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## MUTUAL DEPENDANCE OF MANAGEMENT AND QUALITY

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**Abstract**. Quality and management are unavoidable conditions of successful business and, therefore, they are mutually dependent. Their mutual dependence is reflected in the following: the quality system connects all other subsystems of management; quality and management are based on the same methods and principles; quality and management are related to the same objects; management makes quality related questions answered; quality and management can be treated as a goal and the way to achieve the goal, in the same time. Therefore, the way to achieve goals of a business system is the way of quality based business system management.

### ESSENCE OF THE PROBLEM

Functioning of a business system is based on its mission, that is on its purpose of existence. Finally, purpose of existence of some business system is the production of certain products or offering of appropriate services. Products and services will be accepted by holders if they are in keeping with their expectations and needs. Therefore, there is no successful enterprise business without quality products and services, but in the same time one conclusion is imposing - quality products and services can not be produced without appropriate conditions. Management creators and office holders have the biggest responsibility in creating of appropriate conditions which are necessary for production of quality products and offering quality services. That is the way of forming of mutual dependence of management and quality. There are data of effects made by companies which had built a quality system. These companies had accomplished: 50 % costs decreasing, increased productivity to 50%, profit increase for 30-40% (several authors, 1994). It is visible that system of quality enables accomplishment of management aims, and that is the reason why system of quality is considered to be an instrument of management. More precisely, management of quality is part of business system management. That way system of quality is influencing business system disorders and disables improvisations in its functioning. System of quality enables to predict events and to rearrange them, and to make the best choice in decision-making. Business systems arise and work in conditions of permanent and big

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changes, which should be handled properly. As these changes refer to all aspects of business system functioning, result is that they also refer to quality, and that is why management of quality becomes an important part of business system management.

Tom Peters defines relationship between management and quality by appointing management of business system as disposition for changes. Reasons for an enterprise to be disposed for changes he sees in, among the rest, "...that quality, design and services must adjust to wishes, needs, possibilities and other preferences of consumers, and also in concurrent activities" (Peters, 1996).

The fact that, when we speak about "quality business system", one doesn't refer only to quality product but also to all key entities of business system (human, processes and product), is also testifying about mutual dependence of management and quality. It is considered (Kostic, 2001.) that it is necessary to define quality for every quoted entity, throughout specification of relevant characteristics of needs which are contented by entity and their metrics, corresponding to the nature of entity. Considering that management is realized in connection to people, processes and products and that needed quality level must be taken into consideration, result is that management system must have its own quality "which is determinate by assemblage of characteristics which contents declared or needs to be understood" (Kostic, 2001.). That is one more argument which speaks about the necessity of existence of relationship between management and quality, and also of the need for analyzing their mutual dependence ways of manifestation.

#### FORMS OF MANIFESTATION OF MANAGEMENT AND QUALITY MUTUAL DEPENDANCE

The fact that system of quality is one of business system subsystems and that integral business system management is necessary for successful business, is pointing to a conclusion that quality of products and services is to a great extent depending on manner in which business system management is implemented. Further in this work we will speak about most important and most frequent manners in businesses system management. Considering the number and complexity of possible forms of manifestations of management and quality mutual dependence, we will not analyze them in details, but only ppoint to important areas of influence and manners of their manifestation.

The most important and the most frequent forms of management and quality mutual dependence are presented as:

- Quality system as a sub-system of the business system is linking all the other sub-systems and allowing business system steadiness (Mitrovic, 1994.), and in that way it is directly and indirectly influencing business effectivity and efficiency, what is directing us to conclude that in between business system, together with management of other functions and activities, quality also must be managed.
- Quality of products and services is an important condition for successful business, and that is why it is considered that general aims of business system are accomplished by management, whose essential is unique to basic aims which can be achieved by quality. So, differences appear at the level of management objective, not at the point of essence or contents of aims which are to be achieved.
- Management and quality are directly linked with changes. If we want the expected quality to be in order with original and expected changes, the knowledge in numerous

scientific disciplines is necessary, and among them, a very important place belongs to management theory. By management theory one can easily find answers to questions connected with the changes which are referring to wishes, needs and other expectations of products and services holders. That is, management of changes is more easily handled than the quality of products and services.

