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## Unused Potential of Quality Management Systems of the Russian Companies: an Empirical Study

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**Abstract:**

*The perception of ISO 9000 standards, their use and effectiveness of quality management systems (QMS) of companies around the world is ambiguous; there are ongoing discussions about the benefits and advantages of the standards, as well as their limitations. In this article the results of an empirical study are presented, conducted in the format of an online survey to identify the perception of ISO 9000 by intersectoral group of respondents - Russian enterprises and companies of the real economy and services. The survey identified the factors of implementation, benefits and the main problems of the use of ISO 9001:2008, as well as the approach to the international standard ISO 9004:2009 and a draft of a new version of ISO 9001:2015. According to some survey results the answers of the Russian respondents were compared to the responses received during the study of TC 176 ISO in 2010-2011.*

*In accordance with the study results the following conclusions about zones of incomplete use of the QMS potential of Russian companies are formulated: insufficient focus on customer satisfaction, the surveyed companies don't see the connection between QMS and its financial results, Russian companies don't see the benefits of increasing the commitment (commitment interest) of QMS management, most actual problems of QMS in companies and organizations are: the process approach in practice, the lack of involvement of senior management in the QMS and the lack of leaders, organizations do not make a proper emphasis on continuous improvement, there is little use of the international standard ISO 9004 by companies and organizations in their activities, though many of them know about this standard.*

**Key Words:** *Quality management system (QMS), ISO 9000 standards, Internet-survey, companies and enterprises, consumers, problems.*

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## 1. Introduction

The first-class quality cannot be achieved without excellent management (Dahlgard et al., 2001). For any company, it is vital to maintain and develop effective QMS, which allows developing effective ways to improve customer satisfaction with the product quality, providing increased efficiency and competitiveness of companies in today's dynamic business environment.

International standards for QMS first appeared in 1987 in order to create a reliable and transparent mechanism to ensure the quality of all aspects of company life. This is the standards developer's design and currently approach to quality management based on international standards ISO 9000 is internationally recognized.

QMS is a model of the organizational behavior aimed at improving the quality in order to meet the demands of concerned parties. The need for the formation of QMS in the organization appears under the influence of a considerable number of factors. On the market with increasing competitiveness a company cannot hope to survive if it:

- doesn't know exactly what its clients want;
- doesn't have a well-functioning way to convert clients' needs into the working process;
- doesn't coordinate all the tasks and processes with strategic and tactical business objectives;
- doesn't involve every employee in the process of continuous improvement;
- doesn't see and doesn't improve key business processes;
- doesn't meet the needs of its clients.
- In the current market conditions for the survival an organization should be able to:
  - retain and satisfy customers' requests;
  - conquer a larger market share;
  - develop new marketing strategies;
  - apply strategies;
  - adapt to the external environment.

Prerequisites stimulating companies for the development and implementation of QMS, can be subdivided into two groups: external and internal. The external prerequisites for the formation of QMS include:

- 1) the formation of the government system of compulsory licensing of certain activities, facilities, manufacturing and services (e.g. development and production of weapons and military equipment, communication equipment and other strategically important products), depending on the availability of certified QMS;
- 2) legislation of some countries, and since 2000 the Russian legislation has also required confirmation of compliance for the modern scientific and technical level in all the disputes, related to the quality and safety of products and services. A certified QMS can be considered as such proof;

- 3) availability at a company-vendor of certified QMS allows it to overcome a number of non-tariff (technical) trade barriers without additional financial, organizational and time costs;
- 4) in some countries, government contracts are associated primarily with the availability of certified QMS in the company;
- 5) receiving subcontracts from foreign customers by a company, as well as from Russian companies operating in the export, often depends on the presence of the QMS;
- 6) tendering and other competitive forms of placing orders for the supply for both the external and the internal markets as a condition often includes requirements for the presence of certified QMS at the supplier. For example, in Russia, this condition applies to the supply of products of the fuel and energy complex, chemical and other industries;
- 7) QMS certification provides the company with the necessary level of confidence in the market and increases its business reputation as a certificate of conformity is a common quality assurance. So for a little-known manufacturer the certificate issued by a well-known certification body is a kind of letter of recommendation of the expert organization, recognized as the authority in the field;
- 8) the possibilities of insurance, factoring, loans and some other kinds of support by financial institutions of transactions for the supply of products and services to foreign and domestic markets often require proof of stability of the company, especially in terms of the risks associated with the quality and safety of products. It also can be confirmed by the presence of certified QMS to a certain extent;
- 9) prospects for the establishment of companies with foreign capital increasingly depend on the availability of certified QMS in partner companies. Thus, according to potential investors in case of the absence of QMS there is no guarantee of the consistency of the company's management in terms of quality, which in its turn causes certain difficulties to enter new markets.

