contextual factors shaping the degree of this involvement. Three specific features of the study were underlined:

1. The examination, quantitatively, of employee reactions. As well as providing a representative picture of employee views we have considered how far these views stem from wider features of the employment relationship such as the degree of trust in management.
2. The importance of an analytical framework through which to understand the different meanings and dimensions of quality. We identified two broad approaches to QM, the hard and the soft, together with a third dimension, of the intensity of labour control. We have used empirical evidence to address four broad theories (the optimistic, exploitation, contingency, and re-regulation theories) which reflect varying positions on these dimensions.
3. The consideration of the meaning of quality in the different settings of manufacturing, private services and public services.

In this chapter, we return to these broad issues. Section I offers some overall conclusions about the effects of QM, the conditions for its success and organisational outcomes. The following two sections turn to two more analytical issues. First, where can our organisations be placed in relation to the 'hard' and 'soft' aspects of quality identified in Chapter 1? Second, in terms of the point about different contexts of QM, can we derive any underlying dimensions of quality which would help us to understand the different meanings of quality in different situation? Finally, we offer some comments on the policy implications.

I The impact of quality initiatives

Involvement and empowerment

Attitudes to quality. In all six organisations, there was widespread acceptance of the

importance of the concept of quality and considerable enthusiasm for the specific initiatives that had been mounted. As we saw in Chapter 4, the language of customer orientation and continuous improvement seemed to have cut quite deeply. One reason may have been the extensive use of communication systems by managements. There was remarkably little scepticism about the core ideas of quality. In this respect, the quality gurus have a point, and criticism from what we have termed the exploitation approach is perhaps too extreme. We would also stress, however, that a concern for quality has been a long-standing characteristic of British workers; the criticism in the past was often that managers had too low, and not too high, a concern for the quality of goods and services.

Empowerment. A critical edge enters, however, in many other areas. For at least some of the gurus, quality is a means to employee empowerment, and for the more extreme of them a 'total quality' organisation is utterly different from previous organisational forms. We saw, however, in Chapter 4 and in particular in Chapter 6 that empowerment in any developed sense was not seriously on the management agenda and that employees tended to see QM in relatively narrow pragmatic terms.

This is perhaps not surprising. Indeed, other pundits argue that 'quality is free'. The implication here is surely that any organisation can pursue the goals of quality and that much of QM is the pursuit of some standard ideas such as concern for customers. What makes QM distinctive in this approach is the attention to detail and the focus provided by a customer orientation. In approaches of this kind, quality is an important but not revolutionary development. It would not necessarily entail engaging in empowerment. For all of our organisations, 'quality' meant doing what they were doing more effectively and giving employees some say in the process, notably through team work. It meant involvement, not empowerment.

There seems to be growing recognition that QM should be seen in pragmatic terms. Hill and Peccei (1996) for example report a case study of a retail organisation in which management had quite limited objectives and workers welcomed these without seeing them as revolutionary. To focus solely on whether QM has empowered workers can lead to a polarised debate, with those who conclude that it has not secured this goal perhaps using an unduly harsh test of success. Seen, instead, as a relatively modest set of initiatives designed to encourage

a sharper focus on customer service, it has had a degree of success.

A useful analogy is the reform of payment systems. Some commentators see the various shifts that have taken place over the years from piecework through measured daywork and formal job evaluation to individualised and less formal merit and performance-related pay as an unsuccessful pursuit of the dream of a system which motivates employees with no detrimental effects and no tendency to decay. Pragmatic managers often argue that any pay system has a limited life. They recognise that pay has to be actively managed and that there is never a final solution. The same can be said of QM. It is not a panacea, but it can still work.

A further 'positive' point in relation to employee relations concerns what is increasingly being seen as the symbolism of change. Storey (1992) for example argues that HRM was important, not because it necessarily had identifiable effects on the shop floor, but because it created a language and a set of beliefs which gave managers a sense of vision and purpose. QM may have analogous effects in that it helps to create purpose in a world of turbulence. For example, it encourages the view that the market is controllable if responsiveness to customers can be demonstrated. Given, moreover, the importance of the rhetoric of quality, it would be hard to turn one's back completely on QM methods. Organisations which embrace the methods may be able to develop a sense of purpose. Our evidence suggests, however, that this is a pragmatic matter of finding a way through a difficult environment and not a wider or deeper change of culture.

Employee relations context

QM and the climate of labour relations. A further area of concern is the effect which QM may be expected to have on employee relations more generally. Though quality initiatives were widely welcomed, Chapter 5 showed that levels of trust in management seemed rather low, and also that there was no evidence that levels were higher than in comparable organisations studied prior to QM schemes. There was thus no evidence that QM had dramatically transformed attitudes to management. This is consistent with the view that QM is a pragmatic activity: it can bring benefits of clarity and discipline, but it should not necessarily be expected to have wider effects.

The disciplined worker. It is in this context that the results of Chapters 5 and 7 should be viewed. We saw in Chapter 5 that the

monitoring of work performance was widespread and growing, that managers were felt to be using a stricter approach to discipline, and that techniques such as pre-determined output targets and appraisal systems were important elements in persuading employees to work hard. All this suggests a context in which work performance was being controlled, not one of empowering workers to make their own choices freely. But we also found that the majority of workers enjoyed working as hard as they did, which suggested that exploitation models may be too simple.

When we compared organisations, it seemed to be those where monitoring and control were greatest that had the most favourable views of quality. This was confirmed in Chapter 7 when we looked at variations of attitudes between workers.

Perhaps the most important statistical result was that performance appraisal and monitoring were associated with employees' perceived influence over quality. The direction of this effect ran counter to the expectations of an exploitation or work intensification thesis, with more intense control being associated with more favourable views of quality, even when the distinct effects of different organisations were taken into account. This points to the role of tighter discipline which workers accepted, and not a tendency for QM to be associated with greater worker alienation.

We have called this argument the 'disciplined worker' thesis, and at the end of Chapter 7 related it to relevant case study evidence. Our results comparing organisations at one point in time are consistent with a recent longitudinal study within one firm (Wood and Peccei, 1995). This found that experience of appraisal and involvement in suggestion schemes went along with a favourable view of quality.

Conditions for QM to work

As we saw in Chapter 1, in addition to approaches attributing generic success or failure to QM, an important strand of writing has considered why in practice its promise may not be realised. Adrian Wilkinson and colleagues argue that QM may represent 'another missed opportunity' for British management. They make the point, for example, that good intentions became limited by middle management opposition so that potential benefits were not realised. The present results develop these conclusions, in two main ways.

First, in relation to our case organisations, we have identified some of the conditions which promote acceptance of QM. The key ones include the following.

1. Job Security. Across all the organisations, workers who felt that their job security was highest were the most likely to favour quality initiatives. High job security at the Halifax was part of a climate of mutual confidence. At Severn Trent, by contrast, perceived job security was relatively low. This did not prevent broad acceptance of the ideas of quality but it made it difficult for this acceptance to be translated into practice.

2. Precise relationship with customers. Financial services organisations provide specific products for customers, who have a well-defined set of expectations. A clear customer orientation was more readily developed at the Halifax than it was in, for example, the two public sector organisations, where relationships were more wide ranging and diffuse. As we saw in Chapter 6, at Severn Trent, staff found relationships with customers difficult because of issues not directly related to the TQM programme. Having to handle complaints relating to executive pay in particular reduced workers' own satisfaction with TQM. (This point is developed in Section III, below).

3. Careful appraisal and realistic expectations. As noted above, appraisal systems promoted acceptance of quality programmes and wider trust in management. There may, however, be limits to this. At the Halifax, where trust in management and acceptance of quality were high, we also found relatively high levels of stress and feelings of working harder and of closer managerial surveillance. As yet, these responses had not undercut a general acceptance of TQM, but there is the evident danger of a negative reaction if pressures become perceived as too demanding.

