

A REVIEW OF TOTAL QUALITY MANAGEMENT IN IMPROVING ORGANIZATIONAL PERFORMANCE: IMPLEMENTATION OF PRACTICE AND CHALLENGES

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Abstract: The concept of opting for Total Quality management in both manufacturing industries as well as human services sector, lead to a greater competition among their peers to win consumers satisfaction and needs by providing quality products/services. With the emergence of TQM philosophy in the mid-20th century under Deming's guidance. A lot of models and theories resurface to developed TQM and its implementation in organizational performance to deal with current challenges in quality improvement with utmost efficiency and effectiveness. Total quality implementations meet numerous challenges in improving performances. This paper reviews the concept of performance practice and implementation. Recommendation will be provided to overcome these challenges.

Keywords: Total Quality Management (TQM), Manufacturing, Organizational Performance, Challenges, Implementation.

INTRODUCTION

TQM can be identified as a universal management philosophy that strives for continuous improvement in all functions of organization, and it can be achieved only if the total quality idea is utilized from the procurement of resources to customer service after sale. TQM practice have been documented extensively in measurement studies as well as in the studies that have investigated the relation of TQM practice to various dependent variables [1]. Since the global market becomes more tense and competitive, organization realized the importance of implementing TQM in guaranteeing customer satisfaction and reliability, and strengthening continuous improvement of product and services as a survival mechanism [2]. The basic of TQM has always been to reduce waste, minimize errors, customer satisfaction, training employee and increase production base on standard [3]. The well-known basic approached model used in TQM begins with identifying customers' need after undergoing several planning and strategic development to meet customer requirement [4]. TQM implementation

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encompasses several processes; ranging from proper process management, continual improvement of the process and stakeholders commitment and participation. With the inception and creation of TQM in the mid-20th century, authors and Gurus like Deming, Juran, Crosby and Ishikawa, who developed the concept, principles, and models, have had the most significant impacts on managers and organizations around the world [5].

The basics concept are; continuous improvement, customers focus, reduce costs of production/manufacturing, systemic approach, integration of ideas among organization, employees commitment and participation, supply chain inclusion[6]. Research conducted by Agus and Hassan identifies and add four most important element to the concepts which are; supplier relations, Benchmarking, Quality measurement and continuous process improvement [7]. The element identified above contribute immensely to the improvement overall performance of organization that implement them.

IMPLEMENTATION OF TQM AND ITS BENEFIT TO ORGANIZATION

There is no business-profit making organization that can survive without effectively understanding their customers need, because customers satisfaction is the key in the implementation of TQM for the continuous survival of that organization [8, 9]. Improvement in organizational performance necessitated the implementation of TQM. This assertion was supported with a research study conducted by Agus et al. in which he agreed that implementing TQM strengthens customer satisfaction and at the same times improve on organizational performance [10]. Several past literature review pointed out that implementing TQM improves organizational performance and yield positive results to the organization in the following ways.

SATISFYING THE NEED OF CUSTOMER

Customer satisfaction is the number one priorities of any organization, and it is always linked to that organization performance. The more a customer is satisfied with a products/services the better the performance of the organization. A research conducted by Reed et al. pointed out that competitive advantage increase the value of competitions among organization [11]. Customers always define quality, and better quality leads to customer satisfaction and competitive advantage. Similar study conducted by Gudgel et al. shows that customer satisfaction is related to productivity performance which is an indication of organization performance as well [12].

STANDARDIZATION IN PRODUCTIVITY

There is a great influence on productivity and standardization in any organization that implemented the TQM [12]. Similar studies supported the notion that implementing TQM in manufacturing industries will help reduce wastage, machine and labor hours and also the rigorous costs of inspection. Productivity and profitability will get absolute improvement if implementation of TQM is strictly adhered to [13]. Warranty claims due to defective/damage products and cost of material will also get reduced.

SALES AND PROFITABILITY

The main purpose of any organization that are involved in manufacturing and services are to get profit and at the same times increased their capacity revenue base in the market index to attract shareholders. Similar Research on these shows that implementing TQM makes customers go for higher quality product which eventually made the companies to determine the prices of their products/services higher than their competitors [13]. Another study conducted by Garvin shows that organization that strictly implemented TQM are likely to increase their market share three times more than those organizations that didn't implement TQM [13, 14].

EMPLOYEE SATISFACTION

Employee satisfaction and involvement is one of the cardinals in the implementation of TQM, because it will empower the employee and motivate them in the decision making process of the organization. Similar research conducted by Ugboro and Obeng shows that employee job satisfaction and empowerment have a great relationship [15]. Customer satisfaction and employee satisfaction also has a significant relationship. Customer satisfaction resulted in increased profitability and organization's performance entirely. Employees who are satisfied and well-motivated in their job lead to more productivity, less wasteful of material, labor costs reduction and overhead. It was discovered and agreed upon by several Authors and researchers that implementation of TQM lead to cost reduction and customers' satisfaction. Numerous research study proved that implementation of TQM have a great impact on the performance level of an organization as long as strategic communication is adhered to [16]. This lead organization to rush and implement TQM because of the success and progress they saw in other organization who previously implemented TQM [17].

