

## **SPECIFIC APPROACHES TO QUALITY MANAGEMENT IN PUBLIC INSTITUTIONS**

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**Abstract:** *Maintaining an adequate level of quality is an important prerequisite for successful business or public activity. Quality management is associated with the implementation of continuous control. In the last 20 years and so, public institutions management practices have been shifting from a traditional management approach to a new one – resources and citizens oriented, much more suitable for an efficient approach that can emphasize the level of satisfaction of the citizen's needs.*

*The aim of the present paper is to define basic concepts related to quality management and to demonstrate how the main quality management systems used by public institutions can offer the proper framework for the implementation of such a modern view. Therefore, the paper analyses the implementation of ISO management standards and Common Assessment Framework (CAF) framework within the Regional Administration of Veliko Tarnovo.*

*Conclusions and future directions of research offer a clear view upon the importance of implementation of Total Quality Management (TQM) practices within public institutions and quality standards in order to align the public institutions activity towards a citizen-oriented approach with the capacity to implement strategic partnerships capable to boost public institutions capacity to overcome any challenges related with quality issues.*

**Keywords:** *total quality management, competitiveness, quality standards, public institution*

**JEL codes:** *H50, M11, O32,*

### **Introduction**

Quality management and the proper implementation of specific quality management principles within the activity of public institutions represents a widely debated topic across various fields. Nevertheless, adapting quality management framework, principles and techniques represents both a challenge and a must for the public institutions of our days. In the last decades, researchers and practitioners from the public institutions management have had the opportunity to see the way in which total quality management programs have performed within the public services sector. Different authors take different approaches to TQM. Still, a lot of them consider TQM more like a business management philosophy rather than a set of principles (Rainey, 2009).

TQM presuppose the total commitment from apart of the organization, the quality being assessed at all stages of the production process. Moreover, measuring and maintaining the maximum quality has to be a continuous effort, with a close comparison with the leaders from the same field. The organization should strive to improve the level of quality all the time in comparison with its own previous levels and standards achieved, and the quality measures have to be based on customers preferences and point of view.

A constant trend within public administration management worldwide beginning with the years 2000 was to achieve a more entrepreneurial so-called New Public Management that is results oriented and more cost-conscious, capable to provide high quality services and satisfy the needs of the citizens at a higher level. This orientation implies the usage on a large scale of concepts and

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methods specific to total quality management, cost-benefit analysis, management by objectives, market testing etc.

Taking account of the efforts made by different public institutions to achieve performance and higher quality services, decision makers begin to use on a large-scale programs like Modeling Government – UK; Quality Customer Service Initiative – Ireland; Moderner Staat – Germany, oriented toward citizens needs and a framework that is promoting modernization and competitiveness.

### **Literature review**

Historically, “the development of human civilization has been accompanied by the constant efforts of people to interact with nature (and with each other), thus creating conditions for a better life, security and prosperity. The end results of these interactions may be more or less favorable. The aspiration of individuals is to act in such a way as to avoid unfavorable and to achieve favorable results” (Lilov, 2014, p. 6). In order to achieve better results at the level of any human activities a particular approach has been developed in the form of a specific set of processes with objectives and clear goals. Therefore, management can be defined as “a set of purposeful actions for the organization of one or another process in accordance with the set program or the required law” (Lilov, 2013, p. 10). In another view, management can be said to be "an objectively necessary process, since without it the existence of any system is impossible" (Penchev & Pencheva, 2002, p. 11). "It is a "concrete process." There is no management at all, it is always related to specific objects” (Penchev & Pencheva, 2002, p. 12). When we talk about the specific goals assumed by any kind of management activities we have also to rely on the concept of quality. Quality is "the set of characteristics and properties of a product in terms of its suitability to meet certain and predetermined requirements (ISO 8402)" (Ivanov & Zhelezarov, 1999a, p. 4). I. Ivanov and I. Zhelezarov add the following aspects to the definition: (Ivanov & Zhelezarov, 1999a, p. 4)

- meeting customer expectations;
- market attractiveness;
- the set of features and their values for the objects (objects of production);
- the set of qualities and characteristics of a product or service that relate to their suitability to meet the established requirements.