4. Training linked to quality or team work. We found a strong tendency for employees most favourable to quality programmes to be those who said that they had been trained specifically in quality ideas or in team work principles. By contrast, other forms of training, and the total amount of training, had no effect. Since only a fifth of the sample saw quality or team work as the main purpose of their training, further work could be done here. Other

organisations could assess the relevance of their training activities to TQM initiatives.

5. Short-term pressures kept in check. As shown in Chapter 6, at Philips acceptance of quality principles was qualified by continuing problems over product design which themselves stemmed from a very short time-scale for the development of new products. A sense of division between shop floor and staff tended to undercut the team atmosphere that TQM aims to promote. At Lewisham, initial enthusiasm for DIRECTeam was undermined by budgetary pressures associated with Compulsory Competitive Tendering, which led to redundancies and acceptance of less favourable terms and conditions of employment.

6. Employee representation. Among our six organisations, the existence of strong co-operative relationships with the relevant unions eased the acceptance of TQM. At British Steel and the Halifax, for example, managers welcomed the role of the union, and this helped to develop relations of trust with the work force. In other cases, notably Severn Trent and Philips, the absence of effective union-management relationships was felt by trade unionists to counteract some of the messages of TQM. In strongly unionised environments such as these, appropriate systems of employee representation, whether through union or other channels, appear to be an important condition for the successful implementation of TQM. (The implications in relation to unions are developed in Section IV, below.)

Second, where do our organisations stand more generally? We noted in Chapter 1 that Stephen Hill has suggested that QM might in fact be a means for British management to escape a short-term and opportunistic approach to workplace innovation. We also noted that this conclusion may have reflected the favourable climate in the firms which he studied. The strength of this point is now clear. Job security, a relative absence of short-term production pressures and a clear set of operating principles are among the conditions necessary for QM to achieve the genuine transformation which Hill has in mind. In some firms, this may certainly be possible. Some of our organisations were moving in this direction. At the Halifax, reasonable job security combined with a context of close working relationships within branches, an established role for the union and a clearly-defined set of work tasks to promote widespread acceptance of quality initiatives. In other cases, however, there were various of the

constraints discussed above. Looking more generally, we have stressed that the six organisations would be well above the average in terms of their take-up of systems of communication and involvement. Thus the barriers which we have identified may be quite widespread, and the problem of missed opportunities correspondingly great.

Middle managers and QM

One further important implication concerns the role of middle management. As discussed in Chapter 1, it has become a commonplace that most resistance to QM comes from middle managers, for reasons including the fear of a loss of power if decision-making is devolved to the shop floor. Our findings support one part of this story, namely, that there is little entrenched shop floor opposition to the core ideas of quality and that problems often reside in management systems. We pursue the nature of these problems below. But it is a matter of systems and structures, not the personnel of middle management.

There are three reasons not to blame the middle manager. First, to the extent that involvement is kept within limited bounds, there is in fact no reason for him or her to fear for the encroachment on traditional managerial authority. Second, our interviews found virtually no resistance to quality ideas. Where the group may differ from more senior management is in a degree of pragmatism, which may sometimes look like scepticism. Senior managers may develop the enthusiasm of the convert to new ideas while middle managers, living with day-to-day issues of juggling different demands, may lack this zeal. Realism should not be confused with hostility. Third, the freedom of these managers to control their own destinies is limited. A growing body of research (e.g. Keen, 1995; Watson, 1994) points to the constraints of financial control systems. Among our organisations discretion over such issues as staffing levels was very limited. At the Halifax, for example, a branch manager had to operate within staffing norms established from above, even if these might make it hard, in her or his judgement, to meet quality standards in customer service. Middle managers operate within financial disciplines, and it is the balancing of different demands, and not some fundamental 'resistance to quality', which drives their reactions. The habit of blaming the middle manager can imply the finding of a convenient scapegoat for problems which are more to do with systems and the

connections between quality and other parts of organisational life.

Outcomes of QM

So, do quality programmes actually work? Our results suggest that the answer depends on what managements are trying to do and on the context. Anyone seeking employee empowerment is likely to be disappointed. But other goals may be attainable. All our organisations adopted a broadly pragmatic approach, and the general ideology of quality was similar. The contexts differed greatly, however. The constraints faced by managers at Philips, for example, were considerable. It is also, of course, impossible to say what would have happened in any organisation, either to employee attitudes or to wider competitiveness, in the absence of quality initiatives. A different research method, comparing, say, NHS Trusts with different degrees of commitment to quality, would be required. We would, however, be inclined to argue as follows.

At the **Halifax**, quality initiatives seemed to fit well with other developments. It is probably impossible to separate them from such developments but they can be seen as both a concomitant of change and as a contributor to these other developments. By this, we mean that the context promoted the implantation of quality ideas and also that these ideas are likely to have helped to promote a further sense of trust.

In the case of **Philips**, it would be hard to argue that the initiatives had made any significant positive effect on attitudes, but there also seemed to be little evidence of negative effects. Indeed, the general response to the initiatives themselves was favourable. This may have left the firm better placed in relation to other similar manufacturing firms than would appear at first sight. It would be unwise to seek too close a comparison between our results and those of other studies, looking at different firms and using different methodologies. However, the studies of manufacturing reviewed in Chapter 1 point to considerable scepticism about quality programmes. And we have seen that, when we consider all firms and not just those with clear quality policies, there is little evidence of improved commitment. Set alongside such a picture, the results from Philips suggest that the quality programme may have had some positive effects though it also led to some unresolved issues as to how, for example, shop floor contributions were to be integrated with those from research and professional staff.

At **Severn Trent** and **British Steel**, the quality initiatives had not cut very deep into existing attitudes, though they may have helped to stop distrust from growing any worse. It is arguable that QM could work in the future given time for it to become more firmly embedded. The generally favourable reception to quality ideas would support this interpretation. On the other hand, distrust could be a barrier. We are not in a position to judge whether quality will take off or stall, though we can underline the importance of the context and the management approach.

The contrast between the two organisations is notable here. At **British Steel**, the recent market stability was a major conditioning force. We would argue that it was this that underpinned the new commitment to training which marked out the organisation from all the others. At **Severn Trent**, there were more problems arising from the context and also the 'blame culture' which tended to run counter to the messages of quality and commitment. The more stable the context and the more that managements can make the link between quality, organisational success and workers' personal interests, the more likely it is that general attitudes will change.

As for **Lewisham** and **South Warwickshire**, QM may have been necessary to prepare staff for a more customer-oriented world. It may not be a question of whether QM 'works' but of what alternative there could be. In this sense, and in view of the general acceptance of quality principles, we can say that the approach in terms of quality was meeting organisational expectations. As discussed in Section III below, there were, however, distinct issues relating to the meaning of 'customers' and the range of services provided, which made the measurement of outcomes difficult. The environment of cost pressures added to these problems. In addition, a pre-existing commitment to general ideas of service meant that QM may have been seen more as a means of focus than as something new. A distinct impact would be hard to discern in these circumstances but, given the prominence of service charters, it would be hard for the two organisations not to have a quality programme. Our results suggest that there has been some noticeable acceptance of quality ideas, constraints notwithstanding.

II Types of TQM and labour control

To consider how these general conclusions vary according to context, we first relate our evidence to the analytical framework of Chapter 1. In the following section we consider the implications in terms of the different meanings and effectiveness of QM.

