

# BUILDING THE QUALITY CULTURE THROUGH THE DEPLOYMENT OF GUNG HO! LEADERSHIP

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## ABSTRACT

*Two of the Eight Principles of Quality Management i.e. leadership and the involvement of people have provided the foundation for the implementation of Total Quality Management (TQM). Besides, in the shop floor, the cautions of high product defect have been dominated by the human factor besides machines and material. PT. United Waru Biscuit Manufacturing (PT. UBM) is a consumer good manufacturer certified by Hazard Analysis Critical Control Point (HACCP). The standard requires the commitment of all employees to guarantee the product quality and safety, in which leadership and the involvement of people aspects play important roles. For this purpose, PT. UBM decided to deploy Gung Ho! Leadership in order to maintain as well as enhance the quality awareness of the employees. The principles of Gung Ho! i.e. (1) The spirit of the squirrel (2) The way of the beaver and (3) The gift of the goose, were being studied, understood and implemented. The implementation begun with the introduction of Gung Ho! concepts, then followed by training and implementation in the production floor. The targets for the Production Department were determined and the measurement of the determined targets was done afterwards. The difficulties during implementation were also recorded and considered for further follow-ups. The six-month-deployment resulted in the decrease of product defect rate from about 5% (initial condition) to less than 2%. Furthermore, the employees' satisfaction evaluation shows that they were satisfied with Gung Ho! deployment. The relationships among colleagues become better, the communication flow more smoothly, information exchange becomes faster and the work pleasure and motivation are advanced.*

**KEY WORDS:** Gung Ho!; quality awareness; leadership; quality culture

## 1. Introduction

The most difficult facet in implementing quality management system is about changing the mind set of the employees according to the expectations that required in the appropriate system. In PT. UBM, for an example, although it has been certified by HACCP (i.e. a food safety management system), its working culture among the employees was still using the previous paradigm. So whenever the new one was adopting, it was unable to be implemented completely. For instance, one of the principles of quality assurance which says that “*the next process is our customer*” could not be well implemented because the employees had taken the quality issue as a part of quality control department. The results as well as the quality of the work were therefore not be concerned by the entire employees. For them, their responsibility is defined as the accomplishment of the work and the achievement of the target. Thus, the product quality is merely the responsibility of quality

control! If this paradigm is still being used, the impact can be the increasing of customer complaints because the non-conformance or low quality finished goods are being delivered. Furthermore, the product will gradually lose its competitive edge.

In fact, kinds of these problems are relatively faced by many companies which have been certificated by ISO 9001, HACCP or any other quality management systems. These companies can not utilize the attained certification to change the organizational culture into the one that orientated on productivity and quality. The certification is being done in terms of customer requirement rather than as a foundation to change the management system into a better one and to increase the company effectiveness from time to time in order to achieve the company goals.

The problem was also faced by PT. UBM, a consumer good manufacturer in East Java, the defect rate in the shop floor was exceeding the

company target i.e. a 5% nonconformance parts. Some initiatives were implemented especially in the Production Department due to the problem such as i.e. giving warning, deducting incentives or assigning suspension policy to the employees. The results did not show any good implications; the employees felt like working under pressure and tended to be resistant. They were averse to change and turned into contra productive and the defect parts were increased steadily.

In relation to this condition, the management of the Production Department began to change the approach. Instead of applying the repressive one, the management decided to take the persuasive and participative approach. The usage of the approach was aimed to (a) build and increase self-awareness and (b) enhance the interpersonal relationships horizontally (among the employees) and vertically (between the management and the workers). The impacts of this management model were: the principle of "*the next process is our customer*" was shaped into the company's daily activities and it eventually brought an improvement on product quality and productivity.

### **PROBLEMS**

The high defect rate in the shop floor and the increasing of the customer complaints were caused by the aversion of the employees to change their mind set and to take the principle of "*quality first*" into their way of working, even though the company has been certified by HACCP. Besides, the repressive approach of the management in the Production Department was inappropriate to make the employee more aware to do a better work.

### **OBJECTIVES**

The aims of the research were:

- (1) To introduce and deploy Gung Ho! Leadership in the company. The model is taken as an approach for self awareness and interpersonal relationships in order to achieve the determined quality objectives.
- (2) To implement Gung Ho! Leadership model in the shop floor (Production Department).
- (3) To measure and analyze the effectiveness of Gung Ho! Leadership model.