In its turn, the internal prerequisites for development and implementation of QMS in the companies are characterized by the following points:

- 1) one of the most important stages of creating a modern management system associated with the introduction of QMS as a significant part of the basic functions of business management is to some extent related to the quality;
- 2) the presence of QMS improves the quality of management of the company as a whole. The optimal combination of management functions and scope of the delegated authorities, responsibility matrices and other tools offered by ISO standards for QMS, can significantly improve the quality of management and change the role of top management, focusing the attention primarily on their strategic management;
- 3) QMS functioning helps to prevent claims and customer complaints as the level of defects is significantly reduced. The design principles of

- international standards orient companies to the formation of a clear mechanism of preventive and corrective measures in the field of product quality;
- 4) QMS can significantly reduce the cost of rework and thus reduce production costs. So-called hidden production, rework, which accounts from 30 to 40% of labor costs, is greatly reduced with the implementation of QMS;
  - 5) QMS functioning involves all personnel in quality assurance at all the stages of the product life cycle - from demand analysis to maintenance of end products, which significantly increases the responsibility for the quality;
  - 6) the presence of the QMS in the company contributes to the growth of its assets. Intangible assets of the company may be increased by increasing the cost of the brand, consistently manufacturing high-quality products. Financial assets may be increased due to the capitalization of income caused by the increase in turnover (growth rates of high-quality products price, development of new markets, etc.). After QMS certification by authoritative body for conformity assessment the stock value of joint stock companies often increases.

However, on the other hand, it should be recognized that the role of the international standards ISO 9000 in improving product quality and competitiveness of the company is still an open question. Studies show mixed results, in practice, the effectiveness of QMS is often low because of the poor level of implementation and its maintenance in working condition. The problem of unrealized potential and benefits of QMS is relevant for many Russian and foreign companies

The hypothesis of this study is the judgment that Russian companies and organizations not fully comprehend and use the potential of QMS to improve their performance.

## 2. Background

Specialists in the field of quality can be divided into two groups. The first group includes those who believe that the competitive world requires a complete rejection of the usual approaches and work style in order to create a completely new management culture. Such views are characteristic mainly for the Japanese experts and Deming (2000) who is the famous American scientist. A second group believes that the constant improvement of existing systems with an emphasis on quality allows companies to survive and remain competitive. This group includes Dzurán (1989), Crosby (1979), Feigenbaum (1961).

An analysis of the peculiarities, advantages and problems of formation and improvement of QMS is presented in the works of: Dahlgard-Park, & Dahlgard (2010), Oakland (2011), Salgado, Silva, Mello, & Silva (2014); Jain, & Ahuja (2012); Alič (2014); Nargesi, Baniani, Galankashi, Ziaei, Zahraee, & Abdolghader (2013); Poksinska (2010); Cagnazzo, Taticchi, & Fuiano (2010); Chatzoglou, Chatzoudes, & Kipraios, (2015), Gorbashko (2008), Belobragin (2013), etc.

Analysis of scientists' works in the field of quality allows highlighting certain trends in the development of quality management in recent decades. The development of these trends is impacted by globalization processes, active development of international trade, growing impact of various categories of parties on the company's activities, harmonization of the implemented approaches in the quality management field based on international standards.

To the most important trends in quality management can be referred the following:

- distribution of not only industrial standardization of management system, but also the standardization of requirements for management systems in the most important aspects of quality, environment, health and safety, social responsibility, risk management, etc.
- participation of companies in a variety of national and international competitions for quality and use of self-assessment as a tool for continuous improvement;
- distribution of approaches, methods and tools of quality management on the practice of service organizations, social services, public authorities;
- further development of the concept of TQM, organizational models, focus on achieving the sustainable success of the organization, including through the application of the provisions of ISO 9004:2009, the emergence of the ideas of the concept of global quality management.
- transition to integration of the concepts of quality management and sustainable development.