In Chapter 1, we identified two dimensions of QM, the hard and soft, and a third concomitant feature, the link with the intensity of labour control. This produced eight possible patterns. We would stress that these three dimensions are useful, not to categorise organisations, but as sensitising devices. First, it does not make much sense to argue whether, say, **Severn Trent** was more prone to the use of hard TQM than was the **Halifax**. What is relevant in one context may have no counterpart in another. Thus we have stressed the growing use of performance monitoring and appraisal in the financial services sector. This is relevant, not because it might make firms here 'harder' than those in manufacturing, but because of the way the trend sets a certain context-dependent set of parameters for quality. Second, much of the interest is in trends within organisations rather than absolutes. What, for example, has a quality programme meant for existing 'soft' aspects of employee relations? We want to see where QM fits in a dynamic context. In short, we can use the dimensions to try to encapsulate what quality means in each organisation.

In the case of **Severn Trent**, emphasis on hard aspects was relatively limited, with reliance on standard water sampling techniques and some use of SPC. In terms of trends, the use of customer surveys had sharpened the measurement of quality outcomes, and measurement generally was seen as important if quality was to have a business purpose. On the soft side, team meetings were among the main devices. Developments in labour control were relatively modest, so that, for example, employees did not feel high levels of stress or complain of tight monitoring. As the different methodologies of Chapters 6 and 7 showed, the quality programme 'worked' despite wider concerns about job security and management style, but these concerns also made it hard for QM to shift a rather low degree of trust in management. **Severn Trent** thus exemplifies a style of QM which is pragmatic rather than transformative.

In the **Halifax**, hard elements stood out more clearly. They included computerised financial control systems and means to set staffing needs against business levels, internal audit systems

and the use of ‘mystery shoppers’. The softer side included organisation-wide communication systems but also the pre-existing close working relationships between managers and staff at branch level. In so far as all the employees in a branch worked together on tasks, divisions between the manager and the staff were relatively fluid. There were links with ‘labour control’ in the use of appraisal systems. But the key finding was that a disciplined use of targets went along with acceptance of quality programmes. This organisation came closest to one of the models in Figure 1.2, namely, that of re-regulation: QM was one part of a move to sharpen the hard aspects of business operations while also drawing on employee involvement to do so.

In the two **public sector organisations**, there was little hard TQM in the specific sense of devices such as SPC. The great range of services which they provided also made it hard to speak of standard systems. The hard aspect came from the wider context of financial control in the public sector. Team working and improved relations with ‘customers’ were among the soft elements. A further issue here, particularly in South Warwickshire, concerned the implication that quality had been discovered only with the QM programme. Staff here resented this assumption, and thus saw QM as a means to focus an existing strong concern for patient care.

As for labour control, there was a considerable range. We saw in Chapter 6 that the DIRECTeam initiative at Lewisham had run into problems because of budgetary pressures and that here there were concerns about work intensification. More generally at Lewisham there were feelings of stress, and trust was found to be relatively low and in some decline. This reflects the context of CCT and so on, and was not a direct product of QM itself. But feelings of being ‘pressured’ were far from universal; as we saw in Chapter 5, feelings of working harder and of disliking doing so were no more common than they were in the other organisations. At South Warwickshire, there were feelings of stress, but these came from the demands of work itself and not from any notably more intense managerial monitoring or use of discipline.

Table 8.1 The context of quality

	Output	Customer orientation	Diffuseness	Routinisation	Market context
Severn Trent	Prod/Serv	Mod.	Low/mod.	Mod./high	Privatisation; low job sec.

At **Philips**, the key hard aspect was JIT production, but this was far from the idealised model of JIT. For example, it would still be acceptable to half-build a kettle while awaiting supplies of some components. The system was strongly output-oriented. Soft aspects had developed through such things as the Hastings Improvement Teams but, as we saw in Chapter 6, at shop floor level the perception remained that the main priority was output. Trust in management remained relatively low. Despite evident divisions between managers and workers, labour control was not notably tighter than in the past. Levels of stress, awareness of monitoring and discipline, and feelings of work pressure were similar to or below the average of all our organisations. The case should not, however, be seen as one in which QM had only minimal effects. The concept of quality was widely endorsed and, as noted in Chapter 6, ‘hard’ measured quality standards were improving. But it is true that there was a context of relatively low skilled and low paid workers, and also of relentless output demands which, as again discussed in Chapter 6, made it hard for development engineers to respond to shop floor concerns about ease of assembly.

Finally, at **British Steel** there was a strong emphasis on SPC related to a move towards team working and a renewed emphasis on training. Concerns about stress and effort remained relatively low. Many of the developments were, however, recent and pre-existing distrust between management and workers had not been eliminated. The case can be seen as involving efforts to move towards what is labelled in Figure 1.2 as ‘QM and autonomy’: high use of hard and soft TQM with little explicit labour control. At the time of the study, the extent to which this had been achieved remained to be seen.

In understanding different types of QM, it is thus important to consider the interplay between the three dimensions that we have been discussing. It is the operation of all three together which characterises an approach. There are two other aspects which have been

Halifax	Serv	High	Low/mod.	Mod./high	Strong comp. position; high job security
Lewisham	Serv	Mod./high	Mod./high	Low/mod.	Public sector finan. press.; moderate job security
S. Warks	Serv	High	High	Low	(as Lewisham)
Philips	Prod	Low	Low	High	Output driven; fair job sec.
British Steel	Prod	Low/mod.	Low/mod.	Mod./high	Stable prod. mkt position; fair job sec.

clear throughout the discussion. The first is the degree to which QM is seen as something new.

In none of our organisations was the concept of quality novel, but in some, notably public services and utilities, the idea of quality has long been integral. Hospitals and water companies have always had evident concerns about service standards. In much of manufacturing, a focus on quality, as opposed to quantity at all costs, is more novel. The nature of quality programmes will reflect these differences. Second, the wider context is clearly critical. Thus we have stressed the competitive situation of the Halifax as a key factor underpinning its programme, together with the constraints which faced all the other organisations, with the partial exception of British Steel. We now consider the context in more detail.

III The context of quality

Does quality mean different things in different sectors of the economy? Our findings suggest that there is a common core of ideas but that the application does differ in different types of organisation.

The common core, as we saw in Chapter 4, is widespread acceptance of the ideas of customer-orientation and continuous improvement. These ideas seemed to have a

resonance in all six organisations. As in many other organisations, there is growing awareness of the pressures of the external environment, whether in the shape of competition from other firms, as in private manufacturing or financial services, or in the introduction of market

principles within public utilities and services. To this extent, the universalistic approach of pundits, and indeed critics, is appropriate.

Dimensions of quality

In many other respects, however, quality is not a standard phenomenon. In Table 8.1 we list four dimensions of quality programmes together with the overall market context, and characterise (approximately) the place of each organisation on them.

1. The first dimension, whether a physical product or a service is the key output, naturally differentiates manufacturing from all the service organisations. The position of Severn Trent is notable, however, since it represented both situations: the provision of a product, water and sewerage, but in an environment in which a service ethos was of growing importance. The significance of this is that, as we saw in Chapters 5 and 6, there were particular tensions here: between an emphasis on the quality of the product (cleanliness, reliability of supply and so on) and a stress on market image, advertising and consumer relations.

2. The second dimension is the degree of direct contact with the 'customer'. Again, manufacturing is different from the other cases. Ideas of internal customers notwithstanding, the extent to which employees deal directly with customers is plainly different from the situation in the service sector. The meaning of quality in manufacturing is thus likely to focus on the attributes of the product itself rather than on interpersonal relationships.

3. Diffuseness. What, however, is a customer? Throughout the 1980s and 1990s rail passengers, hospital patients and even

university students became re-defined as customers. Critics argued that this process reduced a diffuse relationship to a simple market transaction. Moreover, it assumed that there was such a thing as a sovereign consumer who knew his or her needs; in fact the customer may not always know best, and organisational professionals may need to shape their expectations. The dimension of 'diffuseness' tries to capture such points. Relationships between Philips and its customers would score low here, because relatively low-value goods were being sold to a very large number of customers. At British Steel, there were fewer customers, and there were more long-term relationships with them. At the other extreme, the nature of patient care in a hospital includes clinical diagnosis and treatment, the development of trust between patient and carer, and the quality of the 'hotel' aspects of a hospital. Health services mean much more to patients than do financial services to the customer of a bank.

