APPROACHES TO QUALITY MANAGEMENT AT EUROPEAN LEVEL

Sălăgean Horațiu-Cătălin, Ilieș Radu, Gherman Mihai, Cioban Bogdan
1 The department of Management, FSEGA, UBB, Cluj-Napoca, Romania
2 The department of Management, FASE, UAI, Cluj-Napoca, Romania
3 The department of Management, FSEGA, UBB Cluj-Napoca, Romania
4 The department of Management, FSEGA, UBB Cluj-Napoca, Romania
horatiu.salagean@econ.ubbcluj.ro
iliees.radu@gmail.com
mihgherman@yahoo.com
bogdan.cioban@ing.ro

Abstract: In the current economic context, quality has become a source of competitive advantage and organizations must perceive quality as something natural and human in order to achieve excellence. The proper question for the context of the internationalisation of the economy is whether the culture of the regions, states or nations affects the development in the quality management field and the quality approach. The present study tries to give a theoretical approach of how culture influences the quality approach at the European level. The study deals only with the European quality approach, because at European level one could meet a great variety of models and methodologies. In the U.S.A. and Japan one could identify a specific cultural approach regarding quality. At the European level, we cannot discuss in the same terms, because each country has a different cultural specifics in terms of quality. In order to determine the cultural specificity of the countries surveyed, the study has used the most popular analysis tool of cultural dimensions, namely the Dutch Professor Geert Hofstede's model. The model illustrates according to a survey, the organizational behavior of several countries and was able to identify a set of variables and fundamental dimensions, that differentiates one culture from another. An attempt was made to see if there are connections between the values of Hofstede’s cultural dimensions and the quality characteristics in the analyzed countries. The study, describes on the one hand, the quality evolution from quality control to Total Quality Management and on the other hand, focuses on the quality approach modalities at European level. The second part of the paper is structured into two parts, addressing on the one hand the quality in countries of Western Europe, such as United Kingdom, France and Germany, because these three countries are considered to be the exponents of quality development in Western Europe. In the same time, the paper seeks to explore the quality approach in Eastern Europe, with a brief analysis of cultural context and quality development in Romania.

Keywords: quality, total quality management, quality culture, quality and cultural dimensions, European quality, Hofstede's model and quality

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1. Introduction
According to Tito Conti, the quality is first a cultural aspect and then a technical aspect, which means that in terms of cultural diversity the quality makes no exception. The same author argued that one cannot speak of a "European or American quality" (Conti, 1993). However, the reality confirms that there are major differences between nations, states, regions and even between organizations in the same area. These differences are the result of patterns of thoughts, feelings and potential events that tend to develop in general groups of individuals. These patterns of manifestations specific to certain groups of individuals, are called culture, seen from the viewpoint of social anthropology. Geert Hofstede defined culture as "the collective programming of the thought, which distinguishes the members of a certain group of members of another group." (Hofstede, 2010: 16).

The culture influences the entire social life, being decisive for the economy, for the management and for the quality approach.

In this context, we can say that the quality dimensions in certain nations vary greatly, for example, Germany is a great authority with regard to the production of high quality goods, France has a reputation for the wines' quality, the Northern European countries are known for the very high standards of offered services and Norway for the high level for the quality of life, according to a study by the Organisation for Economic Co-operation and Development (OECD, 2012). The examples may be continued with reference to Switzerland, which is recognized for its high quality of banking services and Italy for the quality of fashion and luxury products.

One can emphasize that Europe, particularly Western Europe, has made and continues to make major breakthroughs in the field of quality excellence in the past 20 years. (Beckford, 1998). This is determined in large part by the competition pressure exercised by other world powers: the United States, Japan and the Republic of China. Regarding this specific fact Juran specifies that, until the end of the 1980s the major European corporations resorted to specialists outside Europe for planning strategies for the total quality management systems. The situation changed in the late 1990s when both the corporate sector and professionals are well positioned in this domain, in comparison with the United States and Japan (Juran, 1999).

2. From quality to Total Quality Management
In an attempt to answer the question "what is quality?", the experts have not agreed to provide a generally accepted answer, because each individual has a different opinion about what it should mean a product or a service.

