

Impact of Total Quality Management on the Organizational Performance

Nitu Yadav

Assistant Professor

Department of Management

Ahir College, Rewari

Distt., Haryana

ABSTRACT

This paper came to investigate the impact of Total Quality Management practice and strategies on organizational performance. Analysis of data supports a strong positive relationship between the extent of the implementation of TQM practice & organization performance. The study also covers objectives of Research and benefits & implementation of TQM in an organization. Every business owner and manager knows the importance of satisfied customers and how expensive it is to find new customer compared to keeping current customers. TQM focuses on continuous process improvement within organization to provide superior customer value & meet customer need. This study also found that co-worker support and organization support moderate the relationship between TQM implementation and organizational performance. It is recommended that firms should continue implement TQM with all variable to improve performance. Firm should improve employees' involvement, commitment and awareness to TQM, enhance firm structure and provide resources to overcome the barriers that prevent effective implementation of TQM Practices.

KEY WORDS: - TQM (Total quality Management) implementation, organizational Development, objectives, Human Resources, Benefits.

INTRODUCTION

Now a day's most of known organizations are obsessed with product & service quality, since customer's orientation has been shifted from product and service price to its quality. Thus, most of the organizations are willing to adopt the TQM concept.

Total Quality Management approach that originated in 1950 and has steadily become more popular since the early 1980.

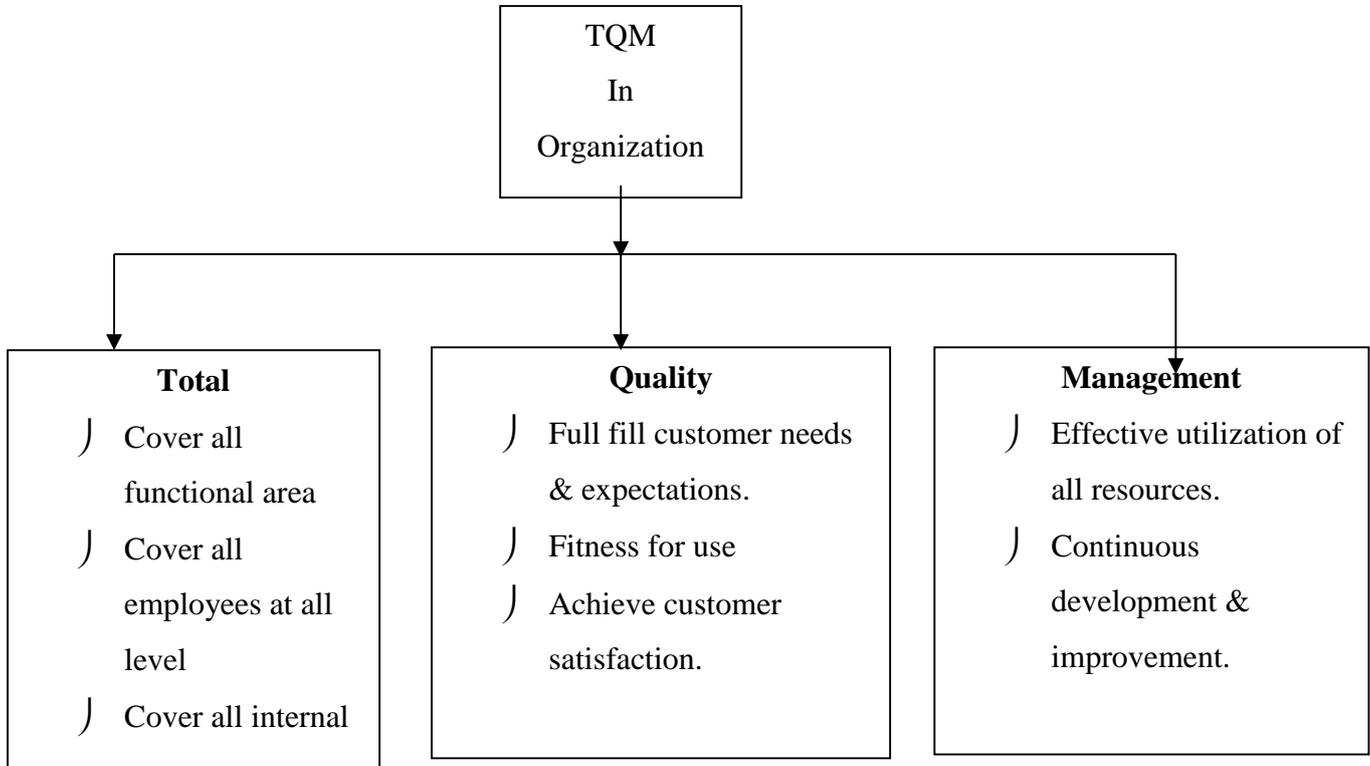
It is a management philosophy that seeks to integrate all organizational function (marketing, finance, design, engineering and production, customer service, etc.) to focus on meeting customer needs and organizational objectives.

CONCEPT

Total quality Management is continuous efforts by the management as well as employees of a particular organization to ensure long term customer loyalty and customer satisfaction.

One happy and satisfied customer brings ten new customers along with him whereas one disappointed individual will spread bad word of mouth and soil several of your existing as well as potential customer.