- (4) To give suggestion for further implementation based on the current research.

### **BENEFITS**

The company can gain the benefits mainly from the universal value that exists in Gung Ho! Leadership model to build the quality awareness among the employees towards the importance of high spirit of working, the ethics or value that needed in achieving the objectives and the will of giving and helping each other because one depends on others in the livelihood. Furthermore, the company can also change the working environment into a more enjoyable and better one which can result on the increasing of the productivity.

## **2. Fundamentals of Theory**

### **LEADERSHIP**

According to Goetsch (2004), leadership is defined as "*the ability to inspire people to make a total, willing, and voluntary commitment to accomplishing or exceeding organizational goals.*" The definition is emphasized on the concept of how to inspire people. Getting people to inspire, however, constitutes the highest level in human interaction comparing to motivating them; in which the term "*motivation*" often used to describe the definition of leadership. Inspiration, in this case, refers to a motivation that comes from the process of internalization in oneself while motivation emerges as a consequence of external stimulations. A motivated worker will commit on the company goals, but an inspired employee will make the goals as his own visions; he will be totally involved and deliberately committed in accomplishing the organizational goals without waiting for any instructions.

### **GUNG HO! LEADERSHIP**

In fact, there are many leadership model evolved and applied for supporting TQM. Nevertheless, the principles of leadership in those models present the universal values and beliefs, so that they can be employed without concerning different ethnics, races, countries or religions. One of the models that being used in the research was Gung Ho! Leadership; a model that was written and explained by Blanchard & Bowles (2000) in a book titled

“Gung Ho!”. It is stated that the application of the principles of Gung Ho! is able to create the loyal customers -increasing productivity, profits and prosperity – through the “empowered employees” who think they own the place and can make good decisions even when the management is not there.

The phrase “Gung Ho” is derived from the Chinese words “kung” and “ho” that, joined, mean “working together”. Gung Ho came about in 1938 as the slogan for the “China Industrial Cooperatives” (or, in Chinese, the “Zhongguo Gongye Hezhoushe”) when the name of that movement was shortened to “Gong He” and then “Gung Ho”. The slogan was adopted by U.S. Marines during World War II, coming to mean “boundless enthusiasm, energy and dedication.”

The Gung Ho! Leadership model comprises three main principles i.e. (a) The spirit of the squirrel, (b) The way of the beaver, and (c) The gift of the goose; with the brief explanation as follow.

### **Spirit of the Squirrel**

The spirit of the squirrel shows meanings of: (a) why the squirrels should be working hard? It is because they are motivated internally (b) why they are motivated? It is because they have goals/objectives to be reached (c) What are their goals/objectives? Collecting seeds for food supply and (d) why the objectives can motivate them? It is because the lack of food supply can cause the death of the community during the winter. Thus, the motivation of the squirrel to find and collect seeds is not only for the food but the work itself is also importance and worthy to be done!

How can the principle of the squirrel’s spirit be applied in a working condition?

Accomplishing worthwhile work gives your team a sense of purpose. The first concept is based upon people’s desire to make a difference in the world. If employees (family members, etc.) understand the work they do makes the world a better place, the spirit of the squirrel can work to make the team more productive, because they know what they do is important. “Right work” - work that is worthwhile - increases self-esteem.

Shared goals are those in which everyone has some input. Management sets critical goals, team members set the rest. “People support the best what they help create.” There are two types of goals i.e. “Results Goals” set out the activity to be accomplished (how many units are produced, accounts collected, etc.) while “Value Goals” describe the impact the product has on the team, customer and/or community.

The spirit of the squirrel is the organization’s vision for the future; a solid vision buttressed by a supporting set of positive beliefs or values. Without values, workers are lost. “Lacking something to uplift their hearts when difficulties arise, their minds will not be equal to the challenge of achieving their goals.”

### **Way of the Beaver**

Every beaver controls its own destiny keenly. The beavers decide on how to accomplish their works on their own. They operate like independent contractors in building their dwellings by damming up the river flow. If there is a leak in the dam, they will automatically do a repair without waiting for an instruction.

How can the principle of the beaver’s way be applied in a working condition?