In an attempt to define quality, one of the masters of quality, namely Juran offers two different meanings of the term as:

- "quality means those characteristics of the products which satisfy the customers' needs and ensure their satisfaction" (Juran, 1999)
- "quality means lack of deficiencies, i.e., the absence of errors that require reprocessing or are the results of accidents, customers' insatisfaction, customers' complaints, etc." (Juran, 1999)

These two Juran approaches, highlight the idea that the quality goal is to provide greater customer satisfaction, and to avoid wastage of all kinds: financial, image, etc. The purpose is to increase competitiveness, which determines increased profits.
The quality attempts to answer the following question: why an organization, regardless of their field of activity, economic organization must be concerned to improve continuously the quality of the products and services they offered? One of the answers could be that due to an increasing competition at national and international level, quality is a source of sustained competitive advantage.

Another author, Sandholm (1996) identifies five phases of quality in the manufacturing companies:

The first phase, called "drowsiness phase", in which companies do not feel threatened, the competition is weak or even non-existent, and the company obtained an acceptable profit. In these circumstances, the quality has not received attention from the company.

In the second phase, called the "wake-up stage", the company's situation completely changes from the previous phase. The company start to lose the position on the market, which means lower profits. In this phase the company realize that lies in the midst of a crisis.

"The wobble" phase, in which the company realizes that something needs to be changed. It's a phase of trials, of searching quality management tools in order to change something.

"The Action Phase", is a phase in which the company may notice that the used instruments make significant changes. It is the phase in which there is a change in organizational culture in order to improve the manufactured products.

"The Maturity Phase", is the phase in which the total satisfaction of the customer is obtained through the perfection of every level in the organization. Quality does not apply only to products but to all activities of the organization. A total quality approach, in which the company regards quality naturally.

3. Approaches to quality in Europe

3.1. Culture and quality

It is generally accepted the opinion, that total quality management is a philosophy, a model of organizational culture, which aims to a client-orientation of all activities and processes in the organization and to their optimization in order to achieve long-term benefits (Dragan, 2012). The organizational culture determines the individuality of your organization and its’ mode of operation. Every organization has different expectations in comparison with others. A simplistic organizational culture can be defined as "the way you do in the organization". McLean and Marshall (1993) defines organizational culture as "a set of values, traditions, procedures, concepts and attitudes that create the context of the work of the organization". Hofstede’s cultural dimensions studied in over 70 countries, through the investigation of over 116000 employees local subsidiaries of IBM concluded that major cultural differences between companies can be described in terms of five dimensions:

- **power distance**: how relationships between people with different status are handled;
- **individualism**: so far as relations between people are few and sensitive;
- **masculinity**: the extent to which the roles of women and men differs in a society;
- **uncertainty avoidance**: the extent to which the individual is afraid of what is different and act to avoid any unclear situations;
• **long-term orientation**: how is understandable and manageable time. (Lungescu, 2005)

### 3.2. Quality Approach in Western Europe

During the 1950s-1970s in Western Europe the quality was considered a matter of priority due to high-tech sectors such as nuclear energy, space, defence, industry, etc. As evidence for the growing interest given to quality, and in particular to statistical control of quality, was the founding of national associations for quality in many European countries. In the field of consumer goods appeared certain brands, that have distinguished themselves through the high level of product quality, creating a rule, which says that higher quality means a higher price. (Tomusk, 2000)

A major step in the progress of the quality development in Western Europe, was moving from the evaluation of preventive inspection of the quality systems of suppliers, which was determined by the needs of the defence sector through the introduction of NATO standards. Thus, in the early 1980s the quality was perceived as conformity to standards, but in the late 1980s began to show a new concept based on continuous improvement, focus on customer needs and control of business processes. (Juran, 1993).

#### 3.2.1. Quality in United Kingdom

Cultural characteristics of Great Britain determined on the basis of the values recorded by Hofstede's model are the following (Hofstede, 2010: 64, 99,142,188):

- a lower power distance with an index of 35
- strong individualism, with an index of 89
- emphasized masculinity, with an index of 66
- acceptance of uncertainty, with an index of 35

The British management principles are: respect and admiration for what has been good in the past, individualism of the human personality, where the middle class is a resource to promote the managerial functions.

Regarding the organisation, it is to observe decentralised, and flexible structures, with little control. The company produce and sell products under their own brands, there is a very strong specialization. There is also a clear differentiation of the categories of personnel from various hierarchical levels, managers coming mainly from the middle class. The focus is rather on personality, than on training and managers are coming from social fields and lately is given more attention to financial and marketing areas. The main feature of British managers, is the priority for interpersonal skills ability to influence others and to negotiate: charismatic leadership and hierarchical relationship is least authoritative in Europe (Warner, 1997).