The importance of this dimension is that it suggests that the measurability of quality will differ. The less diffuse a relationship, the more straightforward it is to decide what constitutes quality and to measure whether it has been achieved. A different approach will be appropriate in client- and patient-oriented organisations from those where the concept of the customer is more meaningful. The difficulties experienced in Lewisham reflect efforts to introduce specific models of quality in an environment where more diffuse approaches were traditional.

4. The final dimension internal to an organisation is '**routinisation**'. The skills and discretion required of workers will differ. The more routine a job is, the more straightforward it will be to establish meaningful criteria of performance. There is an important paradox here, however. Routinisation can also mean that employees feel distanced from management and that they accordingly take little interest in quality. Which tendency will predominate will depend on the overall context, as we illustrate below.

5. Finally, the **market context** is important. We have already underlined the importance of job security. More generally, financial pressures such as those associated with privatisation exert significant constraints.

Contrasts on the dimensions

The contrast between Philips and the Halifax is instructive in showing the links between the dimensions of quality. We have seen that these two organisations differed sharply in the overall view of quality taken by employees and in the degree of management-employee trust. We would attribute this, not to inherent strengths or weaknesses in quality programmes, but to the different contexts. In both cases, work was relatively routine. Indeed, in so far as financial service organisations have developed performance targets and appraisal systems, they have become more like manufacturing firms and less like traditional personal service organisations in which labour cost was not a central consideration and relations with clients were assessed in very broad terms. None the less, the context at the Halifax was one of direct relations with customers and also relatively close working relationships between manager and worker. Workers were also actively engaged in the delivery of the service. In this environment, the integration of employees into ideas was reasonably well achieved. At Philips, by contrast, the traditional low-skill environment of manufacturing, together with distance from management and a product orientation militated against a strong shared commitment to the goals of quality.

How, though, does this account explain the situation of British Steel? Despite some similarities with Philips, this organisation took a generally middling position on most aspects of quality and attitudes to management. Three differences from Philips are noted in Table 8.1: a more diffuse relationship with customers, a less routinised work environment, and a different market context. The first refers to the fact that British Steel supplied a relatively small number of customers, which were also large firms, and had close relationships with them in terms of product specification. This contrasts with Philips' serving a consumer market. Under the second, we are thinking of the steel industry's long-established skills hierarchy, together with a strong work group organisation. The market context of BS included a period of stability after a major retrenchment, whereas at Philips the need to produce in high volumes for a competitive consumer market was key. A fourth difference is the significant role played by the union at British Steel, as discussed in Chapter 5; we take this up further below. All these characteristics suggest that quality concepts may have taken root more readily than at Philips.

Linkages between dimensions

In bringing together these five dimensions, it is convenient to leave the two public sector organisations on one side for a moment. Among the other four organisations, we have, as shown in Chapter 7, one case (the Halifax) where trust in management and a positive view of quality went together, one in which distrust tended to undermine views of quality (Philips), and two in which quality and trust were relatively disconnected from each other. The first situation can be explained by reference to the level of interaction with customers, close working relationships with management and a relatively favourable market situation. The case also illustrates why attitudes to quality and the use of performance targets were positively associated. Workers here accepted precise standards, reflecting the low to moderate diffuseness of relations with customers. This may have encouraged them to feel that the quality programme had some clear goals. At Philips, low-skilled tasks and a lack of trust in management made it hard to develop a similar set of attitudes to quality, and thus within this case those who trusted management least were least happy about the quality programme.

As for Severn Trent and British Steel, the collective traditions of the employees were stronger than they were at Philips. Higher levels of diffuseness and lower routinisation may thus have engaged workers more fully in ideas of quality. Such conditions may have allowed workers to favour quality initiatives even though they retained considerable scepticism about management. This was particularly true of Severn Trent, where levels of trust remained low. At British Steel, trust may have been higher because of greater confidence in unions and because of the market environment. The steel industry went through major re-organisation and job losses in the early 1980s. By contrast, for Severn Trent and other privatised companies, new market pressures brought job insecurity in the 1990s. This change from the past may have underlain continued distrust in management.

Returning to the two public sector organisations, both faced distinct problems arising from the diffuseness of the links with their 'customers'. These were heightened by the atmosphere of change in the public sector: i.e. Compulsory Competitive Tendering at Lewisham and Trust status in the NHS. We had expected that in these circumstances quality would be seen as a distraction or a further set of impositions. In fact, criticism of the quality programmes was muted, though the wider context made implementation of the wider

goals of QM difficult. This was particularly so at Lewisham, as we saw in Chapter 6. As for South Warwickshire, change was perhaps less dramatic. The impact of NHS Trust status on existing bargaining relationships in the NHS as a whole has been slower and more limited than was widely thought. As Bach and Winchester (1994) show, there has been a natural tendency to rely on long-established procedures and institutions. The threat of job loss, at least for core medical personnel if not for those in ancillary grades, has also been weaker than in the case of Lewisham. The context at South Warwickshire allowed the quality programme to have some effects, whereas there was more uncertainty at Lewisham.

IV Policy implications

Questions of effectiveness bring us to matters of policy. This study was designed to provide a reasonably in-depth analysis of the complexities of managing quality, not to offer direct policy lessons. We do not, for example, see it as our role to prescribe particular techniques. None the less, there are some practical issues which we can highlight.

Management organisation and policy

Dangers of universal solutions. Experts differ, for example, on whether pay should be linked to quality targets. We have seen that there were some links in three of our organisations but not the other three. Whether a link is appropriate will depend on such conditions as the type of work performed (individual contributions are more readily identified where tasks are discrete), the measurability of quality (standards for fast food are more precisely identifiable than those of patient care in a hospital), and the extent to which standards can be pre-defined.

A related point is that much depends on the context in which QM is introduced. As the case studies in Chapter 6 showed, if quality becomes bound up with cost-cutting and a climate of uncertainty it is unlikely to be effective, and may even be counter-productive if workers interpret it either as a covert attempt to make them work harder or as a piece of managerial rhetoric disconnected from day-to-day realities. As we saw above, there are conditions under which QM does become enmeshed in work intensification. This is not inevitable, but if the situation is of this kind it may be inadvisable to press on with quality initiatives unless it is believed that they can make a real difference. This is where the familiar lesson of integration comes in, that is, the argument that new systems, be they QM or anything else, need to

fit together and to be consistent with other organisational developments. We have been implicitly critical of this as a general piece of advice, for we have seen that QM can function reasonably well where it is disconnected from other developments. But in conditions where job losses and rationalisation are central, this state of independence may not be sustainable. The problem of course is that managements may not know in advance which of the two situations they are in.

Creating commitment. This point brings us on to the conditions which allow QM to be more than a missed opportunity. Within management itself, some points can readily be listed. There are two truisms: top management commitment, together with the avoidance of 'quick fix' approaches, is critical; and middle management is the largest probable obstacle to QM and hence efforts must be made to avoid the relevant suspicions. We offer no further comment on the first. On the second, we have argued that QM does not undermine managerial authority as much as is often thought and that there is nothing inherent in middle managers' beliefs which leads them to oppose it. It is a matter of structures and finding ways of giving managers the confidence to embrace new ideas. What is less clear is how these ends can be attained. In a climate of managerial redundancy and down-sizing, doubts will not be removed merely by communication, however good. Where short-term profits are central, the temptation to a short-term set of solutions is ever-present.