These trends are largely defined by the extension of the range and the increasing influence of parties on the activities of the company, and at the same time due to the peculiarities of the modern environment, that are characterized, firstly, by the variability caused by technological progress and growing competition, and secondly, by the globalization (market, demographic and informational). A trend that leads to the development of the above mentioned processes and mostly shown under the influence of these factors is the implementation in the companies of production and non-production sphere of QMS based on the requirements and recommendations of ISO 9000.

However, the effectiveness of certified QMS companies remains controversial. Skripko (2015) notes: "The situation of the initial "enthusiasm" is often changed by a complete disappointment with ISO 9000". Scientists call the reasons for this situation: the reluctance to restructure the entire management system, lack of resources for the implementation of QMS, low flexibility in reaction to changes in the needs of companies etc. Goryachev (2013) says that if senior management does not use the QMS terminology, does not reveal QMS performance issues at meetings, does not require the execution of the relevant documents, then the medium (and especially lower) link will refer to the QMS as an unnecessary set of documents that "disturbs work because of the extra load on the staff." Statsuk et al. (2012) note that the implementation of QMS in many national companies is carried out as a regulated

activity, but not as necessary for the improvement of the company management system.

According to some data, not more than 20% of QMS of Russian companies appeared to be productive (Standards and Quality, 2014).

QMS has huge potential to improve the efficiency of the company; however, this potential is often not realized. Our research is conducted in the context of clarifying the problems and areas for QMS improvement.

### 3. Method

With the aim of the perception of ISO 9000 standards and to identify problems in the implementation of QMS by the companies we conducted an online survey using Google Docs service.

Before we conducted the survey we had analyzed the number of certificates issued to the QMS worldwide and in Russia. At the beginning of 2014 more than 1.1 million certificates of compliance with ISO 9001:2008 were issued in 187 countries around the world (ISO, 2014). There was an annual increase in the number of certificates issued, over the period from 1994 to 2013 the growth rates ranged from 2 to 81% per year (except for 2003 and 2011 in recent years of the transition to the new version of the standard). More than 84% of certified companies accounted for European countries, East Asia and the Pacific, while the share of the second region increased from year to year. The leading countries in the number of issued certificates are China, Italy, Germany, Japan and the United Kingdom. The top ten countries account for 72% of the total issued certificates. Among the post-Soviet countries, Russia is the main leader with a number of about 12,000 certificates; the other countries have fewer certificates. The top ten countries in this group account for only 1.4% of the total number of certificates issued (Table. 1).

**Table 1.** The leading countries in the number of certificates issued on ISO 9001:2008

Globally leading countries	The number of certificates	The post-Soviet countries	The number of certificates
1. China	337033	1. Russia	11764
2. Italy	160966	2. Ukraine	1275
3. Germany	56303	3. Estonia	936
4. Japan	45990	4. Latvia	923
5. UK	44585	5. Kazakhstan	527
6. Spain	42632	6. Azerbaijan	256
7. India	40848	7. Belarus	130
8. USA	34869	8. Moldavia	120
9. France	29598	9. Georgia	95
10. Brasil	22128	10. Armenia	17

Total	814952	Total	16043
% of total	72%	% of total	1,4%

The world's highest number of certificates issued is accounted for the following industries: basic metal & fabricated metal products (13%), electrical and optical equipment (9,8%), construction (9%), wholesale & retail trade; repairs of motor vehicles, motorcycles & personal & household goods (8,2%), machinery and equipment (7,1%), rubber and plastic products (5%), engineering Services (4,3%), chemicals, chemical products & fibres (3,8%), food products, beverages and tobacco (3,6%), transport, storage and communication (3,5%), information technology (3%), health and social work (3%), education (2,2%). Other sectors have a share of less than two percent (International Organization for Standardization, 2014).