TQM includes:



RESEARCH OBJECTIVES

- 1) To explore the TQM practices & technologies
- 2) To identify the impact of TQM implementation on the organizational performance.
- 3) To generate a guidelines for effective implementation of TQM practices at organizations.

Implementing Total Quality Management Concepts:-

The TQM implementation process begins, with senior management and most important the CEO's commitment. The importance of the senior management role cannot be overstated. Senior management needs to be educated in the TQM concepts. In addition to formal education, managers should visit successful TQM organizations, read selected articles and books and attend seminars and conference. The next step is for senior management to develop an implementation plan.

The active involvement of middle manages and first line supervisors are essential to the success of TQM effort. Senior management needs to ensure that managers at all level have an opportunity, as soon as possible, to develop ownership in the TQM efforts.

If there is a union, Manager should involve union leaders by shelling with them implementation plans for TQM. It is important to communicate TQM to the entire organization. Communication is necessary throughout the implementation stage.

Five important factors in TQM

- 1) **Commitment and understanding from employees:** - It is key to ensure that all employees within your organization know about the TQM policies and make

them on fundamental part of their work. Your employees should know your corporate goals and recognize the importance of these goals to the overall success of your organization.

- 2) **Quality improvement culture:** – The organizational culture needs to be modernized on a continuous basis to encourage employee feed back. If employees have an idea on how to improve operations, they need to know management respects their ideas or they will not share.
- 3) **Continuous improvement in process:** – There is no standing still. If you are not moving forward, you are moving backward. TQM is a continuous process & not a program. This requires constant improvement in all the related policies, procedures & controls established by management.
- 4) **Focus on customer requirement:** – In today's market customer require & expect perfect goods & services with in significant to long term survival and essential in order to build relationship with customers.
- 5) **Effective control:** – It is essential to monitor and measure the performance of the business. If strict documentation is maintained you will be able to objectively quantify areas for improvement and focus your efforts where they will provide the greatest return of both your time & financial resources.

BENEFITS OF TQM

Total quality Management is a philosophy aimed at improving business as a whole. The major thrust of TQM is to achieve productivity and process efficiency by identifying and eliminating problems in work process and system.

Improving process efficiency brings about many benefits to the organization in term of costs & time.

- 1) Elimination of non confirmation & repetitive work
- 2) Elimination of waste costs & reject products.
- 3) Elimination of repairs and reworks.
- 4) Reduced warranty & customer support casts.
- 5) Process efficiency leading to improved profit per product or service.

Long Term Benefits

TQM & Customer Satisfaction -

A major long term benefits of TQM relates to customer satisfaction. TQM aims at improving quality, and identifies the best measure of quality as matching customer expectations in term of service, product & experience.

To improve customer satisfaction include:-

- Reduction of waiting time by changing the method of appointment scheduling or client handling.
- Making changes to delivery process so that the product reaches the customer faster.

TQM & Organizational Development –

Among the major benefits of Total Quality Management is improvement in organizational Development. TQM heralds a change in the work culture by educating all employees on quality and making quality the concern of everybody, not just the quality control department. The focus on quality lead to a proactive work culture aimed at preventing mistake rather than correcting mistake.

TQM's focus on team work leads to the formation of cross-departmental teams and cross-functional knowledge sharing.

TQM & Human Resources –

Application of TQM in an organization brings about the following benefits to the human Resources of an organization:

- i) TQM extends the ownership of the business process to each employee involved in the process by empowering them to rectify mistake on the spot without supervisor review or action. This generates intrinsic motivation and creates an atmosphere of enthusiasm and satisfaction among the workforce.
- ii) TQM's focus on eliminating mistakes and bringing about process efficiency heralds a direct approach such as counseling and other remedial actions to solve issues such as absenteeism.
- iii) The enhanced productivity brought about by TQM translates to better profits for the organization and consequently better wages.

TQM and Competitive Advantage –

In the new business environment marked by demolition of barriers and free flow of information and products, organizations retain their competitive advantage by reducing prices, improving existing products and innovating new product. TQM is a business strategy that allows organization to achieve all this and much more.

TQM proves that quality is actually the key to decreased costs, better productivity & positions quality as a critical component of strategic business advantage.

CONCLUSION

Above findings indicates there is no need of specific sector to apply these techniques. TQM is equally applicably in manufacturing & service organizations and public or private sectors. There is no limitation in using TQM for any field of business & the techniques of TQM provide positive results in organizational performance.

REFERENCE

- 1) International journal of academic Research in economics and management science, Nov. 2014, vol. 3, No. 6, P-115
- 2) European journal of business & management, ISSN 2222-1905 (paper) ISSN 2222-2839 (online) vol. 7 No. 36.2015
- 3) Introduction and implementation of total quality Management, Khurram Hashmi
- 4) <http://www.google.com>
- 5) <https://www.researchgate.net>
- 6) Powell, Thomos, C. (Jan 1995). TQM as competitive Advantage: A Review and Empirical study strategic Management (16.1)
- 7) <http://www.brighthuppm.com>
- 8) <http://www.assignmentpoint.com>
- 9) <http://ww.asq.org>
- 10) <http://www.cebos.com>
- 11) <http://www.isixsigma.com>
- 12) The TQM Journal Emerald Article: Applying TQM to the construction industry H. James Harington, Frank Voehl, Hal Wiggin