Perhaps the key point is to be clear about the goals of quality initiatives. In cases where demand has been falling and markets lost, quality may be part of a relatively immediate turn-round strategy. Rees's case of Auto Components illustrates the links between QM and a move to re-position a firm in a particular market niche. The goals here, of an immediate effort to rebuild markets and consumer confidence, may dictate a survival mentality in which the long-term may be total failure. By contrast, a firm in a relatively secure position may introduce quality as part of an attempt to move up-market. Here, long-term issues are more salient.

As for **relations with workers**, we have seen that there was general endorsement of the ideas of quality. Two policy issues stand out.

One is the key role of training. This means not training in general, for we saw in Chapter 4 that the overall amount of training seemed unrelated to views on quality, but a specific targeting at

quality or at team working. It was experience of such training that was important in generating favourable views of quality. Ensuring that there is the appropriate training and that its delivery is monitored carefully is an important lesson.

A second issue is the management of work force expectations. As the case of Lewisham's DIRECTeam showed, there are dangers of establishing goals which are overly ambitious. And, though there was no evidence that workers as a whole feel under undue pressure because of QM, we have seen that there can be distinct minorities who feel unduly pressured at work and who lose trust in management. Giving attention to groups who feel excluded or even alienated may help to promote norms of common purpose.

Within these general remarks, we may highlight themes pertinent to each organisation. In all cases, the detailed operation of quality initiatives requires no comment, for the key ideas of establishing a purpose and communicating goals seemed to be well established. This reflects the fact that the organisations were chosen as examples of 'real' or 'serious' efforts to promote quality. Across industry as a whole, 'quality' may be more of a mere talisman.

In **Severn Trent**, the quality programme faced difficulties of distrust, underpinned by insecurity. A sense of distance between top management and workers was a further issue. Acting on these conditions would give quality management a more favourable climate; it might also be necessary to reinforce the quality message so that its distance from other aspects of organisational life was reduced.

At the **Halifax**, the key test is to sustain developments in a future of growing competition. To the extent that staffing levels become more of an issue, feelings of stress and over-work may grow. It is worth noting, in line with our comments about the place of middle managers, that several managers explicitly raised the issue of tight staffing levels and problems of keeping up service quality. There was thus recognition of this issue, which higher management might well continue to monitor and review.

In the two **public sector organisations**, reducing resources and tight staffing levels were major influences. Yet they did not mean that workers were simply alienated. The issue here is to find ways of maintaining ideas of quality which relate to the practical concerns of staff within specific departments or functions. The DIRECTeam experience suggested that it

may be hard to maintain allegiance to very wide-ranging quality concepts when there is budget stringency. Similarly, the health service has seen a large number of initiatives across the sector as a whole. Persuading staff to accept a whole further new idea like TQM may be difficult, but if the broad ideas of quality can be made relevant to a specific function then there may be more opportunities of making the ideas stick. It may be a question of developing concrete approaches rather than of broad principles.

At **Philips**, the exigencies of production and a divide between departments were making it hard to bring the promise of quality to fruition. Specific shop floor concerns included low pay as well as issues such as a supply of reliable components. This is a case where the argument about integration is relevant. It may be worth considering the general climate of labour management, including pay levels and structures, and thinking about ways to build the quality message more firmly into day-to-day operations.

Finally, at **British Steel**, some old barriers between management and worker remained. But there had been a change of approach. Plainly, stability and job security underpinned this, and would be an important condition for further development. The specific challenge in relation to quality was to ensure that new training programmes delivered their promise. At the time of the study, developments were relatively recent, and there is always the danger of allowing training initiatives to decay.

Labour relations institutions

There is a substantial debate, discussed in Chapter 1, around the idea of productivity coalitions: joint schemes between management and labour which promote trust and a virtuous cycle of profitability, job security, and investment. In much of the American debate, 'labour' has been equated with trade unions. For present purposes, this is a reasonable simplification, since in all six organisations unions or a staff association were the main vehicle of employee representation. We have seen that unions were generally marginalised in the quality debate, and that a strong union presence had little positive or negative correlation with attitudes to quality.

Union involvement in QM. As discussed in Chapter 5, we also found two clear exceptions to this picture, namely, the Halifax and 'Auto Components', where a favourable climate of

quality went along with a significant union role. In a third case, British Steel, union involvement was perhaps even more marked. At the time of the study, the quality programme remained largely distanced from wider attitudes to management, but the new training system was perhaps changing this. In all three cases, union involvement in quality could be seen as part of a programme to gain staff commitment. We argued that, in environments where workers retain a commitment to unionism, or at least to its collectivist assumptions even if there is scepticism about unions as institutions, involving the union can contribute to the aims of QM.

Conversely, marginalising the unions can make acceptance more difficult, as may have been the case at Severn Trent and 'New Bank'. As we saw in Chapter 5, unionisation in the bank was weak and management practised a policy of non-engagement with the unions. It is thus possible to see this dismantling of traditional collective bargaining as part of a context which was making it increasingly difficult for management to win workers' commitment to quality initiatives. In the Halifax, the union position, though far from strong, was much less under threat.

This does not of course mean that unions are always a necessary condition. Levels of trust in management and of perceived job security, for example, were comparatively high in the non-union 'Hotel Co'. Rees's analysis sees this company as a case of union substitution. Some representative structures provided an alternative to unionisation and managers were strongly committed to an image of shared interests between worker and management. The absence of any strong union tradition in the hotels sector also meant that there was little by way of collectivist **animus** among the work force.

Three conclusions may be drawn. First, unions are not necessary for quality programmes to work. Second, however, a policy of union substitution suggests that firms may need to find some form of functional equivalent. Quality is hard to impose through managerial fiat. Third, in those organisations where collectivism is an established tradition, unions can contribute to quality programmes. It is certainly feasible for managements to by-pass unions, especially where they are already weak, as at Philips or New Bank. But this policy may make acceptance of quality more difficult to attain. There are conditions in which a union role is central, as Auto Components illustrates.

What can unions do in relation to quality?

One of our strongest findings was that attitudes to quality were improved where workers had experienced training in team working or in quality issues. Unions could try to encourage the use of such training and to monitor its actual delivery. Since there would be benefits in terms of employee attitudes, this could be a sphere in which co-operative, non-zero-sum, bargaining is possible. A related approach would turn on performance monitoring systems. These have the obvious potential for unfairness, and unions could play a role in ensuring that these possibilities are constrained. This function of making rules operate as they should could be in the interests of management as a whole, though individual managers might find their freedom constrained and complain that unions stop them from managing. Finally, we should not pretend that there are only shared interests. Where pay is linked to quality, there are classic wage bargaining roles to play. And to the extent, for example, that managements want to use QM to minimise labour costs, unions may need to resist staffing cuts.

There is, in short, a range of roles which unions could perform. What is much less certain is whether the conditions exist to allow this role to be widely performed. The general drift in Britain has been away from collective systems of representation. Several unions have remained highly sceptical of new management practices (Martinez Lucio and Weston, 1992). Instances of union-management co-operation remain rare, but we have at least been able to identify some of the conditions which encourage it.

Can it work?

In conclusion, we return to the themes of quality as a missed opportunity and of TQM as 'something really different'. Both can be right. Our evidence suggests that the key conditions allowing QM to work include a context of job security, endeavours to communicate the goals of quality programmes, serious commitment to training in quality and, in some cases, a working relationship with trade unions. We have also seen that quality seemed to work best where there were clear performance targets and where appraisal systems were valued by staff. To the extent that any of these conditions are absent, the situation becomes much more difficult. The context of British industry as a whole, in which such absence is common, may indeed make it hard for quality to be anything other than a missed opportunity. But there are firms in which this is not the case and in which the promise is worth pursuing.

