CHAPTER 1

Management Principles

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Introduction

Sport, in its broadest sense, refers to all recreational and competitive sports, physical activity, fitness, and dance. Sport has become a dominant influence in many societies. No single aspect of any culture receives more media attention than sport. Sport is big business and continues to grow at a phenomenal rate globally. It provides the visibility for its star participants to enter the political arena or become broadcasters or movie stars or entrepreneurs.

Further, recreational participation in sport continues to grow in popularity each year driven by increased time for leisure activities and discretionary income to spend on exercise and fitness pursuits. This increase in growth has required development of new undergraduate programs to prepare a new type of sport and fitness managers. This new sport/fitness manager needs to understand the management process in order for the demands of the fitness and sport businesses to be successful.

Finally, management is critical in keeping any organization operating smoothly and efficiently. A facility that is well maintained and managed is one of the best public and consumer relations tools in an organization's arsenal. An organization's facility manager must become involved in many tasks, including, but not limited to, leadership, facility and event management, crowd control, security, emergency operations, facility maintenance, operational policies and procedures, and human resources to name a few.

What is Management?

Management is an organizational function, like sales, marketing, or finance. It does not necessarily mean managing people. We can manage ourselves or the material assigned to us at work. If you managed a project very well on your own, it would mean that you did the job in a well-organized, efficient manner, making good use of all resources at your disposal.

Further, management in all business and organizational activities is also the act of getting people together to accomplish desired goals and objectives efficiently and effectively. Management comprises planning, organizing, staffing, leading or directing, and controlling an organization (a group of one or more people or entities) or effort for the purpose of accomplishing a goal. Resourcing encompasses the deployment and manipulation of human, financial, technological, and natural resources.

Finally, management in sport management is an investment. The sport manager has resources to invest—money, time, talent, and human resources. The function of sport management is to get the best return by getting things done efficiently. The sport manager's management style is a personal and situational matter and evolves over time. Skilled sport managers know how to flex their style, coach, and motivate a diverse body of employees.

Management—Why Is It Needed by Organizations?

There are three key reasons why organizations need management—to establish objectives, to maintain balance among stakeholders, and to achieve efficiency and effectiveness. The initial task for management is to develop objectives for the organization. The objectives become the organizational energy currency. Once the objectives are established, the organization's human, financial, and physical resources attempt to accomplish them. Generally, top management establishes overall objectives for such areas as profitability, market share, growth, or new product development. Lower level objectives are commonly determined by all of the employees.

In working to achieve objectives, managers need to maintain balance among the conflicting objectives of the stakeholders. The stakeholders are all those having a stake in the organization's success, including employees, owners, customers, government authorities, and creditors. Management holds in trust and must balance the interest of many different groups including community leaders, creditors, customers, employees, government needs and demands, public (consumer groups, environmentalists, and civil rights advocates) stockholders, suppliers, trade associations, and union leaders.

Further, management performs the function of stewardship on behalf of the owners who are seeking a satisfactory return on investment (ROI). The ROI may be profits (as in a business) or service (as in local, state, or federal governments). Finally, management must also consider the interests of its employees who seek good pay, safe and comfortable working conditions, fair and equitable treatment, the greatest possible job security, and more time off.

The last reason for management is achieving effectiveness and efficiency. The concept of effectiveness relates to the ability of management to set and achieve proper objectives. The other side of the management performance coin is efficiency. Efficiency is management's ability to get things done, achieving higher outputs relative to inputs. In the case of managing a sport retail store, this would include such resources as employees, food, and time. The store manager who achieves the same sales volume with another store, while having only 15% of the payroll and inventory costs would be considered more efficient in using resources.

Definitions of Management

There are two common definitions of management:

- Management is the practice of organization and coordination of the activities of an enterprise in accordance with certain policies and the achievement of clearly defined objectives. Management is often included as a factor of production along with machines, materials, and money According to management guru Peter Drucker (1909–2005), the basic task of a management is twofold: marketing and innovation (Drucker, 2006).