The way of the beaver works within the framework of the spirit of the squirrel to allow each employee to act as his or her own boss, reaching goals in ways best suited to his or her own personal style.

The way of the beaver enlists three principles to guide the system. Since Blanchard’s model switches at this point to a football analogy, it’s sort of fun to imagine teams of beavers moving the ball across the field. Territory on the playing field, he says, is clearly marked, with goals and values defining the field and rules of the game. Leaders decide what positions members play, then get off the field and let the players move the ball. Freedom to change comes from each player knowing exactly what territory is his or her own, and goals and values are the sidelines. Players are free to move anywhere within the lines, that freedom derived from knowing how far they can go before they are out of bounds.

Managers decide who plays what position. Employees then have the liberty, and the responsibility, to work to their highest potential. Paradoxically, setting limits on how far employees can go also gives them the freedom to move.

Rather than attempting to make people adapt to the organization, managers must consider employees' natural abilities and knowledge in determining how to make the best use of those skills. Their mission is to present work that is both challenging and achievable, but that also *“requires a stretch”*, demanding the best efforts of the individual within his or her capacity and skills while allowing new learning and advancement into *“uncharted territory.”*

*“Set realistic goals for employees,”* says Blanchard. *“The way of the beaver requires work that is achievable. A manager can not expect to motivate employees beyond their reasonable capacity or beyond their skills and training. People become discouraged and unmotivated when they fail to reach impossible goals. Conversely, goals that don't challenge employees' abilities ultimately drain their self-esteem.”*

### Gift of the Goose

Cheering each other on energizes teammates and provides a sense of accomplishment. The gift of the goose means encouraging one another, and just as all the geese were honking - not the lead goose alone - a team works best when everyone cheers each other on. The gift of the goose brings enthusiasm to the spirit of the squirrel and the way of the beaver.

Like the other components of Gung Ho, the gift of the goose has three parts. First of all, congratulations that are T.R.U.E. - timely, responsive, unconditional and enthusiastic - can not be overdone. And congratulations can be active, praise for a job well done, or passive, getting out of their way and letting them do it. Passive congratulations indicate trust and faith in the employee's abilities. *“Giving competent people the tools for the job and then getting out of their way is always a genuine affirmation.”*

Secondly, congratulations need not wait until the job is done. Blanchard again reaches for the football analogy to describe the importance of cheering not only the final results but progress toward the goal. At football games, fans cheer for each first down, then for each touchdown as it occurs, *“not three months later at the annual awards banquet.”*

Praise that is spontaneous (not planned), individual (not all-inclusive), specific (not general), and unique (not customary) is most effective in motivating people.

Finally, the gift of the goose manipulates Einstein's formula  $E=mc^2$  to denote that the enthusiasm is the product of mission and cash and congratulations. Cash comes first in the equation because individual's material needs must be met before their spirits can be enriched through congratulations.

*“Congratulations offer more potential than cash,”* he says, and while *“the amount of available cash is limited; managers have an unlimited supply of congratulations. It's important to pay people fairly, but managers also should heap on congratulations and feed people's souls.”*

By elaborating those three principles, a plan of Gung Ho! Game, as shown in Fig. 1, was designed and then assigned as the guidance for the following implementation of the Production Department in PT. UBM.

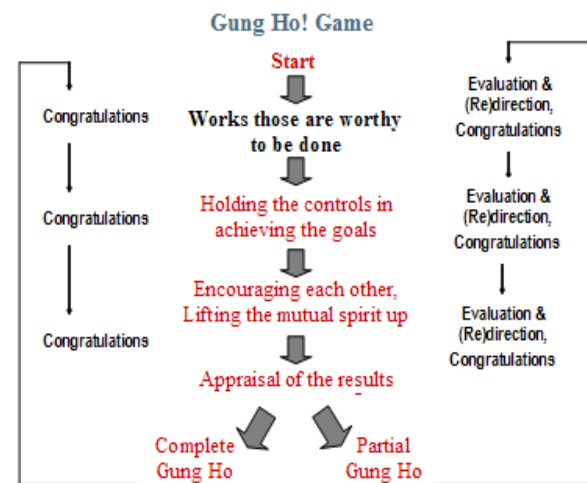


Figure 1. A plan of Gung Ho! Game in PT. UBM

### 3. Methodology

The mediation that being used for the deployment of Gung Ho! Leadership model was the Quality Control Circles (QCC). The QCC, formed and implemented in advance (Rosiawan, 2004), is a kind of participative managerial in executing the implementation of Kaizen for simultaneous quality improvement in that company. The benefits of implementing the QCC in the shop floor included the improvement on quality, the efficiency of working time as well as the enhancement of the employees' togetherness.