Modern market conditions bring to the fore the problems related to the competitiveness of economic operators. "This is a topic characterized by its relevance and importance, both for the individual company with its products and industries, as well as at the national level" (Stefanov, 2018a, p. 18). In this modern time conditions, I. Ivanov and I. Zhelezarov consider quality as a factor for competitiveness. For them, “the success of an enterprise is determined by the extent to which it helps to solve a customer's problem through the services or products it offers. The decisive factors for success in the conditions of competition are the term of delivery of the product or performance of the service, the reasonable price, which is determined by the production costs and the quality of the product or service. The importance of quality in this group of factors is growing and gaining a decisive role in the market success of an enterprise ” (Ivanov & Zhelezarov, 1999a, p. 5). In addition, for T. Stefanov "the main task of every company is to retain and increase the number of its regular customers, which could be achieved by building their satisfaction with the purchase and preference of the company product over competitors" (Stefanov, 2018b, p. 382). Therefore, maintaining an adequate level of quality is the basis for the implementation of the above assumptions. Citizens can be associated in case of public institutions activity with customers of public services, nowadays customers asking for modern solutions like online public services, assistance and high level of personalization of the public institution communication. Also, due to the latest developments within society and worldwide economy (pandemic crisis, anxious situation imposed by military conflicts escalation etc) people are more sensitive to the reliability of information sources and multimedia communication requiring a different approach from services providers when we talk about trust, commitment and involvement in the service delivery (Gârdan, et al, 2022). This is the case also with

public institutions services that implies a proper involvement from apart of citizens in order to obtain performance.

Statistical quality management is "continuous monitoring of production processes and products, anticipating the possibility of defective products, taking measures to eliminate deviations in a timely manner" (Ivanov & Zhelezarov, 1999a, p. 27).

As we presented earlier, one of the solutions find by policy makers in order to improve quality of public services rely on the implementation of TQM solutions. TQM implies a series of differences in comparison with traditional management practices that can be seen within the table below:

Traditional management	TQM
Priority on cost	Priority on quality
Quality costs	Quality wins
Satisfaction specifications	Continuous quality improvement
Reactive treatment	Proactive treatment
Quality or quantity	Quality & quantity
Cost or quality	Cost & quality
Senior managers responsible for quality	Senior managers co-responsible for quality
Emphasis on quality control	Focus on preventing defective
Acceptable level of defective	Resetting defective
Product orientation	Market orientation
Who is responsible	How the problem is solved
Focus on production	Focus on product design, process & production
Suspicious about the cost of quality	Systematic cost measurement
Poor quality sources: workers	Poor quality sources: managers & workers
Correction or hide defective	Discover & explore the quality problem
Responsibility for quality: the quality control department	Responsibility for quality: all functions of the organization
Quality is a technical problem	Quality is a management & technical problem

Table no1. Main differences between traditional management approach and TQM approach  
Source: Karyotakis, K. M., & Moustakis, V. S. (2014). Reinvention of public sector: Total quality management and change management. *The European Journal of Applied Economics*, 11(2), p. 34

Advantages provided by the implementation of quality management principles and practices within a public institution (Androniceanu, 2012):

- Finding the proper solutions to simplify and reduce administrative processes;
- Increasing the transparency of the organizational structure and organizational processes in case of public institutions;
- Finding new ways to increase productivity due to more efficient use of staff;
- Implementing the proper way to increase the motivation of employees at the level of all hierar-chical levels of the public institution;
- Developing a better communication between participants within all the process and between specialized departments;
- Improving methods to reduce noncompliance, thus obtaining fewer complaints from citizens;
- Improvement of the public institution image and its market credibility

Another important issue that has to be considered when we talk about TQM implementation within public institutions activity has to deal with the impact that TQM practices can have upon sustainable development of the public institution itself and its performance. From this point of view TQM positively affects service innovation within public sector organizations, and has a significant impact on the sustainability performance within the sector.

Service process innovations can have four dimensions: new service concepts, new client interface, new service deliver systems, new technological options. The implementation of TQM principles within the organizations can lead to the development of innovative services capable to overcome current problems and challenges. Innovation can generate value and sustainable competitive advantages.

TQM can multiply the effect of service innovation on the development of sustainable performance and competitive advantages in the public sector. (Ali AlShehail, Khan, & Ajmal, 2022).

Service innovation positively drives sustainability performance in the public sector.

