

Total Quality Management

Introduction: Total Quality Management is a new approach to improve product quality and increase customer satisfaction by restructuring traditional management practices.

Customer driven quality, strong quality leadership, continuous improvement, action based on facts data and analysis, employee participation, and improved two way communication system are the features of TQM. Total quality management is a company wide activity and various functional departments contribute to its success. To put it in simple words 'it is an organisation wide commitment to do things right and strive, for continuous improvement in the performance'.

How did this concept come into vogue ?

To understand this we have to look into the history. At the beginning of the 20th century, industrial progress was mostly restricted to European countries and the USA. Other countries were not making any significant progress. But during the last fifty years, industrialization and associated technical innovations have made mind boggling progress. Now, except for a few countries almost all are vying for a place in the fierce global market trade.

The consumer is gaining more and more importance everyday. Quality is the key word for the competitive position of any organisation. Now , because of the added importance and attention, quality functions are spread throughout the organisation, from raw or component supplier to field technical service. All are part of Total Quality Management function. The word quality which was originally related to customer satisfaction lost that significance with the industrialisation. Once again a customer is gaining a lot of focus and attention.

Impact of TQM in an organisation :

This will reflect in term of the following aspects :

a) Better employee relation

1) Increased satisfaction

2) Regular attendance

3) Less turnover

4) Improved safety / health

5) Higher suggestions received

b) Improved operating procedures :

1) Higher reliability

2) Prompt delivery



- 3) Shorter order process time
- 4) Error free production
- 5) Better product lead time
- 6) Lesser inventory
- 7) Improved quality cost
- 8) Higher cost savings
- 9) Two way communication system
- c) Greater customer satisfaction
- 1) Improved overall satisfaction
- 2) Few or low complaints
- 3) Higher customer retention
- d) Increased financial performance
- 1) Higher market share
- 2) More sales
- 3) Higher sales per employee
- 4) Better return on investment

In TQM everyone is involved in producing defects. In the conventional approach to quality, shopfloor is accused. Two-thirds of the work force was excluded from quality concerns. In TQM everyone is involved in the process from the managing director to the office clerk, labour and canteen staff. Everyone in the company is responsible for producing quality goods and services and cutting the cost of quality.

The idea of synergy in team work, where the whole is greater than the sum of its parts, is a key concept in TQM where it is used to promote collaboration, consensus, creative conflict and team winning

Who is responsible for Quality?

"To achieve this 'FITNESS FOR USE', which is ever-changing, all levels have the responsibility to maintain quality and will be responsible for certain specific actions.

Top Management: They have the responsibility to keep track of market conditions, customer reaction etc. This should be converted into decision and converted as new product, or product with additional or changed features.

Middle Management:

Their job is to understand the requirement and cover them as working systems.

Junior Management/Work Force:

Understand the work systems and confirm to the requirements in terms of standards/specifications.

How to implement TQM?

There is no particular method. But TQM introduction calls for clear understanding of

(a). Present status

(b). Need for TQM

This should follow with a core strategy and an immediate action plan.

TQM is not altogether new to any organisation, many aspects of it are already in practice.

For an integrated TQM program the following aspects have to be made operational on a company-wide basis.

1. Establishing aims and objectives
2. Defining the Quality policy
3. Quality planning and organization
4. Describing functional responsibilities
5. Information sharing
6. Statistical thinking
7. Education and training to all
8. In- process quality control
9. Quality cost
10. Quality audit
11. Quality marketing (if applicable)

12. New product evaluation
13. Purchase quality control

14. Quality Circle Activities

Total Quality Management implies the verification of quality at each and every process of operation. It is not just sampling plan for the acceptance rejection of the incoming materials and controlling manufacturing process conditions, it is, in fact, a job at every step of the company activities. The purpose of good product quality is to create a good image of the company and this image should be maintained. Therefore, the company has to attend to the complaints from customers and provide periodic services to the customers.

The quality control laboratory which inspects a batch of raw materials, or semifinished goods or finished goods and approves or rejects them has much to contribute to quality. Quality control job is not only to check the quality of finished goods. Product quality has inputs from various angles and a total quality control programme should consider the different attributes and aspects contributing to quality. It is stated that "quality is every body's job in a business".

When we look at the organisations whose products are of top quality, we always find that in such organisations all the company employees at all levels and in all functions are motivated to contribute to the total quality establishment effort.

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