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IMPLEMENTATION AND CHALLENGES IN TQM.

Several Research results pointed towards the close relationship between implementation of TQM and the performance of an organization. Nevertheless, there are numerous challenges faced by organization towards successfully implementation of the TQM practices to achieved higher performance.

MANAGEMENT LEADERSHIP

A research study conducted by Coulson-Thomas shows that lack of commitment and support from management leadership is the biggest challenges towards implementing TQM[18].Implementation of TQM requires an exceptional commitment from top management leadership to its successful implementation[13].Organization's culture is hindering the successful implementation of TQM. It requires management leadership to change the culture towards continuous improvement, communication, and cooperation throughout the value chain [19].Top management has a bigger role in ensuring the implementation of TQM in their organization but with the support of a well-trained workforce to make it possible [20].Failing to implement TQM in an organization may result in an effective systems that will not yield positive result or benefit to the organization's TQM systems. Too much bureaucracy in the implementation of TQM leads to a relaxed and costly procedure.

EMPLOYEE PARTICIPATION

A research conducted by Adebajo and Kehoe pointed to the fact that no process of change is possible in an organization without the involvement of the employees, and this involvement must be accompanied by creating a work environment that enables open communication [21].A conducive environment where workers were able to share/contribute ideas that can enhance and facilitate the change needed in an organization [22].Employees participation and involvement must be seen as paramount in truly implemented TQM in any organization. Decision making process must include the employees, because withholding information from them makes them feel not important /recognized and underrated by the top management [23].

QUALITY DATA AND REPORTING

Any company that need to fully and adhered to the implementation of TQM must emphasis on inspecting quality into finished product and correct defect in the products rather than focusing on the building quality into product [24].

SUPPLIER QUALITY MANAGEMENT

Sometimes company prefer to maintain a minimum numbers of suppliers to improves on product quality and productivity of buyers by encouraging suppliers to commit to the design product and quality[25].Dealing with small numbers of suppliers helps in delivery problem and quality solutions because buyers focusing on each supplier[26].Awarding supplier base on low cost just to cut the expenses involved in material/revenue will result in poor quality final products which will hinder customer satisfaction as the end user[13]

RECOMMENDATION/SUGGESTION

Based on the literature review in this paper I underline several suggestion and recommendations that will overcome the implementation challenges faced by organization with respect to implementing TQM. For organization to perform better a supplier and buyers interrelationship should be strengthen by assisting supplier in improving supplier chain performance and capabilities. Among the tools to be used in assisting the suppliers-buyers development is; the performance feedback, conducting audits, sharing information, conducting training, and changing a supplier's operation. Implementation of TQM necessitates planning that should be conducted or carried out in a systematic and strategic manner.

Any company willing to prosper must requires both short/long term systematic and strategic planning to be incorporated in its vision to measure its effectiveness and performance in the implementation of TQM. Management has a bigger role to play by analyzing the organization uniqueness and workforce to implement TQM that will be suitable to their standard. Implementation of TQM requires both top management and the employee's involvements. Supports are required from the top management leadership during the process. Management supports should be seen in action than in mere writing. The support of management should be extended to the employees. They need to rub mind and discuss ideas with the employees to know their problems and proffer solutions meanwhile to show the employees that they mean business and ready to work for the progress of the organization.

Employee's involvement in decision making should be encouraged. Management should provide the employees with a forum to participate; in the advisory board, task force, and group discussion to help in improving the standard of the organization. Management need to make information accessible to the employees, provide the employees with adequate training based on their level of operation, rewards the employees based on their performances for encouragement, and provide the employees with better facilities to solve their problems. Implementing TQM in an

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organization should be designed in such a way that employees could fill the benefits. Changes in the culture of an organization should be fundamentally slower than rapid, because it takes times for an organization to adapt to the new system (changes). The employees must undergo a training for them to comprehend the new changes taking place and they should be informed that the changes is beneficial to them as well. Organization implementing TQM must ensure that suppliers adhered to quality than prices. And the organization should focus on minimizing the total cost as well as the procurement cost. It is recommended for an organization to stick to a single supplier than involved a lot of suppliers. It will be important if the management chain is involved in the decision of supply process. Customer focus is among the most important concept of TQM, and quality should adhere to customer's specification and standard rather than producing products that does not meet customers' requirement.

CONCLUSION

Previous researches and investigation pointed to the fact that implementation of TQM in an organization will improve its performance and yield better results in terms of quality, training, and customer satisfaction. Organizations around the world are moving towards implementing TQM to escape competition from their rivals organization or company for their existence. This paper review and detailed the importance of implementing TQM as well as the implementation challenges which is sometimes being ignored by organization. For an organization to improve on its performances, it should understand the challenges in implementing TQM and overcome them to succeed.

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