



## Organisational design: how TQM's strategy deployment tool can add pace and effectiveness to organisational change

*Robin David Howlett, Sanjay Bhasin, Paul Walley, Pauline Found and André Gilbert Latendorf*

*21st QMOD Conference, Cardiff, August 2018*





# Presentation content

- Purpose and motivation for this research
- Methods
- Findings
- Discussion
- Conclusions
- Q & A



# Purpose of this research paper

To explore people-based aspects of strategy deployment



To understand how strategy deployment may be used to influence organisational design

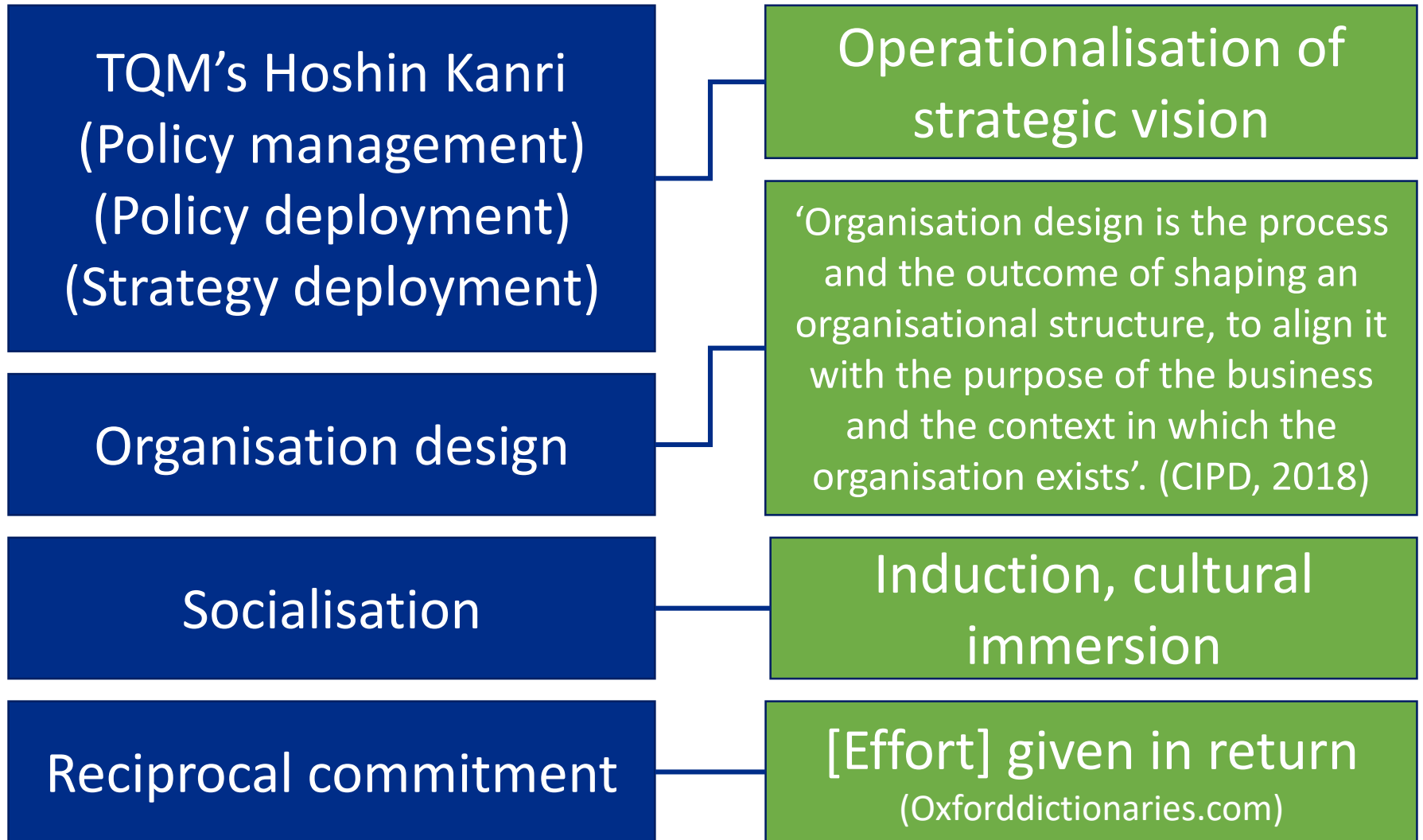


# Motivation for this paper

Earlier research into relationships between organisational design change methods and operational excellence led the authors to explore design change approaches in TQM literature



# Glossary: Concept definitions applied





# Methodology

- Inductive. A review and synthesis of organisational design and strategy deployment literature to identify differences and commonalities in organisational design approach.
- Applied perspectives of high performance human resource management approaches.
- Applied perspectives of Social theories: Theory of Planned Behaviour, Theory of Reasoned Action and that of Socio-Technical Systems theory.
- A systematic study of the linkage of strategy deployment to theory to identify contributions and gaps.



# Methodology: Literature search

Terms applied to peer reviewed English text article searches:

- “Total quality management” AND “Strategy deployment”
- “Organisational design” AND “Strategy deployment”

Databases used to identify articles were:

- EBSCO Discovery
- Business Source Complete
- Emerald Premier.

Geographic region and date fields were not constrained



# Methodology: Literature search – TQM+SD=18

**Table I: Search for articles containing terms "total quality management" AND "strategy deployment" . N=18**

Author(s)	Title
