

Total Quality Management (TQM) as a Business Strategy for Excellence

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ABSTRACT

The quality plays a very important role for the organisational development. The continuous enhancement of the quality ensures the survival of the organisation in a global business environment. The implementation of the TQM for achieving business excellence depends upon a number of factors such as strategic planning, leadership, empowering employee, information analysis, process management, and employee involvement etc. The global business competition forcing the organisation to satisfy the customers. As a result, organisation incorporated the performance measures such as customer satisfaction, employee satisfaction, product/service quality, quality improvement, and performance of the supplier. The present paper highlights upon the concept of TQM, key elements, tools & techniques, benefits of TQM for organisational success.

Keywords: Total Quality Management, Organisation, Customer, Satisfaction

The term quality is a very common term in our day to day life in conversation. Quality for a product or service has two aspects i) Attribute or feature of the product, ii) Absence of deficiencies in the product. So, the successful organisation serving the customers or providing service focusing and concern for both the aspects of quality in order to make the customer satisfied. Total quality encompasses various elements such as i) Performance superiority, ii) Customer satisfaction, iii) Provide value, Iv) Doing the right things, v) Right the first time.

1. Total Quality Management (TQM): Concept

Total Quality Management or TQM is a management philosophy emphasises upon the continuous improvement and responding and meeting the customer expectation. Customers refers to anyone who interacts with the organisation product or service either internally or externally. Continuous improvement requires accurate measurement of the quality by using statistical technique and assessing the critical variable of each of the elements of the organisation.

The strategic thinking and planning are the starting point of total quality. According to Lee and Leung (1999), TQM is the dominant strategies for the business in 1990's. A number of management issues, tools, techniques are coming under the banner of the TQM (Blake &

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Porter, 1996). The evolution of the TQM is the result of the works of Crosby (1979), Demming (1986), Ishikawa (1972), Juran (1982), Feigenbaum (1983). TQM is a combination of the contribution of the various quality leaders on three main principles: i) Customer oriented, ii) Continuous improvement, iii) Employee Involvement. The critical success of TQM includes i) Demming's 14 points, ii) Juran's 10 steps, and iii) Crosby's 14 steps. TQM is basically guided by the working principle of Demmings Plan-Do-Check-Act (PDCA). "TQM is a way of creating organisational culture, committed to the continuous improvement of skills, teamwork, quality and customer satisfaction" (Edward Deming). The success of the TQM depends on the each and every aspect of organisational life.

2. TQM: Key Elements

i) Do it right the first

- Fit in time quality approach
- Inspect it - approach to quality
- Built it - approach to quality
- Design it - approach to quality.

ii) Customer Oriented:

- Anticipating customer needs in advance or before demand.
- The customers needs/demands is to be taken care of.
- Satisfying the customers
- Resolving customers' needs/demands promptly.

iii) Continuous Improvement: A way of life.

Kaizen is a Japanese word for continuous improvement. It means constant improvement of the overall system by improving the little details. The quality as end of journey. The four ways to achieve the improvement are:

- The product and service quality has to be improved consistently.
- Faster cycle times (Cycle ranges from development of products, process the order and payroll processing).
- Greater flexibility (Customer demands/expectations is be met promptly and adapting to changing technology.)
- Reduce cost and waste (Elimination of irrelevant steps, scrap network, activities having no value).

TQM emphasises upon achieving greater quality, flexibility, lower cost and less waste.

IV) Build Teamwork and Empowerment:

TQM is employee driven and it allows the employee to exploit their full potential. Employees are empowered, when they are trained properly with all relevant information, required tools, knowledge and skills. They must be involved in decision making process and should be rewarded for their performances. The teams of the various department should be creative, so that the various work can be done effectively and efficiently,

3. TQM Tools and Techniques:

The techniques for implementation of TQM involves the following:

- i) Benchmarking, ii) Quality Circle, iii) Empowerment, iv) Outsourcing, v) Reduced Cycle Time

ii) Benchmarking:

Benchmarking is a continuous process of striving to be best on one's area of operation. It is a process by which one can measure product, service, practice against the toughest competition of the industries. It can be applied to product, service, process and methods. Companies like HDFC, XEROX, TELCO, THERMAX and BOMBAY Dyeing have applied the concept of benchmarking. The basic objective is to meet the expectations of the customer in respective area.

iii) Quality Circle (QC):

Quality Circle is the decentralized approach of TQM. QC is a small group of employees meeting periodically to identify, analyse and solve quality and other work-related problems. The size should not be big as the member interacted actively and contribute meaningfully in each meeting.

Features:

- Voluntary group,
- Manageable size,
- Regular meeting,
- Own agenda,
- Exclusive focus on the quality.

iv) Empowerment:

TQM emphasizes upon the empowerment of the employees, supplier, customer in the decision-making process. Inputs from all the sources are necessary for continuous improvement. The authority to take the decisions in one's operational area without the approval of the top management. The employees are not only being empowered to take decisions but also providing resources (financial and other resources) and implement the decision quickly.

Iv) Outsourcing:

Outsourcing refers to the in-house function of the company should be contract out to the vendor in different area such as HRM, Marketing, designing inventory etc. The organisation can save cost and employee can be utilised for another task.

V) Reduced Cycle Time:

Cycle time refers to the steps that has been taken to complete the company process such as designing a new publishing advertisement in newspaper etc. It helps to improve the overall performance as well as quality. It involves the removal of unnecessary steps in the process and acceleration of the activities within a short span of time.

4. Benefits of TQM:

According to Hendrick & Singhal (1997) organisational performance can be improved for which they have provided facts and figures, in terms of financial data such as operating income before as well as after depreciation, net sales, and cost per sales etc. Research findings states that there is a positive relationship between quality improvement programs and financial performance (Wisner & Eakins, 1994). They also acknowledge that financial success cannot be guaranteed in today's competitive environment. Helton (1992) found financial gain as well as employee as winner of Baldrige award.

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The successful implementation of TQM results are:

- Increased involvement of workers / employee
- Improved communication.
- Increased productivity
- Increased quality

CONCLUSION

TQM is a management system which emphasises upon the improvement of quality. It has to be incorporated as a business strategy in the organisation. It is oriented towards customer satisfaction which includes all the stakeholders such as customers, suppliers, employees at each hierarchy. In order to be competitive advantage, the organisation has to maximise on its product, service, workforce, processes as well as environment. TQM not only improves customer satisfaction but also the quality of work has been enhanced with less wastage and avoid fatal error. The concept of TQM not only departs from management function, but also a paradigm shift for the survival of the organisation in global competitive environment.

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Conflict of Interest

The author(s) declared no conflict of interest.

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