- Directors and managers have the power and responsibility to make decisions to manage an enterprise. As a discipline, management comprises the interlocking functions of formulating corporate policy and organizing, planning, staffing, controlling, and directing (leading) the firm's resources to achieve the policy's objectives. The size of management can range from one person in a small firm to hundreds or thousands of managers in multinational companies. In large firms, the board of directors formulates the policy that is implemented by the chief executive officer (*Business Dictionary*, 2013).

Theoretical Scope

At the beginning, sport managers think management is functionally the actions of

- measuring a quantity on a regular basis,
- adjusting an initial plan, and
- taking steps to reach an intended goal.

This applies even in situations where planning does not take place. From this perspective, Kreitner and Cassidy (2012) and Daft (2013) indicate that Frenchman Henri Fayol (1841–1925) considered management to consist of six functions: forecasting, planning, organizing, commanding, coordinating, and controlling. They also suggested that another way of thinking would be like Mary Parker Follett (1868–1933), who wrote on the topic in the early 20th century, defined management as "the art of getting things done through people." She described management as a philosophy.

This definition is considered useful but far too narrow. The phrase "management is what managers do" occurs widely, suggesting the difficulty of defining management, the shifting nature of definitions, and the connection of managerial practices with the existence of a managerial class (Daft, 2013).

Another train of thought regards management as equivalent to "business administration." However, more realistically every organization, whether it is for-profit or nonprofit, must manage its financial resources, people, processes, technology, and so forth, in order to maximize its effectiveness.

This becomes more confusing when people refer to university departments that teach management as "business schools." Some institutions (such as the Indiana University's Kelly School of Business) use that name, while others (such as Purdue's Krannert School of Management) employ the more inclusive term "management." So what is it—business or management?

Kreitner and Cassidy (2012) suggest in for-profit work, management has as its primary function the satisfaction of a range of stakeholders. This typically involves

- making a profit (for the shareholders),
- creating valued products at a reasonable cost (for customers), and
- providing rewarding employment opportunities (for employees).

In nonprofit management, keeping the faith of donors is of utmost importance. In most models of management, shareholders vote for the board of directors, and the board then hires senior management; however, this is not always true in the nonprofit world (e.g., American Red Cross). A number of organizations have experimented with other methods (e.g., employee-voting or board and employee-voting models) of selecting and/or reviewing managers.

Contemporary Theories of Management

The following are contemporary theories of management:

- Psychological aspects of management
- Sociological aspects of management
- Applied management

- Statistical aspects of management
- Operations research (management science) a combination of microeconomic theory and statistical theories
- Theory of constraints
- Management-by-objectives
- Six Sigma—information-technology-driven theory,
- Group management theories

Daft (2013) suggests that business management has come to consist of separate branches, such as

- financial,
- human resource,
- information technology,
- marketing,
- nonprofit,
- public administration,
- public management,
- operations management or production,
- social entrepreneurship, and
- strategic.

The Management Process

At one time in America, Europe, and Japan, the world of work was largely composed of individuals working alone, rather than groups of people working together. Farmers produced food for themselves and their families and, if they were lucky, had a surplus to sell. Potters, silversmiths, and other craft workers produced their goods independently. Families who needed homes built them alone or with help from their neighbors. Even government was individualized, consisting of a lord or knight or governor who reigned over a relatively small territory.

This individualized work pattern no longer exists in developed countries in the 21st century. Goods such as appliances, airplanes, automobiles, train engines, television sets, and many other usable items could not be replaced efficiently by a single individual. Seldom does one person possess the necessary capital, knowledge, abilities, or resources to "go it alone."

Functions of Management

Management operates through various functions, often classified as planning, organizing, staffing, directing/leading, and controlling/monitoring (see Figure 1.1) (Drucker, 1934; Follet, 1918; & Fayolo & Irwin, 1984).

Planning

Planning, according to Drucker (1973) and Gomez-Mejia & Balkin (2012), is the ongoing process of developing the business's mission and objectives and determining how they will be accomplished. It includes the broadest view of the organization (e.g., its mission) and the narrowest (e.g., a tactic for accomplishing a specific goal).