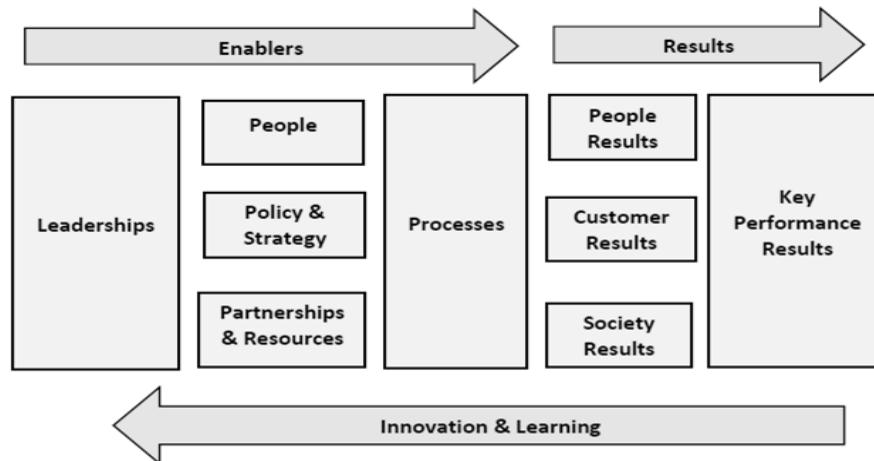


Fig no.1. Public sector performance excellence

Source: adaptation from Ali AlShehail, O., Khan, M., & Ajmal, M. (2022). Total quality management and sustainability in the public service sector: the mediating effect of service innovation. *Benchmarking: An International Journal*, 29(2), p. 390

There is a clear relationship between TQM dimensions, the process of services innovation and the performance within the public service sector

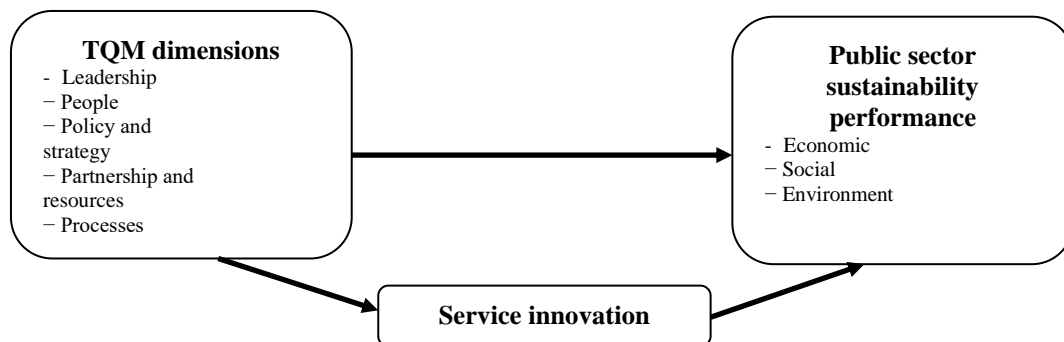


Fig no.2. The inter-relationships between TQM dimensions – sustainable performance and service innovations

Source: Ali AlShehail, O., Khan, M., & Ajmal, M. (2022). Total quality management and sustainability in the public service sector: the mediating effect of service innovation. *Benchmarking: An International Journal*, 29(2), p. 393

### Implementation of ISO in a public institution

One of the most popular and discussed modality that can define today quality management principles application within public administration is represented by the ISO 9001 standard. In the

following we will present the development and implementation of this standard and similar other tools in a public administration environment – more specific the activity of Regional Administration of Veliko Tarnovo.

ISO 9001 is an international standard for quality management systems, published by ISO (International Organization for Standardization). It includes the requirements for quality management systems and is subject to certification (<https://kachestvoto.com/iso-9001/kakvo-e-iso-9001/>).

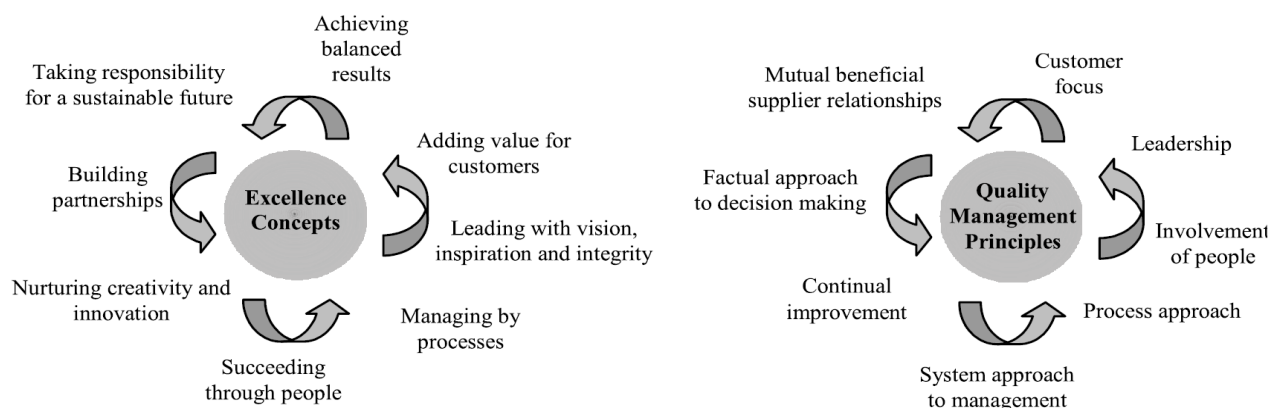


Fig no3. The Total Quality Management Principles that underlie the ISO 9001:2008 standards (quality management principles).