From the viewpoint of organizational culture, British organisations resemble the American, with the observation that the British management has retained some elements of “managerial archaism” as well as the use of empiricism, of rudimentary instruments in order to motivate people and of short-term vision etc. As strengths, flexibility must be mentioned, as well as fairplay, competitive importance given to decentralisation and human personality. (Lawrence & Edwards, 2000).

The main feature of the quality approach in the United Kingdom, is the focus on standards and certification, but this issue should not be seen necessarily as having a negative impact, United Kingdom being among the first European countries to implement the total quality Management concepts for the companies in the most
competitive areas. However, Juran (1999) notes a remarkable fact with respect to the level of certification and standardization, namely standardization and certification were also a significant note of the image he cultivated in United Kingdom with regard to the quality of its products. In this sense, in the period 1970-1990 United Kingdom had more certifications than the rest of the European countries at one place. Thus, at the time when the total quality management philosophy appeared, it has created a major disconnection between these two types of approaches to quality assurance. However, there is a reason, that caused this deep focus on standards, namely, the policies imposed by the customers, a great example of this being the Ministry of defence. This dissension, has generated a situation in which the standards-based quality approach was focused on quality assurance and control, losing orientation for the consumer focus. The Total Quality Management approach was taken in the other extreme, focusing deeply on the consumer and thus losing control of the quality control. This significant divergence between ways of British quality approach was formalised at the time the British Quality Association, which have a total quality management approach was separated in 1992, from the Institute of Quality Assurance, which had a standards-based quality approach and which was considered to be since the symbol of quality in the United Kingdom. Formally, the separation was made on behalf of the Organization of the British Prize for quality, which was based on European quality award model oriented on the Total Quality Management. In reality the separation marked the approach differences between total quality management and the traditional British quality approach (Juran, 1999).

It can be asserted that the principles that characterize the culture of British culture in general and the British management in particular, is respect and admiration for what proved to be good in the past. Further, the British culture characteristic dimensions influenced significantly the quality development in the United Kingdom. Cultural characteristics such as fairplay, Britain needs to be fair and dignified, could explain the need for the quality standardization approach and reluctancy towards a new approach to total quality management.

3.2.2. Quality in France
Cultural characteristics of France, determined on the basis of the values recorded by Hofstede's model are the following (Hofstede, 2010: 64, 99,142,188):

- power distance, with an index of 68
- individualism quite pronounced, with an index of 71
- balance between femininity and masculinity with an index of 43
- strong uncertainty avoidance with an index of 86

It can be inferred from the above mentioned idea, that French society is a conservative one, and some of these values have perpetuated at the level of organizations, so that the French management relies on a mix of bureaucratic and aristocratic elements. (Lawrence & Edwards, 2000).

The French management principles are: dirigisme of state, individualism and authoritarianism, based on a bureaucratic structure, the unconditional priority for technical and technological creativity (Warner, 1997).

French organizations are usually very complex and have a reduced dimension of supervision. The number of managers is very high, hierarchical levels are bounded and French managers are considered to be the most well educated managers in Europe. There is a strict separation of different categories of personnel: managers,
civil servants, technicians and workers, respectively, are making a clear distinction between top managers and middle managers. The driving style for managers is generally authoritarian, paternalist, with a manifestation to avoid legal liability, not to whole country scale, but explicable because of their distance from power. It is remarkable, that France have the highest value of this indicator in Western Europe, this hierarchical differentiation being matched by a very strong specialization of tasks and qualifications (Warner, 1997).

A feature of the French economy is nationalization, as since the postwar period and until the mid-1990s many companies have undergone this process. As a general rule, the nationalization process causes a decrease in quality, which was experienced by many European countries, however, this has not happened also in France. The vast majority of French companies led by the State, were leaders in the field of quality in Europe, the company Renault is very representative in this context. Juran (1999) put this feature to the French economy on account of the excellent training of managers. Essential elements in the French approach in the design of quality Juran's are the following (Juran, 1999: 38.7):

- the central role of the State in promoting quality, as a result of his dominant presence in the economy. Talking about nationalization, it has in this sens the most extreme form, the interventions seems to have a beneficial role, because of the superior quality of management, as quality of managers in the administration of the state is superior to that of other European countries;
- the deliberate concentration regarding region and in particular on small and medium enterprises has stimulated the local activity and created the progressive bottom up movement;
- the particular characteristics of the French Award for quality, which was introduced in 1993, is aimed for small and medium-sized enterprises, on the basis of a selection bottom up procedure, from the regional level to the national level. Companies that sign up for the prize, must be qualified for the regional phase, and only then, if they meet the criteria arrived the national phase. It should be noted that there is a high level of participation in this award on behalf of French companies. This bottom-up approach has been taken as the reference model in drawing up the plan for the european quality award.