During the implementation, the activities covered by the QCC programs could not give the utmost impacts because the activities were inclined to be such a formality. Therefore, it was necessary for the management of the Production Department to re-define the application of the QCC. Adding a new program which is also in compliance with the QCC such as the deployment of Gung Ho! Leadership model is an alternative to make it more attractive.

The following steps that needed to be done in order to implementing the model successfully were explained as follows:

- (1) The introduction and acquaintance with Gung Ho model as a means for reducing the product defect rate in order to attain the target of the Production Department by involving all of the related employees.
- (2) Assigning resources to form the Steering Committee and Organizing Committee as the board for planning and organizing the deployment of Gung Ho in the shop floor. Fig.2 shows the organizational structure of Gung Ho team in which all of the employees in the particular department were involved.
- (3) Socializing Gung Ho leadership into every level of the employees of the Production department. After the Steering Committee terminated the organizational objectives/targets and the rule of games, the Organizing Committee was in charge of socializing them to all level of the related employees with the purpose of

(a) introducing the activities of Gung Ho program and (b) getting the feedback in order to implement the program perfectly.

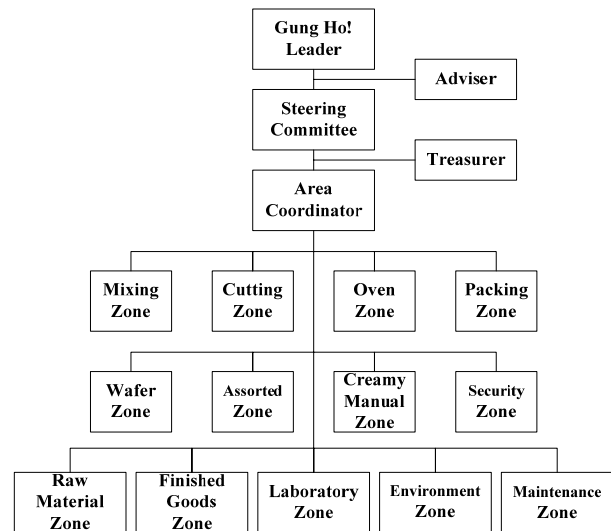


Figure 2. The organizational structure of Gung Ho team

- (4) The training of Gung Ho model. The training was aimed to provide knowledge and skill about Gung Ho to the employees as well as to form the positive attitudes that must be reverred in all level of the employees.
- (5) The formation of the Gung Ho team including the leader and its members. The process of the team recruitment in which the employees of every zone being involved was done voluntarily. The essence of Gung Ho program is to build a good leadership; hence the compulsion to be joined is evaded. The Organizing Committee, however, was very keen on encouraging the employees to be involved due to the advantages they could get such as rewards (incentives) or opportunities and facilities for self development.
- (6) The implementation of the Gung Ho activities. It generally takes 3 to 5 years to be able to reach the comprehensive result of the deployment. Nevertheless, to perceive the progress of the implementation, the evaluation was done semiannually. The result of the evaluation is considered as inputs for the future implementation.

#### 4. Results and Discussion

The implementation of Gung Ho program in PT. UBM involved 13 task forces whose members were from different zones of the Production Department i.e. Raw Material, Laboratory, Mixing, Wafer, Cutting, Oven, Packing, Creamy, Assorted, Finished Goods, Environment, Maintenance and Security.

There were three phases for initiating the Gung Ho activities in the working condition; they are explained as follow.

First of all, some initiatives were taken in relations to the spirit of squirrel i.e.

(a) Socializing the Gung Ho spirit by clapping the hand (giving a toss) and yelling the word of “*Gung Ho*” loudly when the employees meet each other or even they meet their supervisors/managers.