Source: Rosa, M. J., Sarrico, C. S., & Amaral, A. (2012). Implementing quality management systems in higher education institutions. *Quality assurance and management*, p. 135

In 2017, the Integrated Management System ISO 9001 & ISO/IEC 27001 was implemented in the District Administration of the Regional Administration Veliko Tarnovo. It is a continuation of the implemented Quality Management System on 31.05.2005 and the Information Security Management System on 03.02.2009 ([https://vt.government.bg/?page\\_id=2470/](https://vt.government.bg/?page_id=2470/)).

The integrated management system ISO 9001 & ISO/IEC 27001 complies with the requirements of the standard for quality management systems ISO 9001: 2015 and the standard for information security management systems ISO / IEC 27001: 2017.

The certificate № BG20/871942 for compliance of the integrated management system ISO 9001 & ISO/IEC 27001 with the requirements of the standard for quality management systems ISO 9001: 2015 was issued on May 5, 2020, and its validity for continuous maintenance of the system is until May 4, 2023.

The ISO 9001: 2015 certification covers the implementation of a regional policy for the implementation of local government and ensuring compliance between national and local interests, administrative services to individuals and organizations.

In connection with the maintenance of the Integrated Management System (IMS) in the administration an annual schedule for conducting internal audits of the Integrated Management System ISO 9001 & ISO / IEC 27001 is prepared annually ([https://vt.government.bg/?page\\_id=2656](https://vt.government.bg/?page_id=2656)).

In 2020, regarding the ISO 9001:2015 standard, 3 internal audits were conducted: audit of the Directorate for Administrative Legal Services, Finance and Property Management, audit of the Directorate for Administrative Control, Regional Development and State Property and audit for management of IMS documents and management activities.

On April 30, 2020, a recertification audit of the Integrated Management System was conducted by a specialized company, in its part concerning compliance with the ISO 9001:2015 standard. No discrepancies were found during the audit and no recommendations were made. The

implementation of the recommendations given in a previous audit report has been reported. The certifying organization found that a very good form of communication with stakeholders has been established, information on all activities, registers, services, commissions and decisions are available on the website of the administration.

In 2020, according to the approved annual plan for conducting internal audits of the Integrated Management System ISO 9001 & ISO / IEC 27001, in relation to the standard ISO / IEC 27001 1 internal audit was conducted on 14.07.2020, as the conclusion from it is that: "The requirements of the standard are met and the Information Security Management System (IMS) operates efficiently. The staff involved in information security management is motivated and familiar with the regulated requirements, and the degree of efficiency of the processes is relatively high." No critical discrepancies were found during the audit. The audit found a minor discrepancy related to the operation of the diesel unit, for which a request for corrective action was registered. Necessary actions have been taken to eliminate the discrepancy, the compromised parts have been replaced and the functionality of the unit has been restored.

In November 2020, a certification organization conducted a recertification audit of the Integrated Management System in relation to the ISO / IEC 27001 standard, which was completed without any discrepancies. The administration retains its certification according to ISO / IEC 27001: 2017, as the issued new certificate is valid until 02.02.2024.

In fulfillment of the goal of maintaining a high level of system security and operational safety, and in accordance with the requirements of the Ordinance on the minimum requirements for network and information security, technical inspections of the main servers and workstations of the communication system are performed; of technical systems for protection, safety and security: automatic notification system, access control system, video surveillance system, alarm systems, backup power supply system, fire alarm system, evacuation system from the administration building, air conditioning. The administration monitors and maintains systems critical to its activities on a daily basis. Access to network, systems, applications and information assets is restricted and controlled based on information security requirements, taking into account the access control policy.

In order to minimize the consequences of possible critical events, up-to-date copies of the information systems critical for the work of the administration are maintained on a disk array according to an agreed schedule.