- Realization of management and quality is established on the same principles and it uses the same methods, no matter if that is strategic or operative management, and no matter which aspect or which component of quality we are talking about. Strategic attentions of business system become concrete throughout its mission and aims, and they can not be accomplished if quality of products or services is not achieved, and if their essence does not correspond to adopted businesses philosophy. The application of the same principles and methods in management and business achievement is most completely expressed during the implementation of total quality management (TQM) model and concept. Particularly, " possibility to insure quality of management by use of TQM, which can also be estimated by TQM model, comes from the fact that TQM is an operative mean of management system of organization based on strategic management (Kostic, 2001.). That would lead to integration and multiplication of knowledge which are necessary for forming of superior business systems, and that is the basic aim of all skills and disciplines-and also of quality as a business and scientific discipline.
- Management and quality refer to the same objectives, and the most important among them are processes of products and quality productions. This conclusion is based on the fact that quality is implemented into the product, and product comes as a result of certain processes, which are necessary to be managed. That way, management of processes which are producing the product is in the same time management of quality.

We could speak about the other forms of manifestation of management and quality mutual dependence, but their analyssis would give the same or similar results, which is that there is no successful business system management without the achievement of needed products and services quality level, nor it is possible to achieve such a quality if adequate concept of business system management is not defined.

#### CONCLUSION

Based on presented forms of manifestation of management and quality mutual dependence, following observarions can be given:

- 1. The relationship between management and quality can be understood as a relationship between aim and means, during which management and quality can be treated as aim and mean. The kind of treating management and quality will depend upon the position of their analysis. For example, if the primary aim of business system is quality, than management will represent a mean and factor to achieve a defined quality level. Or, if we evaluate efficiency and effectivity of management, achieved quality level will be one of the key demonstratives.
- 2. Quality is formed in the process of production of the product and it can not be separated from it. To create quality, it is necessary to implement measures and activities of

- different contents in all parts of the work process, and it is not possible without the engagement of a management office holder at all organizational levels and in all phases of the working process.
- 3. Quality is not only a technical problem, it has a multidisciplinary character. Management office holders must know it, or it will become insurmountable difficulty for the implementation of quality system.
- 4. An important and mutual charasteristic of management and quality is responsibility, which comes from authority. It is considered that, if responsibilities and authorities are not completely and precisely determined at all management levels, realistic chances for defined quality level to be achieved are not existing.
- 5. Analysis of management and quality can be partial, but results of such analysis must be resumed differently, that is from the point of their mutual dependance, because every partial approach to analyze the relationship between management and quality would represent a difficulty for collecting of knowledge refering to overall aims of business system. The manner of achievement of business system aims should lead over problem and discipline which is directly connected with management and is influencing its essence. That is why quality is considered to be an effective objective mean of business system management. In the same time, quality should represent a responsibility at all levels and management office holders. That means that quality should be understood as a manner of enterprise management. To neglect product quality is the same as driving a car without a steering-wheel and hoping that finish line will be reached (Cvetkovic,1994.).

To conclude, management and quality are conceptions with essences covering each other, and that is that one can talk about management throughout quality, and the other way round.

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# MEĐUZAVISNOST UPRAVLJANJA I KVALITETA

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Kvalitet i upravljanje su nezaobilazni uslovi uspešnog poslovanja, zbog čega proističe da su i oni međusobno zavisni. Njihova međuzavisnost se ogleda u tome: što sistem kvaliteta povezuje sve druge podsisteme upravljanja; što se zasniva na istim metodama i principima; što se odnose na iste objekte; što upravljanje pomaže da se pronađu odgovori na pitanja u vezi sa kvalitetom; što se kvalitet i upravljanje mogu tretirati i ciljem i sredstvom. Proističe, da put ka ostvarivanju ciljeva poslovnog sistema vodi preko upravljanja poslovnim sistemom, zasnovanog na kvalitetu.

Ključne reči: proizvod, usluga, proces, upravljanje, kvalitet.