

# Total Quality Management TQM

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"TQM is an *integrative* management *philosophy* aimed at *continuously improving (KAIZEN)* the quality of products and processes to achieve *customer satisfaction* (by) making quality a concern and responsibility for *everyone* in the business" *Ahire S, Waller M, Golhar D (1996)*

- Evolution: **Craft**
- Expert, quality part of process
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- Mass production**
- Inspection, quantity, skill fade
- Strategic / Mass Customisation**
- Integrated, quality circles, customer focus

## Emergence as a STRATEGIC Factor

- Due to the number and capabilities of new entrants into many markets and industries.
- The result of fierce competition, customers now have greater amounts of choice.

Quality was originally built into the **Craft** industries - workers had pride in what they did.

During the **mass production** era, it became unimportant due to the focus on quantity.

Today, it is used strategically along with areas (**Lean Production**) and is now integral into the entire business.

## Benefits

TQM requires the involvement of all key stakeholders within the organization. The underlining target is to **reduce production costs** while **exceeding customer expectations**.

Quality leads to Customer satisfaction, essentially Production/Operations must be clear about customer needs. These should include costs, delivery, quantities, ranges, mix of products, service, product specification etc

### Shareholders

- Increased Return on Investment
- Improved corporate Image in financial markets
- Increase market share, more profit.

### Employees

- Increased job satisfaction
- Improved communication and involvement
- Better training
- More efficient work force, worker productivity
- Pride in workmanship

### Customers

- Better products and services
- Better value for money
- Higher customer satisfaction index,
- Increase in number of customers.
- Better customer awareness and increased communication with customers

### Suppliers

- Better specifications, more precise
- Long term relationships
- Improve consistency from suppliers
- Improved delivery lead times

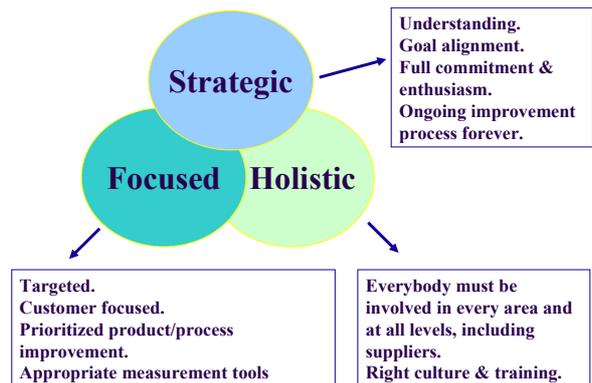
- Additional benefits can include: **benchmark partner**, **quality leaders** and **'world class' status**. Better resource utilisation, **reduce scrap / waste (MUDA)**. More **reliable** products and services, improved product delivery times.

- Customers needs and expectations are always considered first in measuring achieved quality.

- Faster **response** to customer needs.

- Shifts emphasis from **reactive** to **proactive**

- TQM puts emphasis on role and responsibilities of every member of staff to influence quality by **encouraging** ideas and **empowering** individuals. **Participative**



## 4 Elements of Quality

- **Hard Factors** – statistical control / measuring
- **Soft Factors** – commitment / training
- **Process Quality** – ISO 9000 / feedback / LFE
- **Product Quality** – zero defects / new utilities

## Why Fail ?

Not appropriate for crisis management  
 Conflicts with budget pressures  
 People look for non-incremental benefit  
 Not a quick fix  
 Needs change in culture  
 Needs endurance - no going back  
 Long term strategy