As to the nature of this promise, we have argued throughout that QM should be seen in pragmatic terms. Claims about 'empowerment' seem ill-founded and possibly counter-productive, in that they promise something that they cannot deliver. The opposite view, that 'quality is free', implies that any organisation can attain high standards and ignores the constraints on doing so. Involving employees is neither a transformation nor something that is achieved costlessly. But it is an activity which can in appropriate conditions bring clear if unspectacular benefits. The debate on quality needs to move away from universal prescription to concrete activity.

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APPENDIX A

ADDITIONAL TABLES

Table A.1 Distribution of sample by occupation

	Severn-Trent	Halifax	Lewisham	S. Warks	Philips	British Steel	Total
Manager	22	12	20	4	0	10	11
Professional	46	0	26	46	25	6	25
Supervisory	9	32	0	33	6	27	18
Clerical, manual	26	52	52	15	69	57	46
Other	0	4	0	2	0	0	1

Note:

Chapter 4 notes the general exclusion of managers from the data analysis. What is less clear is how jobs which might be graded as professional or supervisory should be handled. For example, our NHS sample included quite senior nurses who supervised other staff but who are not part of the formal management structure and who do not exercise such central managerial functions as discipline. They should not be equated with the traditional concept of a supervisor and should properly be seen as part of the population subject to quality initiatives. We therefore include all such employees in the analysis. A particular point concerns Severn Trent, where 46 per cent of the sample fell into the 'professional' category. This certainly indicates that our sample is not representative of the firm's employees as a whole. However, this does not necessarily undermine the analysis since, as we will see at various points, S-T employees were often more critical of their management than those elsewhere. In short, it is not the case that we obtained a particularly favourable view of S-T as a result of a biased sample.

Table A.2 Selected results from Chris Rees's studies

	Auto Components	Office Tech	New Bank	Hotel Co
<i>Importance of concept of quality</i>				
Crucial issue	46	37	28	25
Very important	54	58	62	50
Other	0	5	11	25
<i>Employee influence over quality</i>				
Great deal	44	58	47	58
Fair	44	28	26	23
Other	12	14	27	19
<i>Change in own involvement in problem-solving</i>				
Increased a lot	20	30	15	33
Increased	44	38	50	40
No change or decrease	36	32	35	28
<i>Change in amount of communication from management</i>				
Great increase	42	29	62	55
Increase	34	47	30	24
No change/decrease	24	23	8	5
<i>Level of job security</i>				
Very high/high	84	85	75	75
Moderate	16	16	57	23
Low	0	0	18	2
<i>Change in level of job satisfaction</i>				
Increase	70	(n.a.)	36	59
No change	24		16	34
Decrease	6		48	7
<i>Trust in management</i>				
Complete	4	3	0	11
Most of time	56	16	34	61
Fair	36	50	51	21
Little or none	8	32	15	6
<i>Awareness of being observed or monitored</i>				
To a great extent	18	14	47	8
Reasonable extent	20	30	28	54
Little or none	62	56	25	37
<i>Working harder</i>	54	76	67	74
<i>Important influences on working hard</i>				
Targets	76	64	37	0
Customers	54	54	54	74
Reports and appraisal	2	42	53	42
Pay	24	23	26	25

Table A.3 Comparative data on trust in management

	Multiplex	British Rail	Hospital	FinCo	All
<i>Level of trust</i>					
Complete/most of time	45	25	29	45	37
Fair amount	31	33	27	30	30
Not much or none	20	41	44	25	31
Other	3	1	0	0	1
<i>Changes in level of trust</i>					
Improved	23	21	11	22	19
Stayed same	62	26	46	56	46
Worsened	15	53	44	22	35

Source: Edwards and Whitston (1993: 248).

APPENDIX B EMPLOYEE QUESTIONNAIRE

This Appendix gives the text of the employee questionnaire. Text inside square brackets summarises items that were given in full. For example at question 2 there were six categories of age group, from 16-20 to 55+. Text in italic shows the full range of pre-coded choices.

1. INTRODUCTORY QUESTIONS

1. Sex
2. Age group [six categories provided]
3. How long have you worked for your present employer? [5 categories]
4. What department do you work in?
5. How long have you worked in this particular department? [4 categories]
6. What is your job title ?
7. Can you describe briefly what this job entails ?

2. TOTAL QUALITY MANAGEMENT

8. How important, in your view, is the concept of 'quality improvement' within this organisation?
the single most important issue in the organisation today *of some importance*
very important *not very important*
fairly important *of no importance*
9. Why is this ?
10. What do you think are the most important elements of Quality in your workplace ?
[Ranking from 1 to 5 of each item]
product quality *customer satisfaction*
continuous improvement *employee involvement*
management communication
11. (Pick the highest rated element): Why is this ?
12. To what extent do you feel that your own level of involvement in problem-solving has changed over the last five years ?
increased greatly *decreased*
increased *decreased greatly*
no change
13. [If any change]: In what ways ?
14. What level of influence would you say employees have over quality within the organisation?
a great deal of influence *hardly any influence at all*
a fair degree of influence *no influence whatsoever*
some influence

29. Which of the following factors do you think the success of the organisation most depends on ? [6 point scale from 'paramount importance' to 'not important at all'].
- | | |
|--|--|
| <i>efforts of individual employees</i> | <i>the efforts of managers</i> |
| <i>use of the latest technology</i> | <i>methods of ensuring consistent quality</i> |
| <i>ability to compete on price</i> | <i>economic factors beyond the org's control</i> |
| <i>other (specify)</i> | |
30. How much loyalty do you feel towards this organisation ?
- | | |
|----------------------|--------------------|
| <i>a great deal</i> | <i>hardly any</i> |
| <i>a fair amount</i> | <i>none at all</i> |
| <i>a little</i> | |

4. EMPLOYEE INVOLVEMENT / MANAGEMENT COMMUNICATION

31. Do you ever have meetings where you can put forward suggestions for solving particular problems within your work area ? *Yes/No*
32. IF YES: what are these meetings called ?
33. And what kind of meetings are they ? Please describe.
34. Do these meetings take place:
- | | |
|---|--|
| <i>only when a problem has been identified that needs addressing</i> | |
| <i>on a regular basis regardless of whether a problem has been identified</i> | |
| <i>other (describe)</i> | |
35. How often are these meetings held ? [6 categories from 'once a day' to 'a few times a year']
36. How often do you attend ? [5 categories, from 'always' to 'never']
37. Are you put under any pressure to attend these meetings ? [4 categories from 'a great deal' to 'none at all']
- | | |
|-----------------------------------|----------------------------------|
| <i>by your work team or group</i> | <i>by other employees</i> |
| <i>by your supervisor</i> | <i>by more senior management</i> |
38. What degree of consideration do you think management give to the ideas which come from these meetings ?
- | | |
|---|------------------------------------|
| <i>a great deal of serious consideration</i> | <i>not very much consideration</i> |
| <i>a reasonable amount of serious consideration</i> | <i>no consideration at all</i> |
| <i>some consideration</i> | |
39. Broadly speaking, do you think these meetings are a good thing ? *Yes/No*
40. Why is that ?
41. Over the last year have you made any informal suggestions to the people you work with, or to any supervisor or manager, about ways of improving the efficiency with which your work is carried out ? *Yes/No*
42. Did anything change as a result of your suggestions ?
43. Over the last three years has management become more eager or less eager to listen to informal suggestions from employees ?
44. What degree of consideration do you think management give to suggestions which are put forward informally by employees ?

a great deal of serious consideration
a reasonable amount of serious consideration
some consideration

not very much consideration
no consideration at all

45. Since the Quality Programme was introduced, would you say management now communicates with employees:
a great deal more *hardly any difference*
a little more *not as much*
46. Which of the following methods of communication with employees do you find most useful? [4 point scale from 'very successful' to 'of no use at all' plus a category of 'not used here']
noticeboards *company newsletters or videos*
team briefings *suggestion schemes*
ballots of employee views *informal communications via individual managers*
the employee 'grapevine' *other (specify)*