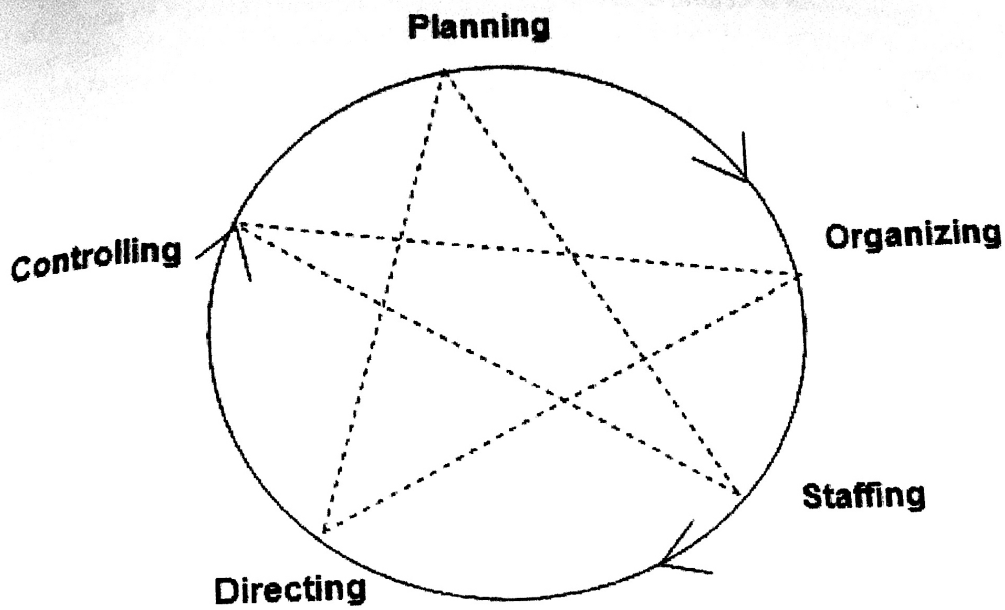

Figure 1.1. Management Tasks. Source: Drucker, Peter F. (1973). Management: Tasks, responsibilities, practices. New York: Harper & Row.

It is concerned with the impact of decisions. Planning is the fundamental function of management from which the other four (controlling, directing, organizing, and staffing) stem. The need for planning is often apparent after the fact. However, planning is easy to postpone in the short run (Daft, 2013).

The key planning terms are vision, mission, goals, objectives, and action strategies. They are defined below.

Vision. Vision is a directional and motivational guidance for the entire organization. Top managers normally provide a vision for the business (*Business Dictionary*, 2013).

Mission. Mission is the organization's reason for existing. It is concerned with scope of the business and reflects the culture and values of top management (*Business Dictionary*, 2013).

Goals. Goals are specific statements of anticipated results that further define the organization's objectives. They are expected to be **SMART: S**pecific, **M**easurable, **A**ttainable, **R**ewarding, and **T**imed ((Smart, 2013).

Objectives. Objectives refine the mission within the organization including market standing, innovation, productivity, physical and financial resources, profitability, and management and worker performance and efficiency. They are expected to be general, observable, challenging, and untimed (Kreitner & Cassidy, 2012).

Action strategies. Development of action strategies is a fifth level of planning. Strategies describe who, what, when, where, and how activities will take place to accomplish a goal (Daft, 2013).

Organizing

Organizing, according to Daft (2013), is establishing the internal organizational structure of the organization. The focus is on division, coordination, and control of tasks and the flow of information within the organization. This function allows managers to distribute authority to job holders. Each organization has a unique organizational structure. By action and/or inaction, the sport manager structures the business. Ideally, in developing an organizational structure and distributing authority, the sport manager's decisions reflect the vision, mission, goals, objectives, and action strategies that grew out of the planning function. Specifically, the sport manager will decide and define the following:

- Coordination
- Delegation of authority
- Departmentalization
- Division of labor
- Span of control

Staffing

When a sport manager fills and keeps filling with qualified people all positions in the business, it is called staffing. The following are the functions of staffing—recruiting, hiring, training, evaluating, and compensating.

