

Quality Management Challenges in Romania

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1. Introduction

Romania is one of the 45 sovereign states of today's Europe. It is a medium-sized Central European country with a medium development index. As other former "socialist" countries of region, Romania faces actually two main challenges: the *transition to democracy, free market economy and Information Society* as well as the *integration into Western-European and Euro-Atlantic structures*.

Romania's *area* is 237,499 sq.km (91,699 sq.mi) – somewhat smaller than New York and Pennsylvania combinedⁱ. Romania's *population* is 22.5 million – i.e. about two times the population of New York metropolitan area. But Romania's *population density* is about three times higher than in USA. About 89% of its people are ethnic Romanians and Orthodox.

According to a recent Report of the US Department of Stateⁱⁱ,

"Romania is a country of considerable potential: rich agricultural lands; diverse energy sources (coal, oil, natural gas, hydro and nuclear); a substantial if aging, industrial base encompassing almost the full range of manufacturing activities; an intelligent, well trained workforce; and opportunities for expanded development in tourism on the Black Sea and in the mountains (...).

Romania has made great progress in institutionalizing democratic principles, civil liberties, and respect for human rights, since the revolution (1989)(...).

Nevertheless the legacy of 44 years of communist rule cannot quickly be eliminated."

2. Former Passive-Repressive Approach of Quality

The former socialist-communist rule kept Romania isolated from the Western World for almost half a century (1945-1989).

After 1960, Romanian companies (some hundreds, especially large and medium sized, all state-owned) introduced the so-called "State Quality Control" as expression of *Passive-Repressive Approach of Quality*.^[1]

It involved:

1. *More as 12,000 compulsory State national standards*
2. *Legislation and rules implementing exclusively the State Quality Control* (i.e. compulsory creation and operation of a *Quality Department* in each company, emphasizing of products tests and *inspections* - as receiving inspections, self-inspections, in-process inspections and end inspections - and only seldom of Quality Control involving processes; ignoring of principles of Quality Assurance and Total Quality Control, etc.)

3. Foundation and operation of *central and local governmental agencies* (the so-called "*Quality Police*") aimed to over-check products and to punish (especially financially) companies' staffs and employees found "guilty" for not having provided quality products.

It seems this approach originated from USSR (via GOSSTANDARD) and was common for *all* former “socialist” countries (from Europe: Albania, Bulgaria, Czechoslovakia, Eastern Germany, Hungary, Poland, Romania, USSR, and from Asia: China, Mongolia and Vietnam). This approach was based on *Taylor’s Scientific Work Organization Principles* and on the *command-and-control approach* existing in USA, as “the result of a history of political and military management, as a basis for business management”. [2]

3. Transition to Quality Assurance Approach

After the fall of Ceausescu’s autocratic and self-sufficient regime, in 1989, this approach was immediately abandoned and the “Quality Police” dismantled. A transitional governmental agency was created in February 1990, namely the *National Commission for Standardization, Metrology and Quality* (employing over 3000 people), in order to realize legislative and institutional necessary changes. As President of this body, I managed it in order to elaborate and promote appropriate draft Laws and draft Governmental Decisions on *standardization, metrology, certification* (of products, services, persons and quality systems), *accreditation* (of organizations, test laboratories, etc.), and *consumer protection* (a new concern in all European emerging democracies). These drafts attempted to *harmonize Romania’s legislation, structures and procedures with those of European Community countries*. Consequently, after promulgation of these new regulations, in 1992, this agency was suppressed. According to these new regulations, national Romanian Standards became *voluntary* and *fundamental rights* of consumers were officially recognized and granted in Romania. A new governmental agency has been founded i.e. the *Office for Consumers’ Protection*. Over hundred non-governmental *Associations for Consumers’ Protection* were created in all important cities of Romania....

Beginning 1992, some ***profit or non-profit, non-governmental organizations***ⁱⁱⁱ were founded in order to deal with all these aspects - on a private basis - at local, county or national level. Romanian Government decided to involve itself in quality matters, only very few, mostly in *metrology* (for some metrological tests) and in *consumer protection* (for consumers’ rights protection through market monitoring).

Between 1991-2000, a third of Romanian companies were privatized and a lot of companies (both state-owned or private) attempted to become profitable and even competitive on foreign markets, by adopting ***ISO 9000 quality systems*** and by certifying them. That was a *difficult step* aimed to initiate and achieve the transition from Inspection to Quality Control and Quality Assurance. **The State Quality Control was dead but its heritages are still alive** (some of them are: lack of managers’ commitment for quality, lack of employees’ motivation for quality, and even some resistance to change). Thus, in Romania, quality is no longer the “State’s problem” but everyone’s problem! The former bottom-line orientation in quality matters begun to be replaced by a *general concern of all employees for quality*.

4. “Joseph M. Juran Romanian Quality Award”

In 2000, it was launched in Bucharest, capital of Romania, the “Joseph M. Juran Romanian Quality Award”. We decided to pay thus homage to a worldwide famous American citizen (*born in Braila, Romania, in 1904*), Dr. Joseph Moses Juran. This Romanian Quality Award is based on the former *EFQM European Model of Excellence*, i.e. the European Quality Award used in Europe till 2000.

I had the privilege to meet Dr. Juran first, in 1990, in Dublin, at the EOQ-Annual Conference. I was very impressed by his knowledge of quality challenges and issues in Central

and Eastern European countries. In 1992, Dr. Juran became a Honorary Member of Romanian Academy. His books are already known in Romania, but not yet translated (except the famous “Juran’s Quality Handbook” to be published soon and another book published in 1970)

In 1991, EFQM - the European Foundation for Quality Management - launched the *European Quality Award*. Its criteria are similar to those of US *Malcolm Baldrige National Quality Award*. There are in all **9 basic criteria**, of which **5 criteria** are representing “enablers” (i.e.: Leadership, People Management, Policy and Strategy, Resources Management, Processes) and **4 criteria** are representing “results” (i.e.: Customer Satisfaction, People Satisfaction, Impact on Society and Business Result). Weights of enablers and results are equal (50%-50%). “Joseph M. Juran – Romanian Quality Award” adopted the same criteria, sub-criteria and weights as those of European Quality Award.