5. TEAM WORKING / NEW WORKING PRACTICES

47. Do you usually work on your own or does your work usually involve working with other employees in a group or team ?
48. IF INDIVIDUALLY: please go to Q 60. If IN A TEAM: what kind of team is this? For example, does management formally use terms such as Teamwork or Autonomous Work Groups? Please describe:
49. Do you work in a team because:
management require you to work in teams
employees help one another regardless of management's intentions
both
50. In the course of a regular working day do you:
usually work with one particular work group
sometimes move from one work group to another
often move from one work group to another
51. Is the sense of teamwork in your work group:
very strong *fairly weak*
fairly strong *very weak*
neither strong nor weak
52. Over the last three years, has the sense of teamwork in your work group:
increased *decreased* *little or no change*
53. If there are problems with the job, would you say that the people in your work group help each other out:
always *sometimes* *rarely* *never*
54. When your supervisor is assigning work, is it:
assigned to the work group, who then decide who does what within the group
assigned to each individual worker
55. Over the last three years, would you say the responsibility of your work group for organising the way work is carried out has:
increased *decreased* *stayed much the same*
56. Has working in teams required you to develop more skills ? *Yes/No*

57. IF YES: in what ways ?
58. Has working in teams required you to take on any extra responsibilities ? *Yes/No*
59. IF YES: what are these ?
60. Have any other practices been introduced as part of the Quality Programme which have increased your level of involvement at work ?
61. IF YES: what are these ?
62. If management decided to give up team working (or new working practices) and return to the old form of work organisation, would you be
very sorry *would mildly prefer if they did*
a bit sorry *would much prefer if they did*
wouldn't mind either way

6. EFFORT LEVELS / MONITORING / DISCIPLINE

63. How hard do you feel you are working compared with three years ago (or since you joined this organisation if less than 3 years ago)?
a lot harder *a little less hard*
a little harder *a lot less hard*
about the same
64. [If any change]: Why do you think there has been a change ?
65. Do you enjoy working as hard as you do ?
66. IF YES: why is it enjoyable ?
67. And what, if any, are the negative aspects ?
68. How important do you think are the following factors in determining how hard you work? [4 point scale from 'important' to 'has no influence at all'].
targets concerning output or volume *a team leader*
a machine or technology on the production line *a supervisor*
clients or customers outside of the workplace *more senior management*
your fellow workers *your own discretion*
pay incentives *reports and appraisals*
other (specify)
69. To what extent are you aware of your work being observed / monitored ?
aware to a great extent *aware to some extent*
aware to a reasonable extent *not aware at all*
70. [If aware at all]; What form does this take ?

71. How, in your judgement, has the level of observation and monitoring of your work changed over the past five years ?
increased greatly *decreased a little*
increased a fair amount *decreased a fair amount*
increased a little *decreased greatly*
no change
72. [If any change]: In what ways ?
73. How frequently do you feel under pressure or under stress at work ?
constantly, during every day *sometimes*
very often *rarely*
often *never*
74. When it comes to disciplining employees, how strict do you feel management are today compared with three years ago ?
more strict *less strict* *little or no change*
75. [If any change]: On which of the following issues has management become more/less strict? [3 categories: more or less strict or no change].
absenteeism *persistent lateness*
poor quality work *other*

7. TRAINING / EDUCATION

76. Over the last three years (or since you joined the organisation if more recently) have you received any training ?
77. On average, about how much training do you think you have received per year during this time ?
a few days *one month*
one week *over one month*
two weeks
78. Was the training:
on - the - job *off - the - job* *both*
79. What was the purpose of this training ? (Tick those which apply)
to learn the basic job you were recruited for
to add further skills to that basic job
to work with new technology or equipment in the job
to work with new methods, systems or procedures
to prepare you for your present job in teams by developing team spirit
to achieve higher quality standards in the job
to learn new safety procedures
other (specify)
80. Of these reasons, which one do you feel was the most important ?
81. How adequate or sufficient do you feel the level of training provided has been for this purpose ?
more than adequate *barely adequate*
adequate but no more *not at all adequate*

82. [If not 'more than adequate'] Why is this ? Where are the weaknesses ?
83. Thinking back five years (or to when you joined the organisation, if this was more recent), has the level of training which you receive:
increased *decreased* *little or no change*
84. Have management used other means of educating employees about Quality initiatives ?
85. IF YES: what are the main ones ?

8. PAY / APPRAISAL

86. Since the Quality Programme was introduced, do you feel that your pay is now more closely linked to your performance ?
87. IF YES: in what ways ?
88. To what extent are you motivated at work by pay ?
a very large extent *to some extent*
a fairly large extent *hardly at all*
89. To what extent do the following factors also act as a motivation at work ?
 [4 point scale as in Q. 88]
sense of team working *opportunity to use skill*
variety of work tasks *good relations with management*
job satisfaction *job security*
90. How do you think your pay compares with other comparable employers ? Would you say it is:
a lot better than most *a little worse than average*
a bit better *a lot worse than average*
about average
91. What methods do management use for appraising your performance at work?
92. How satisfied are you with the way you are appraised?
 [4 categories from 'very' to 'not at all satisfied']
93. [If not satisfied]: Why is this ? (For example, are there particular aspects of your work which the appraisal system does not recognise ?)

9. TRADE UNIONS AND TQM

94. Are you a member of a trade union or staff association ?
95. IF YES: which union/association is this ?
96. How significant a role do you think the union or association has played in the introduction of Quality initiatives ?
 [5 categories from 'very significant to 'very insignificant']
97. Do you think the introduction of the Quality Programme has affected the role of the union/association ?

98. IF YES: in what way ?
99. In terms of influencing management in this organisation, where do you think the influence of the union or staff association comes from ?
 [4 categories from 'great deal' to 'none']
individual member in workplace *representatives in workplace*
local branch *national level*
100. How far, in your judgement, is the union or staff association successful in representing the interests of employees in the organisation ?
 [5 categories from 'very successful' to 'unsuccessful']
101. Compared to three years ago, would you say the influence of the trade union or staff association is now: [5 categories from 'far higher' to 'far lower']
102. [If any change]: In what ways has the union's or association's influence increased or decreased ?
103. One final question. Is there anything you wish to add? Please use the back of the questionnaire to make any other comments you wish about any of the issues raised.

APPENDIX C LOGLINEAR MODELS

I The loglinear technique

Loglinear models take cross-classifications of data and test systematically how well various models fit the data. The simplest table is a two-way classification, say level of influence over quality (abbreviated to L) and degree of stress experienced (S). The simplest loglinear model makes no assumption about the distribution of a sample across categories. It simply assumes that cases are divided equally among the cells of a contingency table; hence it is called the 'grand mean' model. It can be used as a base or benchmark against which to test the increased explanatory power of more complex models. The next simplest model allows for 'main effects', that is the effect of each variable in isolation. If a main effects model fits the data, we can say that there is no association between the variables. Consider the case of a two-by-two table showing some Yes/No response by gender. Suppose that there are 70 men and 30 women and that the split between Yes and No answers is 60:40. We are saying that, knowing only these 'marginal totals', we can predict reasonably accurately the numbers in each individual cell. This is in effect the null hypothesis of familiar chi-square tests of association. The next level is two-way association. In a two-by-two table it is also the most complex: the variables are either associated or not.

Consider a three-way table, in which L and S are examined along with which organisation (O) a respondent comes from. Any pair of variables may be associated. For example, L or S may vary across organisations. The particular value of loglinear models to the present study is their ability to address the more complex question of whether the relationship between L and S varies between organisations. That is, is there a universal tendency for stress to reduce perceived influence, or does the strength of this tendency differ in different organisations? This is the most complex situation of interaction between the variables. We may then want to use qualitative information to consider why L and S are related in some cases and not in others.