Directing/Leading

Northouse (2012) suggests directing/leading is influencing people's behavior through motivation, communication, group dynamics, leadership, and discipline. Further, he states the purpose of directing is to channel the behavior of all personnel to accomplish the organization's mission and objectives while simultaneously helping them accomplish their own career objectives.

The directing function gives the manager an active rather than a passive role in employee performance, conduct, and accomplishments and a helping role assisting people in the organization accomplish their individual career goals. Daft (2013) and Northouse (2012) note that organizations do not succeed while their people are failing and assisting people in the organization with career planning and professional development is an integral part of the directing function.

Controlling

Controlling is a four-step process of establishing performance standards based on the organization's objectives, measuring and reporting actual performance, comparing the two, and taking corrective or preventive action as necessary.

Performance standards come from the planning function. Standards should be established for every key task. The sport manager needs to understand that lowering standards to what has been attained is not a solution to performance problems. However, a sport manager does need to lower standards when they are found to be unattainable due to resource limitations and factors external to the business. Kreitner and Cassidy (2012) indicate that corrective action is necessary when performance is below standards. If performance is anticipated to be below standards then preventive action must be taken to ensure that the problem does not recur. If performance is greater than or equal to standards, it is useful to reinforce behaviors that led to the acceptable performance.

Designing Effective Control Systems

Daft (2013) suggests that effective control systems have the following characteristics:

- "Acceptability to those who will enforce decisions
- Accuracy
- Balance between objectivity and subjectivity
- Control at all levels in the business
- Coordinated with planning, organizing, and leading

- Cost effectiveness
- Flexibility
- Timeliness
- Understandability (p. 213)"

Management vs. Leadership

(See Chapter 3 for Greater Detail regarding Leadership)

Gomez-Mejia and Balkin (2012) indicate that people are always needed who can efficiently coordinate the human and material resources required to accomplish desired goals. These people are often called managers, or are they leaders? Management can be defined as the process of achieving desired results through efficient utilization of human and material resources. Leadership can be defined as the art of influencing individual or group activities toward achievement of an organization's goals and objectives. Can a person be both a manager and a leader?

Another burning question is how management differs from leadership. For some, there is no difference. But increasing complexity drives ever greater specialization, so we really need to recognize that leadership and management are two different functions. This is the same as saying they serve two different purposes. A clear way of differentiating the two is to say that leadership promotes new directions, while management executes existing directions as efficiently as possible. But the work of the manager is not just the mundane monitoring of daily operations. It includes getting the most complex projects done, like putting the first man on the moon.

Management is different from leadership and just as important. It is the function that organizes the execution of today's business. Leadership is the evolutionary mechanism that changes organizations to prosper in the future. Whenever a species or individual animal runs into obstacles, adaptations occur and new directions are selected from those adaptations. Leadership is a risk-taking type of action that explores new frontiers and promotes new ways of behaving. It follows that in a stable environment, good management is all that is needed to prosper, but leadership in this context is not required.

The goal of management is to deliver results in a cost-effective way in line with customer expectations and profitably. It is not only leaders who can be inspiring. Inspiring leaders move us to change direction while inspiring managers motivate people to work harder. Management is a vital function that coordinates the input of many diverse stakeholders, experts, and customers. It requires a manager with enormous patience and highly developed facilitative skills. Excellent managers know how to bring the right people together and, by asking the right questions, draw the best solutions out of them (Daft, 2013; Drucker, 2006; Humphrey, 2013; Kreitner & Cassidy, 2012). To facilitate well, a sport manager must work very closely with all relevant stakeholders.

Sport managers manage facilities and people. Leadership is only required to sell the tickets for the game or to resell it periodically if resistance develops, but management drives the organization to success. The best managers are very strategic about themselves. They recognize that time and other resources are scarce and that competitive pressures demand efficient use of everything. Being strategic is the same thing as being proactive. Smart investors regularly monitor their investments in order to shift them around to get a better return on their money. Managers also have to be strategic about the business. It is not enough to do the work right and efficiently. It is essential to do the right things. Both of these imperatives can be thought of in terms of wise investment. Management is primarily a decision-making role. Managers are charged with the responsibility to make a profit and this requires them to make sound decisions.