For our survey we selected 30 companies and organizations from 5 Russian cities: Moscow, St. Petersburg, Kursk, Ulyanovsk and Saransk. The process of the study consisted of the following steps:

- 1) *setting the study target and formulation of the hypothesis.* The specific target of the survey was to check the hypothesis of underestimation and significant underutilization of capacity in the Russian organizations;
- 2) *questionnaire design and its placement on the Internet using Google Docs.* The questionnaire included 17 questions connected with the clarifying the attitude of the respondents towards the international standards ISO 9000, the benefits and the problems of the standards;
- 3) *selection of companies with certified QMS, and their invitation to participate in the survey.* The criteria for the selection of respondent companies were the following: the company should be a noticeable subject in the industry in its region, the presence of functioning and effective QMS, a desire to participate in the study. The quality managers or service quality managers were asked to fill in the questionnaire. A profile without specifying the name of the company with the reference to its economic activity was received from each company. Sectoral distribution of the following companies and organizations: 55% were the companies engaged in the manufacturing of material goods, and 45% were the companies that provided services. The first group of companies-respondents refers to the following economic activities: manufacturing of food products, manufacturing of medical equipment, assembly of electronic equipment and appliances, construction materials, manufacturing of cable products. The second group: higher education, the rendering of communications services (telecommunications), safety in shipping, ship repairing and industrial safety.
- 4) *collection of responses.* The survey was conducted in the period from February 24 to March 6, 2015. According to the number of the workers in the organization the numbers were the following: up to 100 people - 9%, 101-500 people - 18%, 1001-2000 people - 45%, 2001-3000 people - 9%, 3001-5000 people - 9%. 82% of the companies and organizations have the



QMS, certified for compliance with ISO 9001:2008 for 5 years or more and 18% - more than 3 years. 55% of the companies certified their QMS in Russian and international certification systems, 27% - only in the international system of certification and 18% - only in the Russian system of certification.

- 5) *analysis of the study results*;
- 6) *feedback from respondents* (expression of gratitude and familiarization with the generalized study results).

#### 4. Results

The question of whether the QMS is a main mechanism of the quality and competitiveness of products and the organization guarantee, was answered the affirmative "yes" by 27% of the respondents, "to a certain degree" – by 64%, while 9% chose "other variant". As we can see from the answers, the majority of respondents considers the QMS as a tool to ensure the quality and competitiveness of the company. All the respondents noted general improvement in the activity in the studied companies thanks to the introduction and certification of QMS for compliance with the international standard ISO 9001:2008.

From unstructured interviews with respondents the following main positive results of QMS formation for companies can be chosen: adjusting of the documentation and work flow, formalization of the quality requirements for processes, greater focus on customers' needs, identification and elimination of inconsistencies during the process and in the results of audits, the desire to prevent defects in the work, greater awareness of managers and employees of the quality and quality management principles etc.

All the studied companies chosen "standard" approach to the formation of its QMS based on ISO 9001. However, some managers had heard or knew about the "non-standard" approaches to the management systems, for example, based on the EFQM model. However, "non-standard" concepts of quality management and business excellence are not used officially. According to the survey we see the main factors influenced the choice of the companies on the international standard ISO 9001:2008 as the basis for building QMS (Table 2).

**Table 2.** The main factors influenced the choice of the ISO 9001:2008 for certification

Factors	%	ISO study, %
Customer's satisfaction increase	18	36
Market demand	91	31
Customer's mandatory requirement	18	28
Confirmation for internal purposes	55	19
Other	18	5



The leading motives are: market demand (91%) and confirmation for internal purposes (55%). In accordance with the results of a study conducted by ISO Technical Committee 176 in 2010-2011, the main factors of choice of the stated standard were improvement of customer satisfaction and market demand (ISO, 2011). Also interesting results can be seen in the analysis of responses to the question about the benefits of using ISO 9001:2008 for the company (Table 3). Russian companies note the following benefits for themselves: a more efficient review (analysis) of the management (73%) and the standardization of business processes (64%). Survey shows ISO priorities for companies around the world: improving the customer's satisfaction (50%) and the standardization of business processes (50%).

**Table 3.** What are the most important benefits of the ISO 9001: 2008 for your company? (no more than 3 answers)

Benefits	%	ISO study, %
Improvement of the customer's satisfaction	45	50
Business processes standartization	64	50
Increase commitment (commitment, interest) of the management	0	35
The effective use of data as a tool for business management	36	35
A more efficient review (analysis) of the management	73	34
Improving communication with customers	18	31
Increasing the efficiency of suppliers	0	20
Customer's requirement	18	19
Improving communication with suppliers	27	19
Improvement of the financial results	0	11

Thus, for the majority of companies worldwide the main purpose of using ISO 9001 is a particular consumer and the need to improve his/her satisfaction because, ultimately, the success of the company depends on the choice of the consumer. For Russian companies achievement of high satisfaction of its customers through the QMS is not a priority, but it is one of the most important benefits of using ISO 9001. There are many problems in the process of maintenance the QMS operable and its development (Figure 1). The main difficulty, noted by 82% respondents is the implementation of the process approach in practice. Also among the common problems there are the lack of involvement of senior management in the QMS and the lack of leaders.