(b) The proliferation of slogans like “*Our work is worthy to be done*”, “*Always contribute to creating world welfare*”, “*Working is a worship*”, etc. in every activity.

(c) Determining the quality objective(s) that needed to be achieved in every zone and making the evaluation by having a weekly coordination meeting (every Wednesday) to analyze any non-conformances and determine the corrective and preventive actions accordingly.

For the first phase, the employees were shown the description of how their individual activities were connected to organizational objectives.

In the second phase, regarding to the way of beaver, the employees were given freedom to act on their own to reach the determined targets. However, the achievement of the goals remained in line with the organizational values like integrity, hard working, self discipline, etc. Such material as “*Emotional & Spiritual Quotient*” was being trained for inspiring them so that they could actualize their inner potency to achieve the goals.

Finally, the principle of the gift of the goose states that congratulations need not wait until the job is done; every success as a result of Kaizen’s implementation in the shop floor should be praised. The praises could be in forms of congratulation (by words) or cash (by

rewards/incentives) as thankfulness to them who had done right things to accomplish the work and reach the goals. Praises increased their working motivation and enthusiasm gradually; and emerged the spirit as well so that the employees were eager to make an improvement on their zones continually.

However, some important things were investigated in accordance with the implementation of those phases, for examples:

(a) Many employees were found not to be so familiar with the Gung Ho greeting; it could be seen that they were unconcerned rather than yelling “*Gung Ho*” when meeting their colleagues.

(b) The motivator or the zone leader did not perform well in the Gung Ho game because he himself did not understand completely the spirit of Gung Ho and its application in working condition.

(c) The routine meetings hardly discussed about the problems they faced in the shop floor. The employees were afraid to reveal the problems because they thought that the problem statement was associated with their poor performance; so they had a tendency to keep the problem quietly. Thus, only a small amount of idea being generated for the improvement.

The moral values which laid a foundation for the achievement of the targets were derived from the members of each zones and used in each particular area. Those values, for instance, are integrity, responsibility, working without instruction, readiness for challenges, pro-active, hard working, carefulness, spirit of working, etc.

The targets were determined according to the main problems that mostly occurred in every zone, for examples, the Oven zone set the target of no overheated biscuit to be achieved in August 2005 where the Assorted zone set a target of up to 1% broken biscuits. After the targets were set, each zone implemented the activities in order to accomplish them. The result of the implementation can be seen in Table 1.

The gift of the goose is implemented along with the Gung Ho program, in ways of:

(a) a-2-hour private supervision which was attended by all of Gung Ho members, the Gung Ho leader as well as the Steering Committee. The topics were about the importance of team cooperation and collaboration and how a team member could encourage another whose spirit were downgrading.

(b) Continuing to give praises (congratulation or cash) to those employees who were fully encouraged and succeeded to make any improvement in their working area.

(c) Arranging various games of Gung Ho to increase the working spirit.

(d) Organizing an outbound training for releasing the saturated working condition and strengthening the team cooperation and personal interrelationship.

### Measurement and Target Evaluation

The target achievement of Gung Ho team was measured and evaluated; the unit of measurement is the percentage of nonconformance parts (% defect) in every area of implementation. The result is presented as below (Table 1).

Table 1. The target achievement of Gung Ho team

Zone	The determined targets that needed to be achieved	Result of Implementation (% defect)	
		Before	After
Mixing	Assure that 100% of the mixes are in accordance with the standard	4,42%	1,36%
Cutting	Assure that 100% of the mixes are stable	1,50%	1,00%
Oven	Assure that no overheated biscuit is found	2,00%	1,20%
Packing	Assure that up to 10% of the cracked biscuits are found	1,86%	0,76%
Cream	Assure that 80% of the creamed biscuits are in accordance with the standard	1,81%	0,99%
Assorted	Assure that up to 1% of the broken biscuits are found	2,33%	0,97%

Packing, Creaming and Assorted zones are the ones that had achieved the determined targets while Mixing, Cutting and Oven zones had not reached the target yet. For the latter zones, the cause-effect diagram was being used to

examine the factors that probably could cause the defect. For an example, the cause-effect diagram for a defect of “*overheated biscuit*” in the Oven zone is illustrated in Fig. 3.