In February 2001, the *first Romanian awarded companies* were presented (by the President of Romania, Ion Iliescu). Before, Dr. Juran sent them the following message:

“I have been informed by Dr. Dragulanescu that in November of this year there will be announced the first winners of the J. M. Juran Romanian Quality Award. In my view this is an important forward step for the Romanian economy.

In this connection it is noteworthy that Japan, a country once ridiculed for the poor quality of its exports, has become an economic superpower chiefly because it attained world leadership in quality of products. One of the actions it took to attain that leadership was the creation of a national award for high quality.

Many other nations have since created such awards. Their experience has demonstrated that the existence of a national quality award, plus publication of the criteria used to judge the merits of applications for the award, tend to stimulate companies to improve their own quality. Moreover, when one company in a specific industry receives such an award it stimulates other companies in that same industry to bring their quality up to the level of the award winner.

So it gives me much pleasure to congratulate this year’s award winners and to extend to all Romanian institutions my best wishes for continued progress in improving quality, year after year.”

5. Promotion of European Quality Policy in Romania

Dr. Tom Foster was very right when he noticed “Culture plays a greater role in European quality practices that it does in United States”.^[2]

Within a project funded by European Union, the Romanian Foundation for Quality Promotion (Bucharest, Romania) is now promoting the **European Quality Policy** in Romania, preparing thus Romanian mentalities for the future adhering of Romania to European Union, CEE and NATO.

In an *increasingly globalizing economy*, the European Quality Policy^{iv} is based on Quality Management concepts that place individual at the center of every organization. Part of the European Commission's new industrial competitiveness initiatives, the **European Quality Policy** was developed to provide the humanistic component of Europe’s competitiveness policy. It was designed in cooperation with the various stakeholders (including *European and national quality organizations, trade associations, chambers of commerce and national authorities*), to develop **a favorable environment in which companies and public administrations in Europe aim to achieve excellence in terms of their outputs and internal organization for the benefit of society as a whole**. As such, it is a logical step on the road from *conformity with safety regulations to competitiveness and business excellence*, through Quality Management principles.

[3],[4] This project includes *editing and distributing of publications (books, leaflets, brochures)*, as well as some *workshops and education and training actions*..

There are actually in Romania **over 700,000 companies** (of which, **over 1000** are already certified ISO 9000, but none implemented the Total Quality Management, as European version of American TQC), **over 100 accredited test laboratories**, **some dozens of certification bodies**, **over 50 consultancy / education and training organizations for Quality Management**, and even **two magazines on quality matters** (with nation-wide distribution): “Q-Media” and ”Tribuna Calitatii” (“Open Forum for Quality”).

6. American - Romanian Economic Cooperation

US companies invested in Romania^v, between years 1990-2000, about US\$3 billion, (especially in software development). Romanian companies and other organizations are interested in development of economic and trade partnerships with interested American companies.^{vi}

The American-Romanian Chamber of Commerce^{vii} (AMROCHAM) is an organization founded in 2000, whose goal is to promote and strengthen the commercial, financial and investment relationships, between the USA and Romania.

Romanian Foundation for Quality Promotion would be interested to co-operate with American *organizations and professionals interested to promote American quality* concepts, principles, methods and practices (especially TQC) in Romania. They will be welcome in order to help us to remove the heritages of the former passive-repressive approach of quality and to define, promote and implement a future *Romanian National Policy of Quality*. The *US Baldrige National Quality Program* is a model for Romanians!...

Notes:

ⁱ *World Almanac and Book of Fact s- 2001*; World Almanac Book, 2001

ⁱⁱ *Background Notes: Romania*; US Department of State, July 2000, Bureau of European Affairs

ⁱⁱⁱ Like, for example:

-FRPC - *Romanian Foundation for Quality Promotion* (education and training in Quality Management) – as Romanian Associate Member of European Foundation for Quality Management (EFQM, <http://www.efqm.org>)

-ARC - *Romanian Association of Quality* (training and certification of quality professionals) - as Romanian Full Member of European Organization for Quality (EOQ, <http://www.eoq.org>)

-SRAC - *Romanian Society for Quality Assurance* (certification of quality systems)

-ASRO - *Romanian Association for Standardization* (Romanian Standards) – as Romanian Member of ISO, CEN, CEI/CENELEC, ETSI, etc.

-RENAR – *Romanian Accreditation Association* (accreditation of test and metrological laboratories, of certification bodies, etc. <http://renar.infopartners.ro/>)

^{iv} <http://www.eoq.org/EQW/EuropeanQualityPolicy.html>

^v See website of US Embassy in Bucharest (<http://www.usembassy.ro>)

^{vi} See website of Romanian Embassy in Washington (<http://www.roembus.org>)

^{vii} See website of American-Romanian Chamber of Commerce (<http://amrocham.org/>)

References:

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2. Foster S.Thomas – *Managing Quality - An Integrative Approach*; Prentice Hall, New Jersey, 2001
3. Dragulanescu, Nicolae, Niculescu, Cristian – *Quality Management* (in Romanian), Editura NICULESCU, Bucharest, 2000
4. Dragulanescu, Nicolae – *Study of Quality of Products and Services* (in Romanian) , Editura NICULESCU, Bucharest, 2000