By contrast, Bennis (1989, 1994) suggests leadership is strictly informal influence. Leaders persuade people to change direction. Leaders are masterful change agents. It is important to recast leadership in this way. Leadership is an occasional act. Management is an ongoing role.

Management Skills

Blanchard (2013), Daft (2013), and Humphrey (2013) suggest that becoming a successful manager will require the development of a variety of broad categories of skills including the following:

- Analytic thinking—interpreting and explaining patterns in information
- Behavioral flexibility—modifying personal behavior to react objectively rather than subjectively to accomplish organizational goals
- Conceptual skills—seeing the big picture
- Human relations—being a good communicator and coach
- Leadership—being able to influence others to perform tasks
- Oral communication—expressing ideas clearly in words
- Personal impact—creating a good impression and instill confidence
- Resistance to stress—performing under stressful conditions
- Roles performed by managers—being a planner, organizer, cheerleader, coach, problem solver, and decision maker, all rolled into one
- Self-objectivity—evaluating yourself realistically
- Technical skills—knowing technology and technical skills
- Tolerance for uncertainty—performing in ambiguous situations
- Written communication—expressing ideas clearly in writing

Finally, managers' schedules are usually jam-packed. Whether they're busy with employee meetings, unexpected problems, or strategy sessions, managers often find little spare time on their calendars.

In his classic book, *Managing*, Henry Mintzberg (2011) describes a set of 10 roles that a manager fills. These roles fall into three categories:

- **Interpersonal:** This role involves human interaction.
- **Informational:** This role involves the sharing and analyzing of information.
- **Decisional:** This role involves decision making.

Table 1.1 contains a more in-depth look at each category of roles that helps managers carry out all five functions described in the preceding "Functions of Managers" section.

Management Theories: A Historical Review

Scientific Management Theory (1890–1940)

Frederick Taylor developed the "scientific management theory," which espoused this careful specification and measurement of all organizational tasks. Tasks were standardized as much as possible. Workers were rewarded and punished (*Encyclopedia of Business*, 2014).

Bureaucratic Management Theory (1930–1950)

Max Weber (2003) focused on dividing organizations into hierarchies, establishing strong lines of authority and control. He suggested organizations develop comprehensive and detailed standard operating procedures for all routine tasks (*Encyclopedia of Business*, 2014).

Table 1.1
Mintzberg's Set of Ten Roles

Category	Role	Activity
Informational	Monitor	Seek and reveive information; scan periodicals and reports; maintain personal contact with stakeholders.
	Disseminator	Forward information to organization members via memos, reports, and phone calls.
	Spokesperson	Transmit information to outsiders via reports, memos, and speeches.
Interpersonal	Figurehead	Perform ceremonial and symbolic duties, such as greeting visitors and signing legal documents.
	Leader	Direct and motivate subordinates; counsel and communicate with subordinates.
	Liaison	Maintain information links both inside and outside organization via mail, phone calls, and meetings.
Decisional	Entrepreneur	Initiate improvement projects; identify new ideas and delegate idea responsibility to others.
	Disturbance handler	Take corrective action during disputes or crises; resolve conflicts among subordinates; adapt to environments.
	Resource allocator	Decide who gets resources; prepare budgets; set schedules and determine priorities.
	Negotiator	Represent department during negotiations of union contracts, sales, purchases, and budgets.

Human Relations Movement (1930–Today)

Eventually, unions and government regulations reacted to the rather dehumanizing effects of the above theories. Human resource departments were added to organizations. The behavioral sciences played a strong role in helping to understand the needs of workers and how the needs of the organization and its workers could be better aligned (*Encyclopedia of Business*, 2014).

Contingency Theory

The contingency theory asserts that when managers make a decision, they must take into account all aspects of the current situation and act on those aspects that are key to the situation at hand (*Encyclopedia of Business*, 2014).

Systems Theory

The systems theory has had a significant effect on management science and understanding organizations.

What is a system? A system is a collection of parts unified to accomplish an overall goal. If one part of the system is removed, the nature of the system is changed as well (*Encyclopedia of Business*, 2014).