In the general context of the quality development, the national power in relevant and meaningful in France not only at central level, but also at the regional level. It is in fact a national culture of France, which has generated a very favourable situation for the quality development.

3.2.3. Quality in Germany

German cultural characteristics determined on the basis of the values recorded by Hofstede's model are the following (Hofstede, 2010: 64, 99,142,188):

- a lower power distance, with an index of 35
- individualism quite pronounced, with an index of 67
- masculinity quite pronounced, with an index of 66
- relatively strong uncertainty avoidance, with a rate of 65

The German management principles are: results-based management, competence and interpersonal relations. Value discipline, industry and creativity of the individual,
participatory management based on co-determination, individual and social well-being (Warner, 1997).

With regard to the Organization, one can identify the following: organizational structures on the functions or divisions and the management budgets. High importance is given to engineering and resources saving, and low importance is given to marketing. Managers at the pyramid of the hierarchy, i.e., the head of the team or the foreman, have a very important role. Workshop managers are responsible for the vocational training of their workers, which means that it focuses on discipleship at work. Very high importance is given to quality and innovation. The managerial control is relatively rigid, namely, delegation of authority is rarely encountered. (Lawrence & Edwards, 2000).

With regard to the quality development Juran (1999) believes that "mastery" of the German industry is rooted in the quality standards established by the guilds of German manufacture. The German standards were based on an internship of 3-4 years, which is fundamental to develop certain skills for the workers. Routine tasks are performed by the unskilled labour force, while highly skilled experts play an important role in thinking and producing quality. While large and medium-sized companies maintain a strong work crafted approach, the small organisations are strongly influenced by the legacy of guilds (Juran, 1979). Another key element for the success of the German system, which has brought considerable benefits, is the standardization, the German Standards Committee being established in 1926. The state intervention coincides with the interests of the private sector, generating great competitive advantages for the economic system. High quality of German products is linked to the other distinctive feature of the system, namely the trade marks and service marks. Using the trademark to ensure product quality has its origin in the guilds. Superior quality has been and is linked to a higher price, making German products to be niche products, offering quality and dependability similar to those of art. Another specific feature of German quality approach, is the importance of the Foundation, Stiftung Warentest founded in 1961, which carries out systematic testing of various products of competitors from the market, publishing the results in a magazine, which are used in advertising. Quality has been the main point of interest for German industry, but currently the risk of competition from other industries have great success in combining quality with efficiency and large-scale production. German industry has realized the importance of quality management more slowly, primarily at the level of quality assurance and quality management level. (Juran, 1979).

One can see the relationship of dependency between the cultural dimensions of Germany and how to address quality: focusing on the aspects of deep engineering, integration and training of workers within the companies; all these cultural aspects determine the evolution of the quality niche in order to achieve a globally and premium quality standard.

3.3. Quality Approach in Eastern Europe

Eastern Europe has a tumultuous history, the countries in this part of Europe, such as Poland, the Czech Republic, Slovakia, Bulgaria, Romania, Hungary, Ukraine, Estonia, Latvia, Lithuania declared themselves or were incorporated into the Soviet bloc of the USSR along with the central core of Russia, which was a decisive
influence factor in all the fields of interest of the region, so therefore also in the approach and development of quality. (Milbank, 1994)

The Communist model characteristics have deeply affected the quality approach, this model is influencing today this part of Europe. In order to provide an overview of the Communist economy, punctuated briefly in the following traits (Juran, 1999: 39.2):

- **the economy was centrally planned**, which means that all decisions are made at the Center with the pressure "of the plan" and to protect themselves from failure. Managers across the economy were addressing unclear schemes either to carry out or plan, in order to ensure that the fault could be attributed to the failure of someone else, which work to unrealistic plans;
- **in effect, the state was the only customer** regarding the consumer goods, this meant that the huge central agencies represented the needs of the whole population, and there was no any direct input on the part of the consumer as regards the design of goods and services, i.e. There is no real feedback form the consumer, which meant that the consumer had to accept what is offered, which means to accept the quality provided by the state.
- **orientation was toward production volume**, and not the quality, the centralized plan required commitments for numerical quotas, and in order to achieve the fulfillment of the plan, most of the times there have been developed rebates to the quality.
- **most of the industrial production was destined for military purposes** thus, an elevated priority military system implies a low priority accorded to the rest of the economy
- **the plan committed the state to heavy-industrial development**, the objective of this policy was the transformation of the economy to one of industrial type, so the entire region to remains with factories, which were unable to react to the rapid changes of the market and of technology
- **there was little or no private ownership of property.**