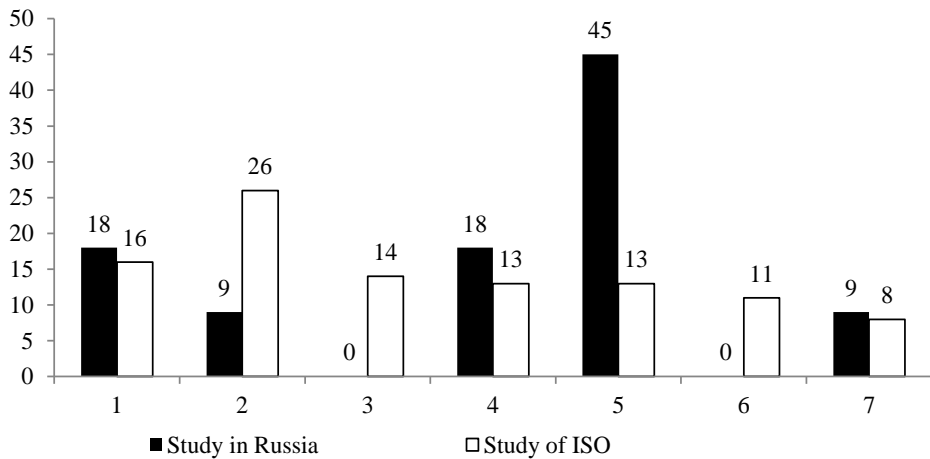
**Figure 1.** The main problems that arise in the process of development and maintaining the QMS operable

Process approach in practice (82%)	Lack of involvement of senior management in the QMS (55%)	Lack of leaders (55%)
Lack of involvement of staff	Lack of financial resources for	Lack of a strategy of

in the QMS (45%)	the development of QMS (36%)	continuous improvement (27%)
Low level of QMS document management (18%)	Problems with staff competency (18%)	Low levels of infrastructure and environment (9%)
Absence or unsystematic monitoring of customer satisfaction (0%)	Difficulties with the validation of special processes (0%)	Other (9%)

Slightly less than the half of the respondents notes that the staff is not involved in the QMS and just over a third notes the lack of financial resources for the development of the system. These problems are quite common in Russia and significantly reduce the potential of the QMS. Among the significant problems there is as well the lack of a strategy of continuous improvement.

It is known that the standard ISO 9004:2009 “Management for the sustained success of the company. An approach based on quality management was not so much in demand in businesses worldwide. An important issue of our study was the assessment of the level of familiarity with the standard in our country (Figure 2).



**Figure 2.** Introduction to the recommendations of the international standard ISO 9004: 2009 (1 - perfectly familiar, 7 - have not heard about this standard)

The survey results show that the level of familiarity with the international standard ISO 9004 in the surveyed companies is higher, 54% of the respondents rated their awareness at the level of 5-6, whereas in the world is only 32% of companies. Awareness of the standard in the range of 1-3 points can be seen in 27% of Russian companies, in the world, the figure is 56%. 45% of businesses and organizations use the recommendations of the international standard ISO 9004:2009 in the practice of their activities, respectively, 55% - do not use it.

Currently, we are at the edge of a new international standard ISO 9001 version 2015. In this regard, questions about this standard were raised. 73% of the respondents replied that they were already familiar with the key changes in the standard's requirements. Experts were asked about their readiness to implement the two key changes in the requirements of the standard: risk management and organizational (corporate) knowledge. The survey results showed that only 9% of companies and organizations fully implemented risk management. 64% of the respondents said that risk management was implemented in relation to specific areas of activity (most often, it is the management of financial results) and, accordingly, 27% of companies indicated that they did not have a risk management QMS.