Anderson, M. and Sohal, A. S. (1999)	A study of the relationship between quality management practices and performance in small businesses
Chourides, P. et al. (2003)	Excellence in knowledge management: an empirical study to identify critical factors and performance measures
Crowe, T. and Cheng, C-C. (1996)	Using quality function deployment in manufacturing strategic planning
Edgeman, R. L. and Hensler, D. A. (2004)	QFD and the BEST paradigm: deploying sustainable solutions
Greenall, R. (1994)	The missing link
Jayaram, J., Tan, K. C. and Laosirihongthong, T. (2014)	The contingency role of business strategy on the relationship between operations practices and performance
Lee, S.F. et al. (1998)	Sun Tzu's The Art of War as business and management strategies for world class business excellence evaluation under QFD methodology
Leonard, D. and McAdam, R. (2002b)	The corporate strategic-operational divide and TQM
Leonard, D. and McAdam, R. (2003)	An evaluative framework for TQM dynamics in organisations
Leonard, D. and McAdam, R. (2004)	Total quality management in strategy and operations: dynamic grounded models
McCabe, D. (2000)	Factory innovations and management machinations: the productive and repressive relations of power
Miyake, D. I. and Enkawa, T. (1999)	Matching the promotion of total quality control and total productive maintenance: An emerging pattern for the nurturing of well-balanced manufacturers
Oakland, J. (2011)	Leadership and policy deployment: the backbone of TQM
Politis, J. D. (2005)	QFD, organisational creativity and productivity
Quazi, H. A. and Bartels, F. L. (1998)	Application of TQM Principles in the International Technology Transfer Process of Industrial Production Plants: A Conceptual Framework
Regan, S. and Dale, B.G. (1999)	Survival to success: the case of RHP Bearings, Blackburn
Smith, J. A. and Angeli, I. I. (1995)	The use of quality function deployment to help adopt a total quality strategy
Witcher, B. J. and Butterworth, R. (2001)	Hoshin Kanri: Policy Management In Japanese-Owned UK Subsidiaries