The forces that influenced the development of the quality in Eastern Europe after the fall of Communist regimes are according to Juran (1999: 39.5):

- **local appearance of Japanese and Western goods**: Western created at the beginning of their local markets, a standard of comparison with products made by the old regime;
- **availability for purchase of Japanese and Western goods in the local market place**: the quality standards were determined by the market and not by the meetings held in the offices of standardization organizations;
- **the need and desire to compete at home against Western imports**, situation that awares Governments of the region that the long term local industry must achieve competitive products;
- **need and desire to sell high-value goods on the international market**: Governments are conscious that the key element for the long-term economic health is the participation in the world market and global competition requires high quality products;
- **joint venture with international corporations**, they are proving to be effective vehicles for technology transfer in the market-oriented management, which includes quality management.
With respect to the quality approach in terms of cultural influence in a country in Eastern Europe, it will be referred to Romania:

With regard to the cultural characteristics of Romania, estimated on the basis of the model of Hofstede are the following (Hofstede, 2010: 64, 99,142,188):

- Power distance is very high, with an index of 90, "management has a discretionary character corresponding to an effective mechanism of preservation and highlights the status differences, characterised in particular by arbitrary and unconditional obedience leadership from hierarchical superiors" (Lungescu, 2005)

- Individualism, with an index of 30, "characterized by the expectation of support from the community, lack of initiative, counterproductive vision of private property and, above all, nepotism and the primacy of the interests of the group" (Lungescu, 2005)

- Masculinity, with an index of 42, "with a slight tendency to womanhood. Unfortunately, from this point of view the Romanian culture is not homogeneous, but includes a set of extremely masculine tendencies, pronounced differentiation between the behaviors of the two sexes, counterbalanced by a pronounced feminine tendencies of egalitarianism, the rich people's vision and convenience, etc." (Lungescu, 2005)

- Very high degree of uncertainty avoidance, with an index of 90, "characterized by contrary trends: on the one hand to avoid strong elements in the social impact of religions, the need for supervisory authorities for more citizens, etc., on the other hand elements of uncertainty, indifference, lack of pathologic laxity rigour, etc." (Lungescu, 2005).

With regard to the development of quality, 24 years after the communist regime change, a significant step in changing the culture of quality, is the establishment of the Foundation "For Quality Award 1999 – J. M. Juran". Since 2000 is held the first edition of the prize for quality – J. M. Juran. The Mission of the Foundation as we find on the web page is: "the Foundation For Quality Award – J. M. Juran is the most important factor for progress through quality Romanian organisations" (PRC-JMJ).

The basis of the Award criteria was the European model of excellence. The creation prize is approved by the European Commission for quality (EOQ), the European Foundation for quality management (EFQM) and is based on the following fundamental concepts: customer-orientation; partnership "supplier-client"; development and involvement of personnel; continuous development and innovation; the leadership and consistency of objectives; responsibility; results orientation. To win the prize of quality Romanian – j. m. JURAN, candidates must furnish proof that they are on the path to excellence in business practice, over a number of years, and have met the expectations of stakeholders. These stakeholders are: customers; employees; service providers; shareholders; (the owners) and at the same time, the company in which the organization operates (Ilies, 2003).

4. Conclusions
It can be seen that there are close links between the cultural specificities of a country and the way they approach to quality. The characteristics of cultural dimensions Hofstede explains the evolution of the quality of the country concerned. For example, in the United Kingdom, the cultural characteristics as fairplay and fairness can
explain the need for a quality standardization approach and reluctantcy towards a new approach to quality and total quality management. In France, the official dirigisme both at central level and at the regional level, due on the one hand, to the high power distance has generated a very favorable situation for the quality development, unmatched in any other European country. In Germany, the deep concentration on engineering, integration and trainings for the workers, the deep professionalism are leading to the realization of a standard of premium quality, namely niche quality. In Eastern Europe, thanks to the four decades of the totalitarian regime, the evolution of the quality journey steps until reaching the total quality management philosophy approach.

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