Systems share feedback among each of these four aspects within an organization:

- Inputs
- Outputs (i.e., services, products, and programs)

- Outcomes
- Feedback from employees and customers/clients

The effect of systems theory in management is that writers, educators, consultants, and so forth are helping managers to look at the organization from a broader perspective. Systems theory has brought a new perspective for managers to interpret patterns and events in the workplace. They recognize the various parts of the organization and, in particular, the interrelations of the parts.

Decision Making

Decision making is a key activity at all levels of management. It may be defined as the act of choosing between two or more alternatives. It involves identifying alternatives and selecting the one judged best. This identification and selection can occur under conditions that vary dramatically. In a free-enterprise system, managers make decisions under conditions of certainty, risk, and uncertainty.

According to Humphrey (2013) and Bennis (1989, 1994), a good leader makes a good decision under conditions of (1) certainty when a manager knows the available alternatives and the benefits or costs associated with each; (2) risk when a manager knows the alternatives, the likelihood of their occurrence, and the potential benefits (or costs) associated with each but their outcomes are in doubt; and (3) uncertainty when a manager does not know the available alternatives, the likelihood of their occurrence, or their potential outcomes. The latter of these three is the most difficult.

Humphrey (2013) and Bennis (1989, 1994) indicate there are three steps in decision making: (1) available alternatives must be identified, (2) each alternative must be evaluated in light of premises about the future, and (3) based on the preceding evaluation and the alternative with the highest estimated probability of success should be selected. It is in this final step that a plan of action is adopted and the climax of the decision-making process occurs.

What Is the Most Appropriate Leadership Theory for Sport Managers to Concentrate On?

The most appropriate leadership theory for sport managers to become acquainted with is situational leadership. The theory that best lends itself to sport managers is the Path-Goal Theory of Leadership (Humphrey, 2013). However, sport managers need to pay close attention to their leadership styles as well as their decision-making methods. Sport managers who are as concerned about people as they are about results will be the most successful in the long run.

Management Approaches

The most successful management process is characterized by two major elements—strong leadership and a participative management approach. Leadership has been discussed. Now it is time to shift gears and discuss a variety of management approaches that will be best suited for sport managers who are concerned equally about people and results.

Management By Objectives

Management by Objectives (MBO) is a management approach designed to integrate individual and organization objectives. MBO encourages the meshing of individual and organization objectives. It is a form of participatory management that engages the individual in the assisting management in attaining organizational goals. It is based on the belief that joint subordinate-superior participation in translating overall objectives into individual objectives will have a positive influence on employee performance and organizational goal attainment. The central idea behind MBO is that the mutual establishment and acceptance of objectives will elicit a stronger employee commitment than if a superior unilaterally establishes objectives and imposes them on subordinates. The enhanced commitment by employees who have helped to set personal objectives should, in turn, lead to improved performance. The MBO process is composed of five steps: (1) discuss job requirements with employee; (2) develop performance objectives for the employee that are (a) clear and concise, (b) achievable, (c) challenging, (d) measurable, (e) consistent with overall organization objectives, and (f) accompanied by an anticipated completion date; (3) discuss objectives with employee; (4) determine mutually agreed upon checkpoints; and (5) evaluate results together (Odiorne, 1965; Drucker, 2008).

Baldrige Management Model/System

The Baldrige management model/system serves two main purposes: (1) to help organizations assess their improvement efforts, diagnose their overall performance management system, and identify their strengths and opportunities for improvement; and (2) to identify Baldrige Award recipients that will serve as role models for other organizations (*Encyclopedia of Business*, 2014).

In addition, the system assists in strengthening U.S. competitiveness by

- improving organizational performance practices, capabilities, and results;
- facilitating communication and sharing of information on best practices among U.S. organizations of all types;
- serving as a tool for understanding and managing performance and for guiding planning and opportunities for learning

Total Quality Management

Total Quality Management (TQM) is a collection of roles and practices that are oriented and strive to always meet or exceed the needs and expectations of the consumer in an ongoing, planned system. What TQM attempts to achieve is a workplace where employees perceive that they have a personal stake in the output. Workers seek to measure against expectations that are achievable and that they have had a hand in setting. Performance is reviewed by their peers and by managers who are active participants in the daily operation of the workplace (Besterfield, Besterfield-Michna, Besterfield, & Besterfield-Sacre, 2002).