Figure 3. The cause-effect diagram of a defect of “*overheated biscuit*” in the Oven zone

Besides, the evaluation of the employee satisfaction in relation to the deployment of Gung Ho was also being measured. The measurement was aided by a questionnaire in which the likert scale of 1 to 5 – 1 (very unsatisfied), 2 (unsatisfied), 3 (neutral), 4 (satisfied) and 5 (very satisfied) – was being used. The distribution of the questionnaire involved 200 employees and the result of the evaluation is presented in Table 2.

Table 2. Mean score of the employee satisfaction

Dimension	Variable Names	Mean Score Employee Satisfaction
Horizontal relationship	V1=Colleague help	4,38
	V2=Team cooperation	4,65
	V3=Congratulation	4,56
Vertical relationship	V5=Support	4,70
	V8=Warning	4,56
Working condition	V2=Equipment condition	4,20
	V3=Working place condition	4,48
Wages	V6=Take Home Pay	4,42
Opportunity	V9=Opportunity	4,74
Responsibility	V10=Responsibility	4,65
Challenge	V11=Challenge	4,72

Table 2 shows that the mean scores for all of the dimensions are above than 4; it means that

the employees were satisfied with the implementation of Gung Ho activities in every aspects. Even though the deployment of Gung Ho had not done in a quite long time (six months), there were some significant improvements on the working area. The informal interview with several employees indicated that the working environment is now becoming more enjoyable because of such Gung Ho activities as a 15-minute exercise in the morning, games in the break time, the interview from company radio to share the experience, etc. Additionally, they felt that they were trusted and given the opportunities to solve the problems in their working place with their way.

Berdasarkan tabel 2 terlihat bahwa pada semua dimensi menunjukkan nilai mean score diatas 4, hal ini berarti karyawan merasa puas terhadap aktivitas Gung Ho, baik dari segi hubungan pekerja, hubungan atasan, kondisi kerja, gaji, kesempatan, tanggungjawab dan tantangan. Walaupun penerapannya relatif belum lama (6 bulan), namun telah terjadi upaya perbaikan di tempat kerja yang cukup signifikans. Hasil wawancara informal terhadap beberapa karyawan, mereka menunjukkan bahwa suasana kerja lebih menyenangkan karena aktivitas-aktivitas Gung Ho lainnya seperti senam pagi 15 menit di tempat kerja, break time yang diisi dengan game-game berhadiah, wawancara di radio perusahaan untuk berbagi pengalaman, dsb. Selain itu juga, mereka merasa telah diberi kesempatan dalam memecahkan masalah yang ada ditempat kerja sesuai dengan cara mereka sendiri.

## 5. Conclusions

The successful implementation of Gung Ho! Leadership, mostly influenced by the high commitment that devoted by the management

Keberhasilan Gung Ho leadership ini, banyak dipengaruhi oleh komitmen tinggi dari pimpinan perusahaan dan manajer produksi yaitu dengan menyediakan resources yang dibutuhkan pada saat pelaksanaan. Selain itu

juga mereka hadir di setiap pertemuan-pertemuan mutu dalam forum GKM/Gung Ho. Faktor keterlibatan karyawan juga amat sangat mempengaruhi keberhasilan ini, karena keanggotaan Gung Ho bersifat sukarela. Memang di awal-awal program, karyawan yang terlibat relatif sedikit, namun dengan hasil yang telah dicapai oleh anggota gung Ho di masing-masing zona, telah memberi motivasi tersendiri kepada rekan kerja yang belum ikut menjadi tertarik ikut Gung Ho.

Currently, all of the employees of the Production Department have joined the Gung Ho program, and will be followed by other staff from the office section

Saat ini, seluruh karyawan departemen produksi telah ikut program Gung Ho, dan akan segera diikuti oleh teman-teman mereka di bagian kantor (staff).

Dalam melakukan perbaikan mutu kerja, para karyawan masih tetap menggunakan alat-alat mutu seperti diagram pareto, peta control, check sheet, diagram ishikawa, dsb. Yang telah mereka pergunakan di aktivitas GKM. Saat ini, dengan adanya Gung Ho, mereka lebih semangat belajar dengan meminta diajari penggunaan alat-alat statistik lainnya untuk pengendalian proses agar reduksi cacat atau peningkatan mutu proses selalu tertingkatkan dari waktu ke waktu.

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