18



# Methodology: Literature search OD+SD=8

**Table II: Search for articles containing terms "organizational design" AND "strategy deployment". N=8**

Author(s)	Title
Carpinetti, L. C. R. (2000)	A conceptual framework for deployment of strategy-related continuous improvements
Chan, Y. K. (2005)	A further development of TQM model: meeting organisational development needs.
DeFeo, J. A. and Janssen, A. (2001)	Why strategic deployment?
Goldman, E. F. et al. (2015)	Organisational practices to develop strategic thinking
Leonard, D. and McAdam, R. (2002a)	The strategic impact and implementation of TQM
Nautin, T. (2014)	The aligned organisation in McKinsey and Company The Lean Management Enterprise
Pires, A. R. and Alves, A. R. (2011)	Organizational change and design for strategy deployment.
Yuliansyah, Y. et al. (2017)	The significance of business strategy in improving organisational performance

8



# Methodology: Further searches

Could search terms be improved as only 26 articles were returned ?

- Test for Hoshin, ‘customer’, ‘transformation’ and ‘orientation’
- Check for ‘z’ versus ‘s’

<b>Search Term(s)</b>	<b>Results</b>
Hoshin Kanri	97
Hoshin Kanri + organization	37
Strategic orientation + organizational design	31
Hoshin Kanri + design	7
Strategy orientation + organizational design	4
Strategy orientation + organisation design	3
Customer orientation + organization design	2
Strategy deployment + organisational design	2
Customer orientation + organization transformation	1
Hoshin Kanri + organisational design	1
Customer orientation	0
Strategy orientation	0

We concluded that the first searches were valid. Our analysis that follows is based on the original search terms.



# Methodology: Social theory literature n=13

Theory of planned behaviour

13

Adler *et al.*, (1999)  
Ajzen, (2002)  
Angelis *et al.*, (2011)  
Cherns, (1976)  
Clarke, (2011)  
Dan-Shang and Chi-Lih, (2008)  
Krafcik, (1988)  
Lawrence, (1969)  
MacDuffie and Krafcik, (1992)  
Nonaka, (1991)  
Ouchi, (1981)  
Passmore, (1988)  
Ouchi and Price, (1978)

Socio- technical systems

High performance HRM





# Findings: Thematic analysis of organisational design content applying TQM+SD search terms

**Table III: Analysis of Themes**

TQM+SD Author(s) / Themes	TQM	Business Excellence Model (BEM)	Organisational change / design	Strategy Deployment	Quality Function Deployment (QFD)	Strategy	SPC/Six Sigma	Lean Tools	Supply Chain Management (SCM)	Change process	Culture	Leadership	Business Process Re-engineering (BPR)	Balanced Score Card (BSC)	Contingency Theory	Goals as motivators	Management By Objectives (MBO)	Nemawashi/Catchall Ball	People development	Power relations	Resourced Based View (RBV)	Strategic Quality Management	Teamwork	
	Key - x: Contains I: Inferred																							
Anderson, M. and Sohal, A. S. (1999)	x	x	I																					
Chourides, P. <i>et al.</i> (2003)	x										x													
Crowe, T. and Cheng, C-C. (1996)	x			x	x																			
Edgeman, R. L. and Hensler, D. A. (2004)	x	x			x																			
Greenall, R. (1994)				x																				
Jayaram, J., Tan, K. C. and Laosirihongthong, T. (2014)	x		I					x	x						x									
Lee, S.F. <i>et al.</i> (1998)	x	x			x																			
Leonard, D. and McAdam, R. (2002b)	x	x																						
Leonard, D. and McAdam, R. (2003)	x	x																						
Leonard, D. and McAdam, R. (2004)	x	x																						
McCabe, D. (2000)	x						x						x								x			
Miyake, D. I. and Enkawa, T. (1999)	x		x					x														x		
Oakland, J. (2011)	x	x	I	x	x		x	x			x	x												
Politis, J. D. (2005)	x			x	x		x												x					
Quazi, H. A. and Bartels, F. L. (1998)	x	x	I		x																			
Regan, S. and Dale, B.G. (1999)	x	x		x				x																x
Smith, J. A. and Angeli, I. I. (1995)	x	x			x																			
Witcher, B. J. and Butterworth, R. (2001)	x		x	x				x						x				x	x					

