

THE TQM CONCEPT – STRATEGIC OPPORTUNITY FOR IMPROVING ORGANIZATIONS

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Abstract

In the world today, quality and its management are of great importance for the improvement of the user level of satisfaction, as well as for increasing organisational competitiveness. Some researchers define quality also as an organisation management tool which influences every process and activity (V. Blazheva, D. Grozeva. 2010, p. 39). On the other hand quality is important for satisfying the needs of customers and as such it can be seen as an activity for achieving this. Achieving a certain level of quality depends on the skills of the personnel and their readiness to further these skills, their desire to perfect themselves and implement innovation in their work, so that better results can be reached.

TQM is a concept for comprehensive quality management within organisations, which has to cover all units, departments, stages and processes, technologies and people and lead them towards constant improvement of quality characteristics. At its base lies the idea for building an efficient system whose activities result in increased customer satisfaction. TQM includes two main mechanisms – guaranteeing and improving quality, which in its turn results in creating certain guarantees for the organisations and their non-stop improvement. This becomes possible only through the implementation of the obligatory for the concept principle of data analysis. It allows for particularising of the achieved quality level and establishing the weaknesses and discrepancies which have to be dealt with. This requires the participation of all members of the enterprise for improving the processes, products and services by building a quality creation and quality management orientated culture. The benefits of this can be expected in the long term and because of that the implementation of TQM is of strategic importance for all stakeholders.

The aim is to reveal the particulars of total quality management and the strategic opportunities which its implementation gives organisations for increasing their competitiveness.

Keywords: quality, management, strategy, organization

1 INTRODUCTION

Modernising managerial approaches within organisations creates beneficial prerequisites for survival, development, and competitiveness in a turbulent environment. All this underlies the concept of TQM. In practice, this concept presupposes transforming quality and its management into a way of life within the organization and its becoming an integral part of corporate culture. As founders of TQM, specialized literature points the researchers Armand V. Feigenbaum, creator of the Total Quality Management concept, Kaoru Ishikawa, who developed the Fishbone Diagram method for determining the cause and effect relationships, and the American William Edwards Deming, whose ideas contributed for the development of Japan. TQM is reviewed as a basic managerial activity which allows organisations to achieve high results and correspondingly create and maintain a competitive advantage (Zhou, F., X. Gu, Y. Zhao. 2018, p. 268).

Because of that, there are research workers who review the total quality management concept also as a strategy directed at innovation within organizations (S. Askari, S. Sohrabi. 2017, p.1847).

2 TQM PRINCIPLES AND ELEMENTS

Tracing TQM development reveals that today it is more of a structured methodology which can be successfully implemented in different organizations for perfecting the processes ongoing within them. In this relation, N. Stefanov and E. Kandilarov maintain that TQM can be reviewed as a comprehensive strategy aiming at decreasing loss, increasing customer satisfaction and achieving sustainable type of development for organisations. (N. Stefanov, E. Kandilarov, 2012, p. 501).

As key principles of TQM, specialized literature points the following three:

- Integrity and integration, including all employees, stages and processes in the company activities;
- Creative participation giving the opportunity for generating new ideas by the personnel and their participation in developing new solutions for perfecting activity;
- Continuous development which is the TQM key component and means constant improvement of product parameters, services, processes people, and the business as a whole.

It is deemed that when building the managerial culture based on TQM, it becomes possible to form such an organizational environment and work atmosphere which facilitates the implementation of innovations and build creative atmosphere. The employees' involvement with everything that happens within the organisation influences its development positively.

Customers and their satisfaction are deemed to occupy the most important position in the TQM system. Seeking new ways and means for improving it and can be viewed as a key element. The goal of all the actions performed by the employees, the management and the organization as a whole is meant to increase customer satisfaction. This is loosely related to the understanding that things by no means can be taken for granted, but it needs finding opportunities for their speeded furthering so that suitable actions can be undertaken as a reaction before any substantial and permanent changes in the environment have taken place. On the other hand, the key position of customers is closely related to the goals of the particular organisation and TQM requires their related reviewing. Acquiring the desired competitive positions is possible only if through their actions each economic entity satisfies customer preferences and unfailingly finds ways to increase the level of this satisfaction. As far as the business is concerned, this is reflected on its employees who have acquired the opportunity to contribute personally to the decisions they make and further their activities in the process of achieving the final results. The customer is the real appraiser of the achieved level of the quality characteristics of the final results.

Using the TQM concept when building the company quality management system is deemed to aim at achieving serious competitive advantages in the long term aspect (A. Ryazancev, 2009, p. 15). Today, in view of the activities of the International Organization for Standardization (ISO), some researchers define three basic elements of TQM, namely:

- Quality management system, ISO certified;
- Organizational strategy conforming with the ISO principles;
- Quality based competitiveness.