The situation with the management of organizational (corporate) knowledge is harder; no organization announced the availability of such system. The percentage of companies and organizations referred to the presence of knowledge management in relation to certain types of knowledge are 82% and 9% of the enterprises do not carry out a targeted knowledge management. The experts were also asked about the most desirable new project requirements of ISO 9001 version 2015 (Figure 3).

Increased requirements for leadership (55%)	The management review should consider the strategic direction of the organization (55%)	Risk management (45%)
Management of organizational knowledge (45%)	Greater focus on the process approach (36%)	Abolition of the requirements for the development of the Quality Manual and mandatory documented procedures (27%)
Defining the requirements of all the parties (not just consumers) (18%)	Abolished requirement for a management representative (9%)	Introduction of requirements for planning changes (9%)

**Figure 3.** The most desirable of the new project requirements for ISO 9001 version 2015

The figure shows that more than the half of the companies welcome the increase of the requirements for leadership and that management review should consider the strategic direction of the organization. Among the desired changes are also risk management, and organizational knowledge (45% each respectively).

## 5. Conclusions and Discussion

The conducted study allows making some conclusions about the problems (underutilized capacities) of QMS of Russian companies and outline terms of growth potential of the system.

*First conclusion:* such feature as the lack of focus on customer's satisfaction stands out. Despite more than 20 years of development of the market economy in our country, many managers and employees continue to think and work in the paradigm of "supplier market" and not "consumer market." Psychology of work in this regard is changing very slowly.

It is obvious that QMS is primarily a tool for achieving, maintaining and improving consumer's satisfaction. In this context, QMS ensures the implementation of the main company targets and its mission to achieve the satisfaction of its customers. The majority continues to think that the main purpose of a commercial organization is profit. This is partly true because it is the financial goal of the organization.

All the basic modern management concepts focus on customer's satisfaction. For example, Masaaki, talking about the content of the concept of "Kaizen" says: "All the efforts of the management aimed at kaizen are concluded in two key words: customer's satisfaction. Any work is useless if, ultimately it does not lead to the achievement of this goal» (Maasaki 2005).

*Second conclusion:* the surveyed companies (we can assume that the vast majority of Russian companies have QMS) do not see the connection between QMS and its financial results.

Connection between the application of standards and improved financial performance is the most controversial issue in the scientific literature. In the work (Cagnazzo et al., 2010), which provides an overview of the study on the subject of the influence of ISO 9000 on business, the impact of external and internal standards on various aspects of the company is highlighted. Effects on the external aspects include: international trade, work with suppliers, customers, stakeholders, the overall market. Inside the company, ISO 9000 standards have a positive impact on the QMS, products, financial performance, human resource management, organizational climate, and competitiveness. It is recognized that standards allow expanding the market and increasing sales by improving product quality and increasing the customer's satisfaction. Productivity of employees will also increase in a company with a functioning QMS. Overall, the financial performance in the organization using ISO 9001 will be better, than in those companies that do not use modern mechanisms for quality management.

Results of the study (Chatzoglou et al., 2015) show the evidence that the implementation of standards ISO 9000 provides improved financial results.

During the analysis of the financial results of QMS we should remember that, firstly, there must be real QMS (not "raw" system or "bought" certificate) in the company and, secondly, it is important to take into account all the effects of the QMS, for example, participation and victory in the tender procedures at the government, municipal and corporate procurement, including through the presence

of QMS; attraction of investments and loans to the company, including on special (preferential) conditions, given by the availability of QMS; efficient operation with suppliers and customers if QMS has allowed adjusting processes and reducing cost of assessing and correcting all sorts of inconsistencies, etc.

*Third conclusion:* Russian companies do not see the benefits of increasing the commitment (commitment, interest) of the management to QMS. In fact, the interest and leadership of senior management in terms of quality are the trigger for the real work of the company's QMS. It is hard to expect from the performers commitment to quality when the leadership themselves do not show a high level of work quality. Considerable attention is paid to this issue by the world gurus of quality. Dzhuran claimed that management system is responsible for 85% of quality problems, and performers are responsible for the remaining 15%. Deming improved that rule. He emphasized that 96% of quality problems is a responsibility of the system, and only 4% is accounted for performers. In the last years of his life he tightened these numbers even more: 98%, and 2%. These figures show that the dominant responsibility for quality rests with the management system and its creators (Lapidus, 1999).