18

TQM+SD:  
Two explicit references to organisational design.  
Four inferred references



# Findings: Thematic analysis of organisational design content applying OD+SD search terms

OD+SD:  
One explicit reference to organisational design.  
Four inferred references

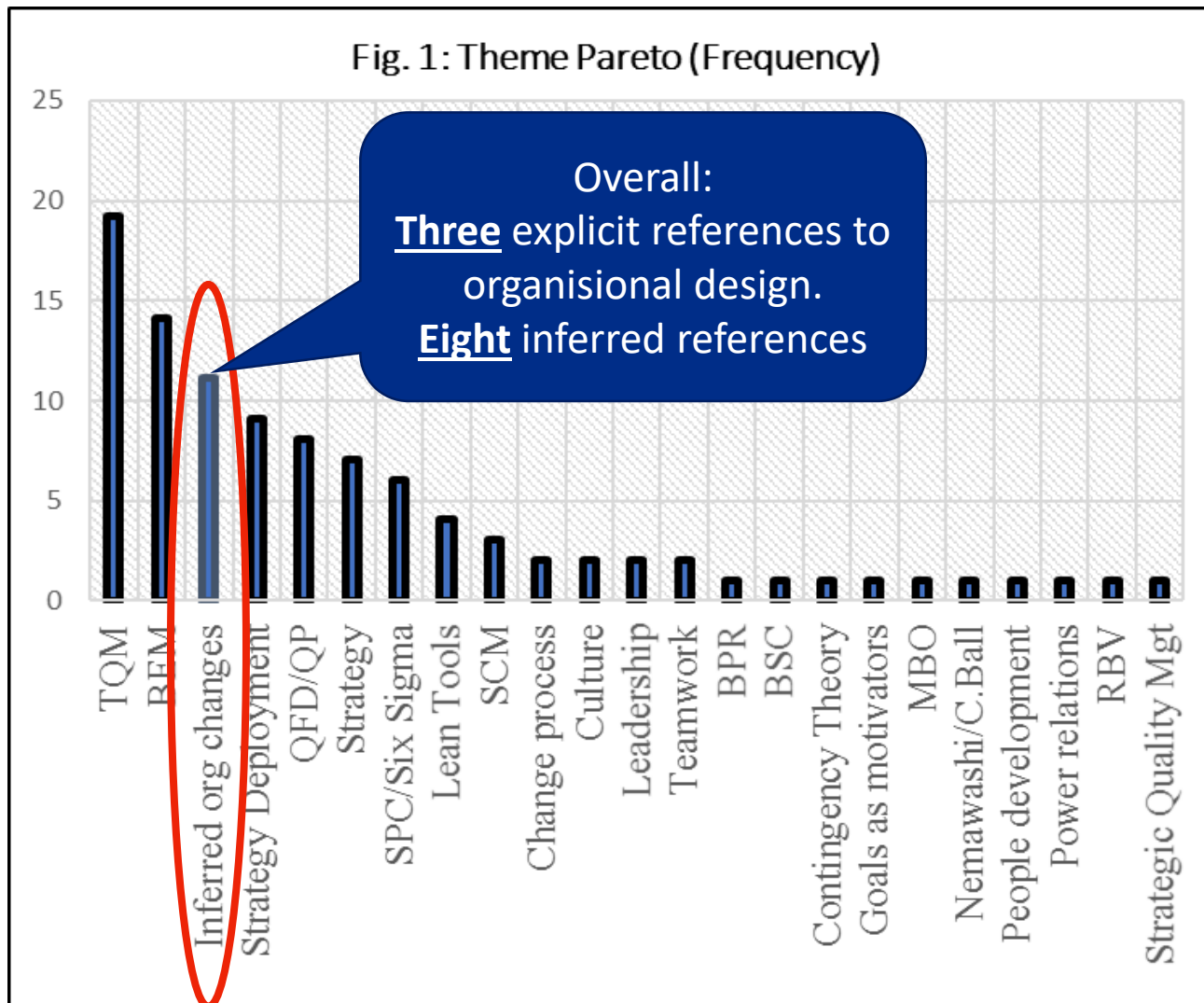
8

**Table III: Analysis of Themes**

OD+SD Author(s) / Themes	Key - x: Contains I: Inferred																							
	TQM	Business Excellence Model (BEM)	Organisational change / design	Strategy Deployment	Quality Function Deployment (QFD)	Strategy	SPC/Six Sigma	Lean Tools	Supply Chain Management (SCM)	Change process	Culture	Leadership	Business Process Re-engineering (BPR)	Balanced Score Card (BSC)	Contingency Theory	Goals as motivators	Management By Objectives (MBO)	