

TQM's Effect on Competitive Advantage and the Barriers to Implementation of Total Quality Management

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Abstract

The purpose of this paper is to discuss the various obstacles which may subsist within an organization and which avert the application of a program of total quality management and which. Frequently, barriers pop up in the way to the procedure of implementation which disconnects the total quality management from the outcomes of the practical world and latently from the people of the real world. Furthermore, it has been reflected that management styles, organizational attitudes, profitability, etc; all are the problems which are likely to stall the procedure of the implementation of total quality management. The paper also discusses how TQM escalates the competitiveness of an organization. The business culture of today is such that business is more competitive compared to any the ones at any other instance in the history and only the ones ready to augment the efficacy while diminishing costs would actually flourish over the extended period. The study establishes that total quality management imparts a trail to accomplishing that extended outlook and embedded competitiveness for which organizations seem to struggle and endeavor.

Introduction

Total quality management at its core, is an approach to management for a long standing success by means of customer satisfaction. In the endeavor of TQM, each affiliate of an organization gets involved in the improvement of procedures, services, products and the milieu in which they operate. Total quality management may be summed up as a system for management for a sort of organization that has its focus converged on its customers and which encompasses each of the staff members in the incessant advancement. It makes use of effective communications, data and strategy to incorporate the quality discipline into the activities and culture of the organization. These Barriers develop during the process of implementation which disassociates the TQM from the real world people. Today the business environment has become more competitive as compared to the past generations; in such an environment only the organizations which are willing increase efficiency with reducing costs will prosper truly in the long term. It is TQM which in modern business provides a pathway for achieving ingrained competitiveness.

Total Quality Management – TQM

Total quality management is a philosophy of management which encompasses each of the facets of quality which are relevant to the organization as well as the consumer. Universally, the approach of TQM has appeared to be a feasible means of improving quality, increasing productivity and cutting down costs. Total quality management encompasses every level of the management of an organization, taking in management of procedures, formation of strategy and policy, leadership, management of human resources, and the management of significant resources. Further, it indicates the outcomes and approval of the concerned parties like the society, consumers and employees. The organizations having TQM incorporated produce an extensive variety of indicators to compute and enhance their performance with reference to the mentioned factors. Harmonized methods which define the criterion to evaluate the TQM take in the national as well as the regional schemes like the quality for awarding the Baldrige award in the United States (Williams, 2004).

The prime objectives of the total quality management are allied to the continuous improvement and customer satisfaction; both the two are critical for constructive outcomes of the enterprise. The significance of customer satisfaction depends on the verity that consumers or clients in open economies are the only grounds for the existence of any productive procedure. By computing the propensities in the relevant markets of the customers, an organization stabs to internalize the satisfaction of the customers in their system of production. Nevertheless, with the continuous change of the environment of the organization, profitability and customer satisfaction may be maintained only if human resources, procedures and products are improved incessantly.

The unremitting enhancement in the productive system of an organization entails, for instance, that any type of nonconformity or error in the production system requires being detected at the earliest and then resolute for progressing to the situation of zero error. Therefore, constant progression necessitates the institution of feedback methods for doing away with the identified failures in quality at their very basis (Black & Porter, 2006). The continuous improvement and consumer satisfaction; both are vigorous notions leading to an unremitting supervision and tweaking of the various aspects of quality management. The practices of quality management can be described as the methods for accomplishing the objectives associated to the continuous improvement as well as consumer satisfaction. Generally, the practices of TQM optimize the effectiveness as well as the efficiency of a particular system of production, whereas, conventional practices of management are typically related to just the maximization of the efficiency of the production system. Hence, the major dissimilarity between the approaches of total quality management and conventional management is that practices of total quality management intend to internalize the idea of customer satisfaction in various actions of the organization. This leads to several means of arranging the system of production and the employment of various technologies. For instance, the philosophy of total quality management does not essentially lead to the conventional large scale economies.

Prospects of incessant improvement may lead to improvements in efficiency however they would be executed only in case they are attuned with the factors relevant to the customer satisfaction. In majority of the enterprises, the institution of the philosophy of TQM is escorted with the change in the organization. Hence, institution of a culture of TQM is a long standing procedure in an organization. The philosophy of total quality management is arranged in a top down order whereas its true merits are established at the operational stages. Management of the methodical development of cross-functional innovation and primary procedures of production

are frequently the most feasible elements of the total quality management. Relating to this, several tools of total quality management can be executed concurrently by employing the principles and objectives of TQM to steer the change in organization which escorts with their execution. For officially describing, defining and managing the objectives relevant to the continuous improvement and customer satisfaction in the inclusive function of management, there are certain principles that are generally applied in the approach of the total quality management.

