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**Information for the  
Case Study „Newspaper“**

**Total Quality Management for Newspapers and Magazines**

**13-14 June, 1996-Ming Court Hotel-Kuala Lumpur, Malaysia**

Our newspaper is located in the capital city of a federal state. Our newspaper therefore is of great regional importance, in fact, our newspaper is the dominant paper in our state. We are the voice. On the other side, for many, many years we want to establish an important role within our country. That is why our newspaper has highly recommended business, sports and cultural sections (besides many others) and why we want the voice of our federal state to be much clearer heard throughout the country.

For all these reasons our newspaper is newsroom-driven. In fact, things are very simple. Our two chief editors achieved a circulation of 470 000 per day, however, there is no Sunday paper. On the other side, we produce a weekend supplement which, in fact, is an insert of high editorial, technical and readership oriented standard. We are making considerable losses with this magazine. But, as we are the voice of the state, we are going to stay with it. A high percentage of our revenue comes from subscriptions. Advertising sales make up about 55% of our sales. We have very low street sales, basically only railway stations, airports and newspaper shops. Recently we decided to launch real street sales through newsboys. Astonishingly, our newsboys turned out to be quite successful. On the other side, our subscription rate has been slowly declining for many years but as we are trying to infiltrate other federal states of our country with our "voice paper" to make up for the loss of regional subscription related to the total circulation. Just as a matter of

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interest, our circulation grew during the last three years by about 2-3%. Our editorial staff is of extraordinary importance to us. All together we employ 370 people there. This number does not include the technical staff of our pre-press environment which is separated. Included in this number are key-in ladies as our highly important editors are only creatively writing, data input is performed by their lady assistant. These ladies build several writing pools. As our trade unions define exactly how many letters they are allowed to key in per hour, we know exactly how many lines or letters we get per day. Basically we just calculate the number of key-in ladies we have available per day, we then know how much we have to write. We are aware that there are some problem environments in this area.

Management in our company may not be so well developed. In fact we have excellent management people who are managing our newspaper business affairs, and, we have excellent chief editors. One takes care of the external relationship with the state government, industry sectors, institutional sectors, universities, etc. The other chief editor is more inside oriented, he is taking care of our rather large editorial staff. Additionally, of course, we have an advertising manager and a distribution manager and even a technical manager who is responsible for the output of our rather big newspaper.

Managementwise, there is a more bilateral relation between our business management people and the chief editors. Once they have decided on certain issues, the other three managers receive the information, and as we are newsroom-driven, all of the people in the newspaper have to react to fulfil the editorial needs. Sometimes we have difficulties. For example, recently we were building a newspaper manufacturing factory with very high investment into new machinery and equipment as well as into the building and the site. The investment volume was around about 350 million US\$. But even today we are not sure if our new plant is built correctly as our chief editors were not quite sure either about the demands they are

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going to have for our technical people next year, in five years or even in ten years. So, somehow, as we are editorial-driven, we obviously had to gamble on what to build and how big to build. Similarly, distribution among editorial and advertising within our newspaper is in debate, without solution yet. Our advertising manager is responsible for a huge turnover, wants more space, but editorial tells him, he cannot have more than 25% of the available space. There are also a great number of restrictions where to get that space, how to place it etc. etc.

The page planning, therefore, is not so easy. An editorial-driven page plan may not fulfil the advertising needs or the technical needs, with all those complicated web leads on a modern newspaper press and similar issues. It also may be that we underestimate the importance of production, advertising, not to talk about distribution of our newspaper. Maybe we do not have the right communication among ourselves because of the editorial -driven objective. Anyway, our company decided to think about all this as we should try to further improve, to save costs, to be highly progressive and to see us as a total team manufacturing our product. The problem is we have been thinking about this now for two years, and it looks as if we will have to keep thinking before we find a solution. What can we do about our situation?