Nemawashi/Catchball Ball	People development	Power relations	Resourced Based View (RBV)	Strategic Quality Management	Teamwork	
Carpinetti, L. C. R. (2000)		x	I	x	x	x	x																	
Chan, Y. K. (2005)	x	x	I	x		x	x																	x
DeFeo, J. A. and Janssen, A. (2001)		x		x			x																	
Goldman, E. F. <i>et al.</i> (2015)			I			x			x															
Leonard, D. and McAdam, R. (2002a)	x					x																x		
Nautin, T. (2014)			I			x						x				x								
Pires, A. R. and Alves, A. R. (2011)			x			x		x	x															
Yuliansyah, Y. <i>et al.</i> (2017)	x					x																		



# Findings: Three explicit references linking OD to HK





# Findings: Explicit OD content n=3

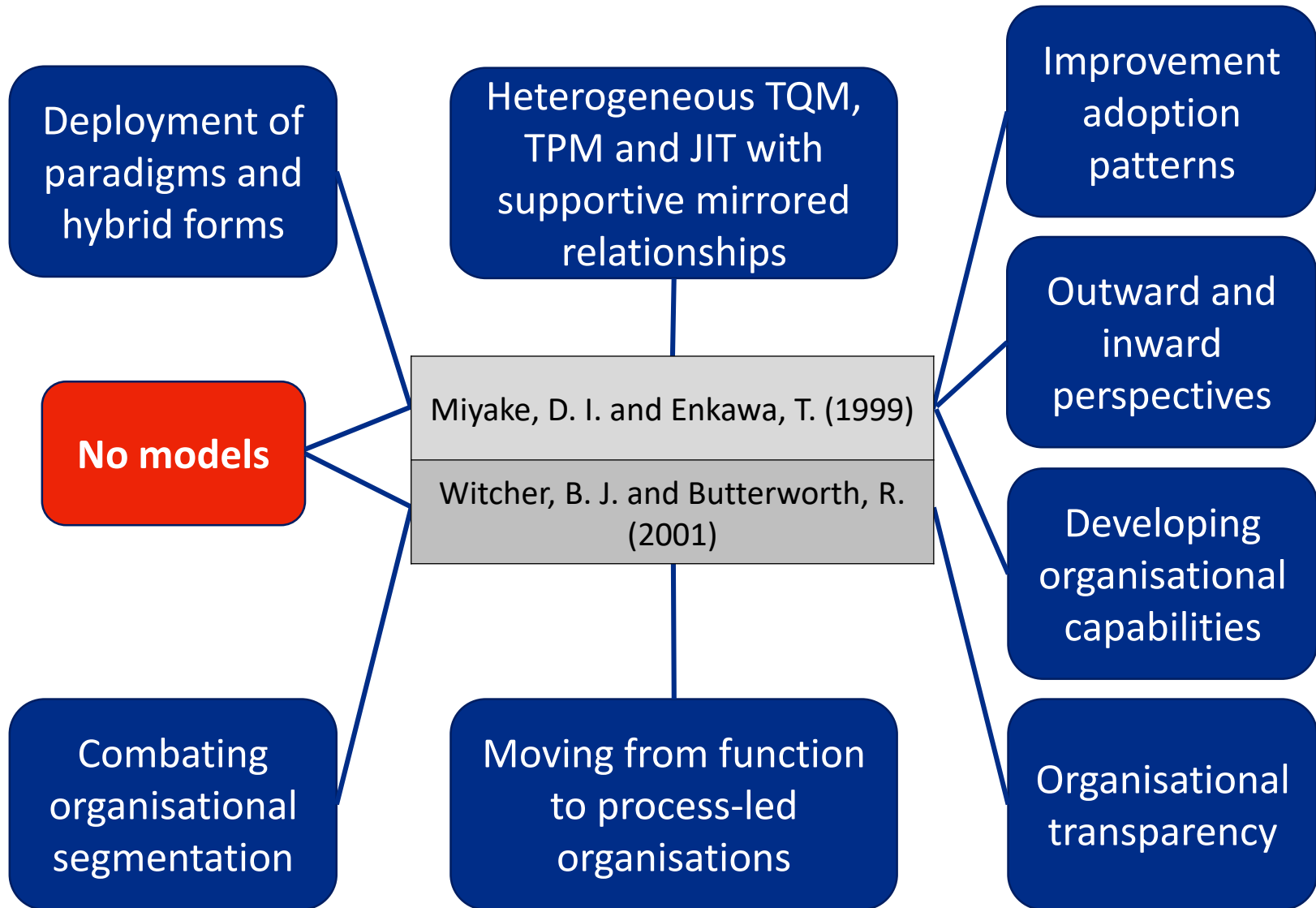
**Table VI: OD identified in Literature Searches**