The management structures of Russian companies, as a rule, are rigidly centralized and the quality issues are solved by the only specialized service which may try to carry out its functions faithfully, but is unable to make real involvement of leaders at all the levels in the QMS, especially of top management.

Oakland writes (2011), that the managers of the highest level and management in general should show their serious attitude towards quality. Middle level managers have a particularly important role: they should explain the principles of general quality management to everyone who is responsible for it, and to ensure that their commitment to the quality is transferred to employees. Only in this case the general (total) quality management will be distributed efficiently across the entire company. Control systems and methods are very important, but they are not primary. There is a need for total commitment of management, which should be spread throughout the company to all the employees at all the levels and in every department.

*Fourth conclusion:* QMS most pressing problems of companies and organizations are a process approach in practice, the lack of involvement of senior management in the QMS and the lack of leaders.

Indeed, the process approach requires restructuring the entire control system with a clear focus on customers. However, in an environment where customer's satisfaction is not the main target, companies do not have the proper motivation to move to the "horizontal" management.

As for leadership, one of the great points of the philosophy of Deming "Institute leadership" says: "Understand and put into practice the leadership as a way of working that aims to help employees to do their job well. The responsibility of

supervisors must be changed from sheer numbers to quality” (Niv, 2005). The essence of leadership in QMS reflected in ISO 9000-2005. In accordance with this standard, leaders establish unity of purpose and direction of the company. They should create and maintain the internal environment in which people can become fully involved in achieving the company's objectives. In other words, the main difference between the leader and the “ordinary” manager is that the leader spends most of his/her time and energy not on the control of the employees, but on their involvement and “inspiration” in the context of the organization's strategy in the field of quality.

*Fifth conclusion:* companies do not make proper focus on continuous improvement. As scientists note, excellence as a target involves the implementation of improvements, this process is continuous and cyclic (Hamrol, 2011). In addition, continuous improvement is a necessary condition for the advance and use of changes in the external environment for the interests of the company, without which the organization is unlikely to be successful. Adizes said: “If you adapt to changes as they occur, it will be enough for survival. To succeed it is necessary to anticipate events in the life cycle curve and act ahead of the pace of changes” (Adizes, 2009). Matsusita, in his book “The mission of the business” says that the process of improvement is eternal. How and to what extent it is made, will be determined by whether the company grows or, on the contrary, slows down in the development. When we find some kind of problem, which, in our opinion, can be improved (in technology, processes, administration and the development of something new), and get so much immersed in the process of improvement, we consider sleep as a waste of time, it means that we are on the right path. Uncertainty about the progress never allowed achieving anything significant (Matsusita, 2010).

The lack of a clear need for a permanent improvement is the result of the first problem - low motivation to achieve high customer’s satisfaction, because in a desire to exceed the expectations of consumers, QMS would be aimed at finding new ways and means to achieve this goal. If customer satisfaction is not the goal number 1, national and technical aspects become more important. Of course, such issues as documentation, standardization of processes, management review, etc. are extremely important, but the potential of QMS is shown to a greater extent if we see all the elements in the system and understand the relationship between the components. In other words, if we analyze the QMS and thus act from the position of “supplier market” and not paying enough attention to the “voice of the customer”, the meaning and benefits of the QMS analysis are sharply reduced (but for whom and for what purpose, ultimately, have we conducted this analysis?).

*Sixth conclusion:* international standard ISO 9004 is little used by companies and organizations in their activities, though many of them know about this standard. Pointing to the desired changes in the new version of ISO 9001:2015 companies didn't name definition of requirements of all the interested parties (not just consumers) as one of the priorities of innovation, that means, again we see the task

of improving the satisfaction of parties as a secondary one. Unfortunately, this problem goes as “red thread” through the replies of the most respondents of this study.

Thus, at present time, Russian companies desperately need more awareness of the philosophy of quality management and market economy in the paradigm of "consumer market" as a whole. We can assume that not total focus on the customer is a systemic problem in the QMS of the Russian companies and organizations, which leads to another problem (lack of implementation of the process approach, managers and employees are not involved in the QMS, the formalism of management analysis etc.), that reduce the QMS potential. However, we are convinced that, in the conditions of increasing competition at all levels (global, national and regional) the situation will change faster than it does now. Competition is the main mechanism to ensure commitment of the manufacturer to the consumer.

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