Measurement and Monitoring Techniques

For systematically internalizing the customer satisfaction and enhancing the quality of procedures, the organization ought to establish and compute the pertinent, consistent indicators. These indicators are frequently computed with the assistance of geometric procedures and techniques for quality control.

Quality assurance

Total quality management generally diminishes the inspection based quality assertion and endorses the formalization of quality as a function of management by means of institution of systems of quality management. For instance, an organization can establish several types of documentation like work instructions, procedures, manuals, etc that are pertinent to any action or measure which may impact quality. The appropriate operation of a system of total quality management may be ascertained to the consumer by means of exterior validation which is termed third party or second part certification.

Clients and suppliers within the organization

Concerns regarding quality inside an organization should be analyzed, executed and supervised as a procedure. This entails the necessity of various operational departments to analyze their alliances with respect to clients and suppliers albeit the transactions transpire inside an organization. Further, the major quality procedure may further be classified into sub-procedures which are also frequently cross-operational.

Communication and dissemination of information

For the reason that concerns are dynamic and cross-operational, quality management asserts an influential stress on communication. For instance, any alterations in the system of total quality management require being communicated to the staff members, clients, suppliers and the society. Moreover, the right and good quality of products, to a particular extent, depends on the exterior elements like the wishes of the customer and the inputs of the supplier.

Delegation of responsibilities

Prospects for incessant innovations or improvement are most efficiently and effectively realized at the functional levels. This entails that the workers and employees of each operational department require incorporating the notion of quality into their everyday functional activities. Everyone is supposed to be the manager of quality. This is frequently denoted as the customary change which is required by an organization to experience for implementing the total quality management effectively. With respect to flexibility, cost and time, it would be ineffective if each operational department was to institute its autonomous unit for quality assurance. This might result in supplementary layer of hierarchy upheav for the inspection of quality concerns and it

might deject the involvement relating to the execution of the principles of total quality management at every single level of the organization. The TQM organizations therefore typically extend the responsibilities of the employees.

Human resources development

Stress on the employees' satisfaction and training is one amongst the main principles of the philosophy of TQM and it is critical in terms of the execution of other principles of TQM. Total quality management stresses on the institution of a circumstance which enables the occurrence of the organizational change. In any organization, the flourishing incorporation of continuous improvement and customer satisfaction relies on the human factors in the end, for the reason that technology at all times be replicated by the contenders. TQM organizations ad infinitum get their employees trained at every level. Employees require being trained to realize and implement the techniques of measurement for performing their extended responsibilities, to realize the principles of TQM and their influence on the quality and to have adequate skills for realizing innovations.

How TQM increases the Organization's Competitiveness

The extensive dispersal of the techniques of total quality management makes an organization, a monetary division and ultimately a nation more spirited and viable. At the country wide level, the extensive espousal of total quality management makes a payment to the cumulative indicators of economic efficiency, improved innovation and advancement of human resources that are of importance in the achievement of increased levels of competitiveness and productivity. Worldwide acclaimed, reliable schemes of quality assurance avert the technical barriers to business and enable the access to markets. Comparable merits can be achieved for the enterprise networks. The techniques of total quality management make a payment to quality innovation, flexible systems of production and improved quality all through the production chain. Additionally, the contemporary propensities to contract out the non-principal activities of competence lead to the augmenting employment of procedure based schemes of quality assurance. For the reason that such schemes for quality assurance diminish the costs of transactions between the clients and suppliers, augmented cost effectiveness can be obtained in the production chain (Flynn, et.al, 2004).

Competitiveness at the macro level

As defined by the world competitiveness report, competitiveness is the capability of an organization or a country to engender comparatively more wealth than its contenders in terms of proportion in the global markets. Global competitiveness at the national level can be evaluated in accordance to the scheme employed by the world competitiveness report. Quality makes a significant payment to the global competitiveness of a country. For instance, the techniques of total quality management are a significant element in economic flourish of the organizations of the United States which made their production more competitive and more accommodating. In this regard, quality assurance is of significance relative to the global business. For instance, diminishing the costs of transactions of business within trade blocks is enabled when the quality of the transitioned products conforms to specific standards of quality that are mutually realized. The competitive performance is not confined to idiosyncratic organizations however to a particular extent; it is dependent on the functioning of all the various sectors of the industry or

particular production chains. For instance, the competitive functioning of an organization is impacted by the functioning and interaction with its subcontractors and suppliers in forward as well as backward linkages in the connected or same sectors. Philosophies regarding the competitive development of the industry stress the endorsement of the intra firm redeployment and the institution of enterprise networks.