<b>Author(s)</b>	<b>TQM + SD Organisational Design Content</b>
Miyake, D. I. and Enkawa, T. (1999)	No models. Content focuses on approaches:- Heterogeneous TQM, TPM and JIT with enantiomorphic paired relationships. Deployment of paradigms and hybrid forms. Improvement adoption patterns. Outward and inward perspectives. Developing organisational capabilities.
Witcher, B. J. and Butterworth, R. (2001)	No models. Content focuses on approaches: Moving from function to process-led organisations. Combating organisational segmentalism. Organisational transparency
<b>Author</b>	<b>OD + SD Organisational Design Content</b>
Pires, A. R. and Alves, A. R. (2011)	Evolutionary: Process-level organisational change while main functional structures remain unchanged

3



# Findings: Explicit organisational design content in TQM





# Findings: Explicit OD content

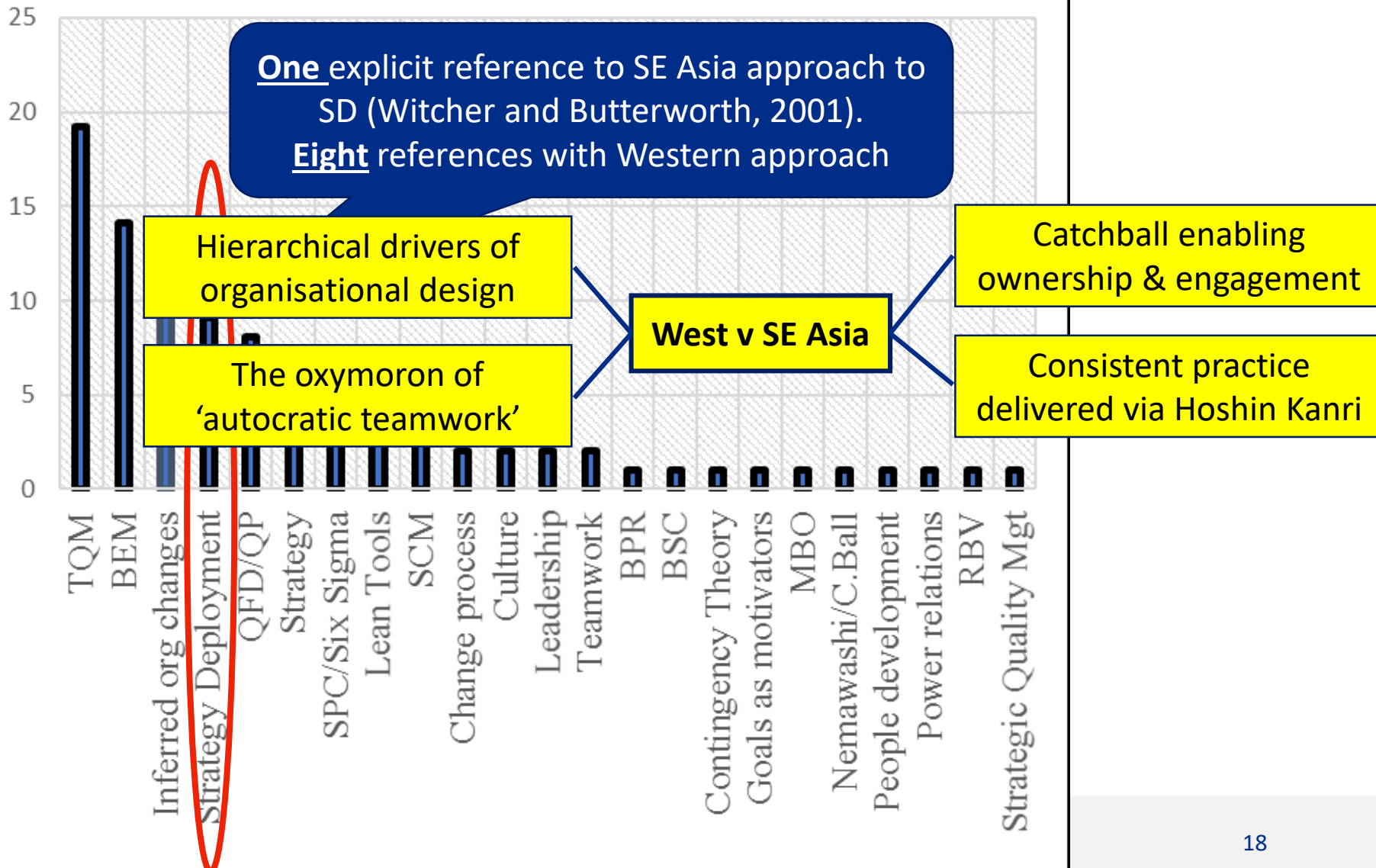
**Table VI: OD identified in Literature Searches**

<b>Author(s)</b>	<b>TQM + SD Organisational Design Content</b>
Miyake, D. I. and Enkawa, T. (1999)	No... H... e... o... a... p... c... <b>Evolutionary: Process-level organisational change while main functional structures remain unchanged</b>
Witcher, B. J. and Butterworth, R. (2001)	No... Moving from... to process-led organisations. Combating organisational segmentalism. Organisational transparency
<b>Author</b>	<b>OD + SD Organisational Design Content</b>
Pires, A. R. and Alves, A. R. (2011)	Evolutionary: Process-level organisational change while main functional structures remain unchanged



# Findings: Analysis of strategy deployment content applying all search terms. N=9

Fig. 1: Theme Pareto (Frequency)