PDSA Cycle

Dr. W. Edwards Deming stressed the importance of management's role, both at the individual and company level, in the delivery of quality. According to Deming, 80%-90% of quality problems were under management's control, emphasizing organization-wide cultural change and worker/management cooperation as the path to achieving high quality (Deming Institute, 2013).

Shewart's Learning and Improvement Cycle became popularized through Deming as the PDSA Cycle, as a methodology for pretesting and perfecting before implementation and for continual improvement (PP&S, 2010b; Deming, Orsini, & Chaill, 2012; *Encyclopedia of Business*, 2014). With the goal of reducing the difference between the customer requirement and process performance, Deming developed a number of theories, including his "System of Profound Knowledge" (theories of optimization, variation, knowledge, and psychology), Deming's Seven Deadly Diseases of management that contribute to quality crises, and his 14 points to eliminate these mistakes and help organizations flourish (Deming, 2013; Deming, Orsini, & Cahill, 2012). Deming's 14 points for management (listed below) serve as his complete philosophy of management, a plan that he believed applied to any size or type organization:

- Create constancy of purpose toward improvement of product and service.
- Adopt the new philosophy. We can no longer live with commonly accepted levels of delay, mistakes and defective workmanship.
- Cease dependence on mass inspection. Instead, require statistical evidence that quality is built in.
- End the practice of awarding business on the basis of price.
- Find problems. It is management's job to work continually on the system.
- Institute modern methods of training on the job.
- Institute modern methods of supervision of production workers. The responsibility of foremen must be changed from numbers to quality.
- Drive out fear, so that everyone may work effectively for the company.
- Break down barriers between departments.
- Eliminate numerical goals, posters and slogans for the workforce asking for new levels of productivity without providing methods.
- Eliminate work standards that prescribe numerical quotas.
- Remove barriers that stand between the hourly worker and their right to pride of workmanship.
- Institute a vigorous program of education and retraining.
- Create a structure in top management that will push on the above points every day" (p. 110).

In addition to Toyota, Deming's principles have contributed to the global success of Proctor & Gamble, Ritz Carlton, Harley-Davidson and other well-known organizations.

Quality Trilogy

Dr. Joseph Juran was an important contributor to the Japanese quality movement and a seminal figure in the evolution of quality management in the U.S. In addition to creating the "Pareto principle" for identifying vital processes (80% of the return comes from 20% of the effort), he wrote the first reference work on quality management, the *Quality Control Handbook* (Juran, 2010). Outlining the sequential steps to achieve breakthrough improvement, Juran's book, *Managerial Breakthrough* (1995) serves as the basis for Lean, Six Sigma, and other important quality initiatives.

Juran (2010) describes quality from a customer viewpoint, where the degree of quality achieved is proportional to the number of features that meet customers' needs, especially in design, availability, safety, conformance and use. Rather than just focusing on the end customer, Juran believed that each person along the chain, from internal "customers" to the final user is both a supplier and a customer. While Juran developed numerous quality theories, two concepts in particular serve as the basis for establishing a traditional quality system and to support strategic quality management: Juran's "Quality Trilogy" for managing quality (quality planning, quality control and quality improvement), and his "Quality Planning Roadmap" (Juran 1995, 2010). Juran (2010) identified eight milestones as integral to a quality planning roadmap:

- Determine who are the customers.
- Determine the needs of those customers.
- Develop a product that responds to those needs
- Optimize the product features to meet your needs as well as customer needs.

- Develop a process that is able to produce the product.
- Optimize the process
- Prove that the process can produce the product under operating conditions.
- Transfer the process to operations. (p. 127).

Kaizen

Maurer (2014) notes throughout the 1950s and 60s, the Japanese not only embraced the teachings of these Western quality "gurus" but also expounded on what became enduring concepts. Originally developed and applied by Japanese industry, "Kaizen" is a core principle of quality management in general, and specifically within the methods of TQM and "lean manufacturing" (PP&S, 2010a).