Networks can be groupings or partnerships constituted of service or manufacturing institutions and firms. They can be extremely flexible, informal, personalized and multifunctional. For instance, an enterprise network in a specific supply chain can comprise of various extensive exporting ventures which uphold associations with a network of minor organizations which impart the desired services and materials (Flynn, et. al., 2005). Markets are expanding in terms of number of participants as well as volume and hence the global pressures for competitiveness are escalating. To encounter such augmented pressures of competitiveness, big organizations identify the core areas of their business in accordance with their respective competitive advantages outsource or subcontract all other actions. As big organizations tend to be more dependable on suppliers, they seek for long standing relationships, improved communications, and reliability. The monetary flourish of these types of enterprise networks has not transpired by means of beneficial access to land or capital, labor, low cost elements of production however rather from a specific effectual economic and social institution of the enterprise network. The internalization of the concerns regarding quality inside the supply chain lead to lowered costs of transaction and enhanced viability, and in this manner making a payment to the enhanced competitive performance of each sector.

The principles of total quality management which appear to be particularly pertinent to obtaining sufficient flows of information in enterprise networks and the internalization of issues regarding quality in the production chain are monitoring and measurement of quality assurance, dissemination of information and communication. Exchange of information and communication inside enterprise networks is critical for diffusing enhanced innovations, flexibility and efficiencies. To a particular extent, unremitting improvement is dependent on the active cooperation and participation of clients, subcontractors, and suppliers. Furthermore, innovation and flexibility in the production change can be enabled and enhanced if the clients and suppliers employ comparable techniques of statistical procedure. Quality is a significant criterion in the production chain, in terms of assessment of the suppliers of services and products. Hence, quality assurance is critical for the competitive functioning of the suppliers (Badri, et. al., 2005).

Competitiveness at the enterprise level

The critical concern which establishes the competitive flourish of any organization is the potential to incorporate the outcomes of quality enhancement that is critical for the customer satisfaction, taking into count the actions of profitability. Organizations, in open economies, which are slightly more competitive, compared to their contenders, extend the share of market for the reason that customers are contended with their particular traits of their services or products. Customer satisfaction can be allied to a single or more of the specific facets of the services or products of an organization (Deming, 2006).

A reasonable price

The price of the service or product must be aligned with the demands and requirements of the client for the respective service or product.

A good product

The quality of the service or the product requires being consistent or being complied with the preordained specifications.

A reasonable delivery time

The client requires having the service or the product within a particular frame of time else the service or the product would have no worth.

A unique product

Everyone wishes for a service or a product which is only slightly dissimilar or which is precisely suitable to one's personal requirements and demands. This necessitates that producers must be potential of fulfilling this stipulation for the diversity of the service or product (Thomas, 2005).

A new product

Customers switch from former services or products which entail the above mentioned features to the ones which are stronger, contemporary, in vogue, faster, better and comprise of the latest materials.

The competitive functioning of the organizations in international customer markets are ascertained by their ability to cope concurrently with the competitive aspects of innovation, flexibility, delivery time, quality, and price. To be precise, at the enterprise level, competitiveness might be merely applying the notion of unremitting improvement to the factors which resolute the competitive aspects of the organization. Hence, the notions of continuous improvement and customer satisfaction, form the grounds for some specific strategies including; institution and management of the product design and advancement for anticipating and responding in a timely manner to the altering conditions of the market (innovation); optimization of the inclusive time of lead (delivery time); intending for zero defects as in quality in the activities of the organization in general (quality); and the realization of the prime competencies and capitalization on the productivity of labor and capital (efficiency) (Hakes, 2001). An outline of the principles of total quality management, pertinent practices for quality management, their preferred aims and the enterprise level factors for competition are displayed in the table below.

The principles of total quality management presented here must be observed as corresponding to these practices since the philosophy of total quality management may impart the inclusive direction for the more feasible instruments of quality management. The application of the techniques of quality management is typically realized as a method to escalate the competitive performance of an organization.