# Discussion: Why is there an OD gap in the literature?

Table V: Exploring HK and OD sorted by

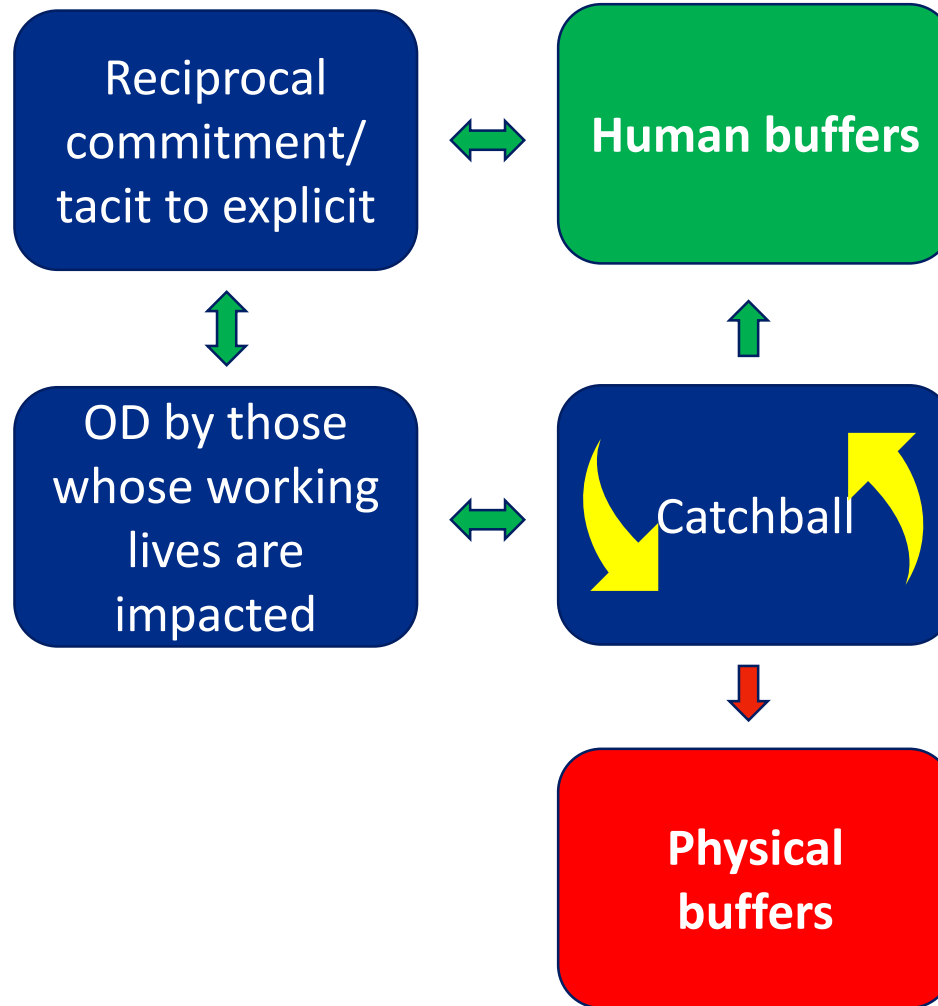
Search Term(s)	
Hoshin Kanri	37
Hoshin Kanri + organization	97
Strategic orientation + organizational design	
Hoshin Kanri + design	7
Strategy orientation + organizational design	11
Strategy orientation + organisation design	
Customer orientation + organization design	2
Strategy deployment + organisational design	2
Customer orientation + organization transformation	1
Hoshin Kanri + organisational design	1
Customer orientation	0
Strategy orientation	0

3





# Why so little interest in Organisational Design?





# Conclusions

This paper highlights the sharp contrast between a strategic approach to TQM and the use of TQM tools in an operational manner.

Strategic TQM



Operational TQM

The literature provides insight into the importance of Hoshin Kanri; helping both the decision-making process and the management of change across the entire organisation.



# Conclusions

Deployment of strategy involving team level catchball cycles of Hoshin Kanri appears to provide a strong basis for:-

- Unlocking engagement throughout the business
- Realising the potential for reciprocal commitment
- Increased sharing of tacit knowledge and increasing organisational ambidexterity.
- The noticeable contrast between **SE Asian** and **Western** approaches to strategy deployment, especially in relation to engaging the workforce in catchball.







# Questions and discussion please

## Organisational design: how TQM's strategy deployment tool can add pace and effectiveness to organisational change

- Robin David Howlett, Sanjay Bhasin, Paul Walley, Pauline Found and André Gilbert Latendorf