While Kaizen teams analyze systems to find opportunities for continuous improvement, most importantly, Kaizen is a philosophy embedded in the organization's values. As such, Kaizen is lived rather than imposed, employing the following key concepts (Miller, Wroblewski, & Villafuerte, 2013):

- *Every* is a key word in Kaizen: improving everything that everyone does in every aspect of the organization in every department, every minute of every day.
- Evolution rather than revolution: making 1% improvements to 100 things is more effective, less disruptive and more sustainable than improving one thing by 100% when need becomes critical.
- Everyone involved in a process or activity, however apparently insignificant, has valuable knowledge and participates in a working team or Kaizen group.
- Everyone is expected to participate, analyzing, providing feedback and suggesting improvements to their area of work. Management facilitates this empowerment" (p. 176).

International Organization for Standardization (ISO)

Since 1947, the International Organization for Standardization has developed management and leadership standards for business, government, and community, ranging from environmental management to business applications of risk and quality management. The ISO 9000 series, standards that focus specifically on quality management and quality assurance, were developed to help companies achieve customer satisfaction, continuous improvement and regulatory requirements, as well as effectively document the elements needed to maintain an efficient quality system (PP&S, 2010b). The series now includes ISO 9000:2005 (definitions), ISO 9001:2008 (requirements) and ISO 9004:2009 (continuous improvement) (ISO, 2011). It is based on eight quality management principles that can be applied by management for organizational improvement (ISO, 2011):

- Customer focus
- Leadership
- Involvement of people
- Process approach
- System approach to management
- Continual improvement
- Factual approach to decision making
- Mutually beneficial supplier relationships" (p. 17).

After a major update in 2000, the new standards are built around business processes, emphasizing improvement and meeting the needs of customers. Adaptable to all types of organizations, ISO 9001 is unique in that it not only specifies the requirements for a QMS, but also provides tools and a philosophical basis (PP&S, 2010b). While some approaches are based on attitudinal factors, ISO 9001 provides the framework to institutionalize the right attitude by supporting it with policies, procedures, documentation, resources and structure. The benefits of building an ISO 9001-based QMS include the following (ISO, 2011):

- Documenting processes forces an organization to focus on how they do business
- Documented processes create repetition, eliminate variation, improve efficiency and reduce costs
- Corrective and preventative measures are developed and become permanent company-wide solutions
- Employee morale is increased as they're empowered to take control of their work
- Customer satisfaction/loyalty grows as the company delivers proactive rather than reactive solutions
- Better products and services arise from continuous improvement process
- Improved profit levels as productivity improves and rework costs are reduced
- Improved internal/external communications– employees, customers and suppliers are assured a voice
- Verification by third party auditor builds credibility with customer, supplier and competitive organizations (p. 31).

On the downside, ISO 9001-based quality management systems have been criticized for the amount of money, time and paperwork required for registration and maintenance. Further, ISO 9001 certification does not guarantee product or service quality, especially in cases where receiving certification is prioritized over achieving quality.

Six Sigma

Six Sigma is a methodology developed by Motorola in 1986 to improve business process by minimizing defects (iSixSigma, 2011). Six Sigma has since evolved into a broadly used organizational approach that focuses on reducing variations and achieving output improvements through problem solving. Six Sigma practitioners utilize the DMAIC method (define [the problem], measure, analyze, improve, control). Features that distinguish Six Sigma from earlier quality initiatives include the following:

- Achieving measurable financial returns from the project.
- Increased emphasis on passionate management leadership and support.
- A hierarchy of "Champions," "Black Belts," "Green Belts," etc. to implement the Six Sigma process.
- Making decisions on the basis of verifiable data, rather than assumptions" (iSixSigma, 2011).

Six Sigma employs many widely used quality management tools, such as Design of Experiments, Pareto charts, Chi-square test, Cost-benefit analysis, root cause and regression analyses, and more. While the approach has achieved significant bottom-line results for many organizations, it has also been criticized for potential negative effects such as ignoring the customer, stifling creativity (especially in research) and being oversold or inappropriately applied by consultants.

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