As a prerequisite for this we can review the fact that the IOS has developed over 14 000 standards finding application in different sectors of the economy and life. The principles underlying the standards of the IS series are: customer oriented principles; leadership; personnel inclusion, process approach; system approach to management; improvement; evidence-based decision making; relationship management. Their combining and concurrent implementation is a prerequisite for strategic changes in the organizations aiming at improving the quality characteristics of each activity, process, technology and result.

Reaching high quality levels of the management system, its maintenance and continuous improvement, and the inclusion of all organisation components is a prerequisite for achieving total quality management. However, this is in direct relation with the strife for attaining zero defects production, which has become popular as *Six sigma* and which gives an opportunity for focusing their attention on reducing and removal of low-quality produce, as well as on the necessity of processing it, lowering its quality grade or directly discarding it. The main result is minimising the organisation losses and increasing its productivity. In the

process of development of the Six sigma concept, the specialists in Motorola based their performance on the W. E. Deming PDCA cycle, which is seen as the classical model for improving the processes within an organization. For that reason, the researchers in the sphere of quality and quality management view Six sigma as part of the concept for total quality management. On the other hand, the implementation of TQM requires the achievement of balance between three components: quality, cost and speed. This means reorganizing the quality system and its management into a flexible system which succeeds in reacting in due time to the constantly changing external environment. TQM presupposes the creation of a climate which allows for continuous improvement of the quality within the organization, at the same time the concept is presented by some researchers as an activity based on quality management, as viewed by the beneficiaries (V. Luer, 2018). It also requires the use of appropriate statistical indicators, with the main focus placed on the individual.

Achieving TQM goals requires the implementation of a process approach in work and a system approach in management, as each change in a given component is reflected on all the remaining components within the organization. Implementing this activity in a company can be viewed as a whole system of interrelated processes, limited at the entry and the exit of the organization.

Viewing the customer as the driving force behind the development and competitiveness of the business influences the organizing of the separate processes and stages as a whole. The achievement of end results meeting in the utmost degree the preferences of the customer and the expectations concerning their quality characteristics requires the inclusion of all employees – from the supplier and subcontractor to the end retailer who is in direct contact with the customer.

3 SELF-ASSESSMENT AND STIMULI IN TQM

An important focus is that the strategy for the development of modern quality management within the TQM context is based on self-assessment of the quality of the organization's functioning (A. Sizikin, 2010). This means absolute self-awareness on the part of all employees within the organisation, including the management and owners, so that precision of the resulting self-assessment can be guaranteed. On these grounds, trends for production behaviour perfecting can be defined aiming at overcoming the established weaknesses. Comparing the self-assessment results with the achievements of other organisations allows for better determining of the achieved quality level as well as for revealing opportunities for mastering and implementing good practices in the sphere.

Organizational self-assessment concerning the level of quality and its management plus the ability to measure TQM come out as the so-called stimuli or quality awards. The first award of this kind was founded to honour William Edwards Deming, and is called "The Deming Prize", and through it the Japanese pay their respect to William Deming's contribution for the restoration of their economy after WW II. Later, the Japanese Quality Award was established. Similar stimuli were set up in the USA (Malcolm Baldrige National Quality Award), in Europe (EFQM¹ Excellence Award – EEA), in Canada (Canada Award for Excellence), in Australia (Australian Business Award which received the recognition of the trade unions), etc. The implementation of a single assessment method – through points with a maximum of 1000, which, when spread over a number of indicators, allow companies to make their assessments, establish the achieved quality levels, as well as the extent to which they have implemented the TQM principles. The weighted average assessment of the level of the quality management system can be viewed as a stimulus for new improvements and increasing competitiveness in the long term.

4 CONCLUSION

Practically, TQM allows for the unification of the activities of all the departments, employees, and management within an organization, as far as the quality characteristics of the systems, the processes, technologies, end results, as well as their continuous improvement, are concerned. TQM success depends on the readiness of the whole personnel to involve themselves with it and keep and maintain its principles. It is also deemed that TQM is a strategic goal for whose achievement relevant motivation, adequate training, selection of appropriate methodology and the realization of the fact that significant changes require time are necessary. It requires the concurrent implementation of such principles as leadership, strategic planning, supplier quality management, process management, product and service design, employee management, customer relation management, information and analysis (S. Yeng et al., 2018, p. 1). All that must be part of creating a favourable environment for continuous improvement of companies and for increasing their competitiveness as a strategic move.

¹ European Foundation for Quality Management

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