### **Implementation of CAF in a public institution**

The Common Assessment Framework (CAF) is the result of cooperation between European Union ministers responsible for public administration. A pilot version was launched in May 2000 and revised versions were released in 2002, 2006 and 2013. The CAF Resource Center (CAF RC) was set up at the European Institute of Public Administration (EIPA) in Maastricht following a decision by the Directors-General. public service fee. He works closely with the CAF network of national correspondents (<https://www.eupan.eu/caf/>).

CAF enables the exchange of knowledge and experiences through the implementation of the framework itself. The users of the network can share and view best practices of the other members having access to a database being capable to compare and asses other solutions that may have a greater potential to offer quality and resilience for public services. The criteria that can be used to appreciate if a certain practice or method is reliable can be considered (Karyotakis, & Moustakis, 2014):

- A) results are focused on citizens as public services customers
- B) results are clear expressed in terms pf performance of the organization
- C) leadership is improved
- D) partnerships and resources are balanced
- E) human resources are suitable for the effort of the public institution to implement new levels of quality

- F) the results regarding human resources performance are consequently oriented towards quality improvement
- G) procedures are aligned with the goals regarding levels of quality
- H) society develop a proper perception upon the public institution effort to improve quality
- I) strategy and plans are balanced within the general framework of improving the quality
- J) general CAF guidance

CAF is an easy-to-use and free tool to help public sector organizations across Europe use quality management techniques to improve their performance. CAF is a tool for overall quality management (TQM), which is inspired by the basic models of overall quality in general and the Model of Excellence of the European Foundation for Quality Management (EFQM) in particular. It is specifically designed for public sector organizations, taking into account their characteristics.

Results of the evaluation clearly indicate the high potential of the Common Assessment Framework as a tool Total Quality Management in Public Administration, as well as in other areas of the public sector in EU countries (Vrabková, 2013).

Total Quality Management (TQM) is a theory-based option that allows public managers to reward truly exceptional individual performance, yet increase the capacity for agency-wide cooperation and process improvement (Milakovich, 1991).

The model is based on the premise that excellent results in organizational performance, citizens/clients, people and society are achieved through strategy and planning of leadership, people, partnerships, resources and processes. It examines the organization from different angles simultaneously - a holistic approach to the analysis of the effectiveness of the organization.

The District Administration participates as a pilot administration in the project "Introduction of the Common Framework for Evaluation of the Bulgarian Administration under the European Quality Management Model CAF", implemented with the support of Operational Program "Good Governance" co-financed by the European Union through the European Social Fund.

According to the schedules prepared by the Institute of Public Administration, within the project 2 trainings were conducted for 9 employees of the administration to be included in the self-assessment team. Its main task is to conduct a comprehensive review of the activities of the organization and prepare a self-assessment report.

The process of implementing the European model for quality management CAF in the administration is to be finalized ([https://vt.government.bg/?page\\_id=2656](https://vt.government.bg/?page_id=2656)).

### **Conclusions and Future Directions of Research**

The article was an attempt to define some basic concepts related to quality management and to demonstrate the basic quality management systems used by public institutions. Both the TQM and CAF concepts are proposing a specific framework adapted to the needs of modern public institutions to implement a better approach to quality within their daily activities. Finding the best solutions that can give to the public institutions the capacity to use opportunities to develop a proper communication with citizens and other partners in the effort to achieve the desired level of quality represents an endeavor that requires the most equilibrated use of resources, peoples and techniques. In the light of the paper's assumptions there is a need to develop public services capable to contribute in a sustainable way to the development of the citizens quality of life and satisfaction – an issue considered by most of the authors as being of tremendous importance in the present (Radu, et al, 2022).

There is a limitation to the study. It is related to the single object of the study, that shows the particular approach of a single public institution which does not give better representation to the whole set of public institutions. However, the development demonstrates some basic points related to the issues under consideration.

It can be summarized that maintaining an adequate level of quality is an important pillar for successful organizational activities, and the proper framework for action in the field of public institutions services implementation.

Future directions of research can be oriented towards qualitative and/or quantitative type of research on public institutions managers aimed to measure or asses:

- perceptions of managers upon TQM practices already implemented within their own institutions;
- attitudes or opinions of the managers about the potential of new TQM practices that can be adapted to the particular situation concerning the level of quality perceived by the citizens;
- measurement of the degree of implementation at the level of the organizational culture inside public institutions of efficient principles related with TQM.

Another viable direction of research may consist in scientific review of the topic concerning practices and results of CAF framework implementation within public institutions bodies across European Union with the identification of a set of indicators that can be used to compare results and best practices.

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