Possible Barriers in Organization acting against the Implementation of TQM

The barriers in the way to the implementation of total quality management are unlimited; they roll up in every sector including education, government, services, and manufacturing. Hence, it is significant for every organization to comprehend and shun such barriers prior to as well as in the duration of the implementation of total quality management. Researches and studies reveal fifteen distinctive barriers acting against the implementation of the total quality management which are mutual for every sort of organization and with every level of management. Amongst the whole lot of barriers, here are presented and discussed, the ones that afflict the organizations (Ahire, et.al, 2006).

TQM Principles	Examples of management concepts	Objectives - Results	Competition factors
Consumer satisfaction and continuous improvement of issues related to relevant competition factors Measurement and monitoring Quality assurance Communication and dissemination of information to concerned parties Internal clients and suppliers Delegation and employee participation Human Resources Development (systematic training)	Tolorism, Fordism Reengineering Benchmarking Downsizing Outsourcing	Efficiency: - maximalization of capital and labour productivity - definition of core advantages	Price
	Quality system Quality costs ISO 9000 certification Quality audits	Management dimension: Zero quality defects in products, processes and services Product dimension: "right" quality	Quality
	COSP Time based competition	Optimization of lead time (logistics)	Delivery time
	JIT Kanban Delaying cellular factory layout	Organization and control of productive systems in order to deal with diverse and fluctuating market demands	Flexibility
	Benchmarking Quality function deployment Quality-control circles	Organization and control of the product design and development process in order to anticipate and respond in a timely fashion to changing market conditions	Innovation

Lack of management commitment

Every sort of organization goes through low interest and participation of employees in their programs relating to total quality management when commitment to management is lacking at any stage. Lacking or even negligible support from the administration and the chief executive officer obstruct the effective implementation of total quality management. For instance, total quality management would not flourish in case the management is just aggravated by the external pressures like requiring to meet the standards of an authorizing agency or to satisfy the board of directors. In case, the staff members observe inconsistencies, in whatever management perceives, and what it does in actual, they would lose faith and interest in the total quality management. For effectual implementation of the TQM, the administrative members ought to have an evidently communicated purpose for implementing total quality management, be reliable in its execution of the principles of TQM, and not take it as the newest fad of management (Fok, et.al, 2000).

Inability to change organizational culture

It has been established by many that altering the culture of an organization to display that total quality management is intricate and necessitates a great deal of time. Researches reveal that usually 3-5 years are required to apply total quality management into an organization. Initially, the fright for alteration should be eliminated from the organization, feeble relations of labor management should be resolute, and the emphasis of the organization should vary from the quo of the status. In the US, unluckily, organizations are impetuous and impulsive and frequently emphasize on the quick resolution to acquire the desired outcomes. For the culture of an organization to vary, the endeavor should be dedicated to it and endorse all the endeavors for variation and the principles of total quality management should be steadily employed so they become an essential constituent of the way organizations operate (Abraham, et.al., 2009).

Improper planning

Yet another barrier in the way to implementing total quality management is produced by the deficit of lucidity in the plan of implementation and the malfunction to endorse open conversation amongst the participants. Several problems in implementation of TQM may be prevailed over with appropriate planning. For a successful implementation plan of TQM, the three core components are acquiring nationwide commitment; communicating the goals, vision and mission of the organization; and imparting open communication regarding the new emphasis of the organization. Any controlling group such as the board of directors should participate since the time of commencement.

Lack of continuous training and education

Education and training is a continuing procedure which enables unremitting improvement in the quality of any organization. Leader engrossed in the implementation of total quality management must realize the educational requirements of the organization and should be resourceful in fulfilling those requirements cost effectively and efficiently. Education and training must be informal as well as formal, for instance, employed a leading group of consultants to educate its vice presidents to be the instructors for the remaining staff of the organization. This strategy displays the commitment of the management to total quality management and ascertains that the principles of TQM are steadily instructed to each of its staff members (Jablonski, 2002).

Incompatible organizational structure and isolated individuals and departments

Management policies and autocratic structure of organizations may result in problems in the implementation of total quality management in an organization. In case, the culture of an organization is an issue, proportion of the planning procedure must be reorganizing with a definite intention and overt anticipated upshots. When the principles of total quality management are employed, the detachment of the departments and individuals tend to disband with the passage of time. Teamwork is a vital constituent of the milieu of total quality management and some achievement has been identified by the leaders who employed the principles of total quality management to resolute a few of the most vulnerable territory conflicts which abounded in their organizations. Tools like workflow diagrams, fishbone diagrams, and brainstorming may be effectual in realizing the misinterpretations and incongruities which are frequently the major ground for these types of feuds (Foley, 2003).

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