There are two key tests of loglinear models. First, what is the overall significance of a given model? This is measured by a statistic known as G^2 . The logic here is similar to that with the familiar chi-square test. A saturated model necessarily fits the data exactly, because it allows for all possible interactions; it has a G^2 of 1.0. Other models will fit less well; the conventional minimum of an acceptable fit is a figure of 0.05. Second, is the difference between observed and expected cell frequencies in the contingency table large? 'Large' is conventionally taken to mean a (standardised) figure whose absolute value is more than 1.97. It is also possible to examine individual cells and to consider why they may deviate from expectations. For example, the data might show that there are fewer people with high perceived influence over quality and with low stress in Severn Trent than a model would predict. We can then seek an explanation of this deviation. A model which fits well will have a G^2 above 0.05 and no cells with large residuals.

How does one choose between models? We have followed so-called hierarchical designs, which assume that, if a higher-order influence is present, then all the lower-order terms within it must also be present. With L, S and O, if there are interaction effects then all two-way relationships (L-S, L-O and S-O) must also be included. But what if tests show that a model without interactions fits the data? Which of the three two-way terms should we consider eliminating? One obvious criterion is that a model still fits. But more important are analytical issues. For example, we are concerned to show whether various possible causes of perceived influence such as stress in fact operate. Our first consideration, therefore, was to drop the L-S link. If a simpler model fits the data, we cannot reject the view that there is no link between influence and stress.

The basic loglinear model analyses categories of variables with no assumption as to whether there is any ordering across the categories. An example would be religious affiliation by region of the country. Some of our measures plainly assume an ordering, for example, high moderate or low influence over quality. It is possible to set up models which use the extra information available. They do, however, introduce extra complexity. For the broad purposes of this report, we have not deployed such models. We hope to report

elsewhere more complex ‘ordered’ models. In addition, our loglinear models use no more than three or four variables. We hope to present fuller multivariate analyses using ‘ordered probit’ models.

We did, however, carry out one experiment. Consider Model 4 in Table C.1, which shows that there were interaction effects between influence over quality (L), work intensity (I), and organisation. No simpler conventional model fitted the data. We also included a linear-by-linear variable which takes account of the ordering of L and I. A model including this variable did fit the data, but there were several cells with unsatisfactory residuals, suggesting that further interaction effects were present. The substantive interpretation would not seem to be very different from that implied by the simpler model.

II Illustrative results

In presenting illustrative results, we use the following abbreviations:

- A: Use of appraisal an important influence on working hard (Yes/No)
- E: Effort (3 categories)
- I: Change in work intensity (3 categories)
- L: Perceived level of influence over quality (3 categories)
- O: Organisation (6 categories)
- Sat.: Change in job satisfaction (3 categories)
- Sec.: Job security (3 categories)
- T: Level of trust in management (3 categories)
- Targ.: Output targets important influence on working hard (Yes/No)

Forms of association are written as follows:

- L: a main effect;
- [L, O]: an association between L and O;
- [L, O, T]: a 3-way association between these variables.

Thus a model containing L, O and T written as [L, O], [L, T], [O, T] would say that all three variables were related to each other but that there was no significant interaction effect.

Table C.1 Loglinear results

Model	Variables	Best fitting model	G ²	Poorly fitting cells ^a
1.	L, O, T	[L, O, T]	1.00	n.a.
2.	L, O, Sec.	[L,O] [L, Sec] [O, Sec]	0.05	2/54
3.	T, O, Sec.	[T, O] [T, Sec] [O, Sec]	0.15	1/54
4.	L, O, I	[L, O, I]	1.00	n.a.
5.	L, O, A	[L, A] [O, A]	0.39	1/36
6.	T, O, Targ.	[T, O] [T, Targ] [O, Targ]	0.07	0/36
7.	A, E, O	[A, O] [E, O]	0.25	0/36
8.	O, Targ., Sat.	[Targ, Sat]	0.38	2/36

Note: a. This column gives the number of cells where the standardised residual was outside conventional limits, and then the total number of cells. For saturated models, there is by definition an exact fit so that this column is not applicable.

The first model in Table C.1 gives the finding noted in Chapter 7 that the link between influence and trust depended on organisational context.

The second model relates job security to level of influence and organisation. It shows that all three were related but that there were no interactions: job security seems to affect influence independently of organisational context. The fact that G² was just satisfactory and that two cells had large residuals indicates that it only just fits. The alternative to going to an interaction model is to consider the individual cells. In this case, there were more observations than expected in two cells, representing

Severn Trent, high job security and moderate or low influence. In other words, high job security in this organisation seems not to have had the strength of effect on attitudes to quality that it had elsewhere: feelings of security translated relatively poorly into support for quality. Reasons for this could include the insecurity induced by a new market environment. As Table 5.1 shows, actual levels of job security were low in this organisation. Model 3 reports similar findings in respect of trust and job security.

Models 5 and 6 underline the points in Chapter 7 that appraisal and targets affect influence over quality and trust. They show in particular that the effects operate across all organisations: L and A are linked (Model 5) and T and Targets are also connected (Model 6). In Model 5, one cell was poorly predicted: there were more cases than expected in Philips where influence was low and appraisal was cited as important. This suggests that the generally positive link between appraisal and influence was attenuated in this organisation. This would fit with the generally less enthusiastic reception of quality in this than in other organisations.

Model 7 considers whether the influence of appraisal might be affected by levels of effort. The absence of a link between A and E indicates two things: any effect of A on L or T did not depend on E, and hence the argument about the importance of appraisal is strengthened; and there did not seem to be any clear evidence that factors such as A and E went together, which offers evidence against the view that there is a syndrome of increased effort and tighter managerial monitoring of performance.

A notable feature in Model 8 is one of the two cells that were predicted poorly. This represented cases in the Halifax where targets were set and satisfaction was improving. There were more observations than predicted, suggesting that the positive connection between targets and satisfaction was particularly marked here. This supports the argument in the text that the interplay between pre-defined goals, satisfaction and trust, and influence over quality was particularly strong in this organisation.

End Notes

ⁱ We use two tests at this point. The first is chi-square, which measures how far a pattern of replies could have arisen by chance. Chi-square makes no

allowance for whether categories are purely nominal (one organisation rather than another) or have any ordering (very, fairly, or little in favour of quality). There are several measures of the strength of ordering of variables, of which we generally use gamma; this can take the value of +1 for a perfect direct association, -1 for an inverse link and 0 for no association.

ⁱⁱ As a further check, we ran our key attitude measures against a four-fold classification of job status. We take account of variations where relevant. It is evident, however, that the type of work in a hospital or local authority is different from that in a manufacturing plant, and we also take account of this in considering why there were variations *between* organisations.

³ We weighted each organisation to produce a weighted number of 50 cases in each; the overall weighted N is thus 300. The weighting has no effect on the distribution of replies within each organisation; it is simply a device to make the average more meaningful than a raw mean from individual replies.

⁴ Specifically, we added replies on the sense of team work and the end of team working, with each recorded on a 1 to 3 scale. We made the yes/no responses on the assignment of work compatible by recording 'yes' as 1 and 'no' as 3. the 'group help' variable was transformed similarly.

End Note

ⁱⁱⁱ See reports in the *Financial Times*, 31 March, 23 August and 14 November 1995. For example, in August the industry regulator, Ofwat, accused the company of 'arrogance beyond belief' in rejecting calls for compensation to customers whose supplies of water were curtailed. During 1994, the company also attracted attention for the £500,000 payment to its then chief executive at the end of his contract.