Total Quality Management Essay, Research Paper

Total Quality Management (TQM) has become a driving force in many organizations in the business world today. For a company to remain competitive, quality must remain a priority. A strong commitment to quality, and customer satisfaction programs are essential for a small business to compete against both smaller and larger competitors. Total Quality Management has completely changed the way that business is carried out worldwide. T.Q.M. has taken several of the old theories on how to conduct a business and thrown them right out the window, the T.Q.M. philosophy has taken business to a whole new level. Total Quality Management refers to a quest for quality that involves everyone in an organization. T.Q.M. manages the entire organization to excel in all dimensions of (Product and Service) quality. The Total quality Management philosophy incorporates the whole organization in a continual effort to improve quality and customer satisfaction. Total Quality Management is based on the belief that the people who are closest to the job best understand what is wrong and how to fix it. Management has the responsibility at all levels to work on the systems in which goods or services are produced. Total Quality Management (TQM) is an organizational approach to customer satisfaction involving customers, people, and the continuous improvement of processes. There are many other good definitions that all have one primary objective: achieving customer satisfaction by involving customers. T.Q.M. intuitively recognized the importance of bringing an organization and the individual together through team and process. Total Quality Management is the central role of blending organization and individual performers and competitively meeting their customer?s needs. If quality does not meat the standards of companies? customers it can have very negative impact on the company. It can mean a loss of future business, liability, and an increase in overall costs. A dissatisfied customer will tell an average of 19 others.

Continual Improvement

In order for American companies to remain competitive with foreign competition they must improve the overall quality of all their products. There are many business people in America who are still under the notion that quantity is more important than quality. These companies will soon learn that cutting costs without improvements is futile. Companies must look to improve quality by better management of design, engineering, testing, and by improvement of process. An understanding of variation is important to the success of Total Quality Management. One of the major shifts in thinking that is part of total quality is that it is economically desirable to work toward minimal variations rather than adopt some acceptable level of quality. With a larger emphasis on quality, organizations will soon see that costs go down and productivity goes up over the long run. The continuous improvement uses a process that follows the plan-do-check-act cycle. The situation is analyzed and the improvement is planned (Plan). The improvement is tried (Do). Then data is gathered to see how the new approach works (Check or study) and then the improvement is either implemented or a decision is made to try something else (Act). This process of continuous improvement makes it possible to reduce variations and lower defects to near zero.

One of the first phases in total quality management requires a system that puts all employees to work and reduces variation using simple but powerful tools referred to as the seven quality control tools. These tools are used to maintain good quality if it exists and to continuously improve it if it doesn’t. Motorola for example started with defects or mistakes that were measured in terms of percentages. As they continuously improved they raised the bar of performance to Six Sigma quality. (Less than 3.4 mistakes or defects per one million opportunities)

When implementing T.Q.M. companies must be careful not look for quick-fix solutions that address the symptom, and not the root cause. It takes longer but it’s worth it. Companies must not punish people for discovering problems. They must celebrate problems as opportunities to improve, and avoid over-confidence. The minute that the organization believes that the TQM project is complete, a competitor will catch up. Organizations must always look for improvement. Every step in every process must be analyzed to determine why it exists and what value it has. It must check quality regularly. Anything not measured will “backslide” to the next lowest equilibrium point. Solving quality problems that interfere with schedule and costs is the best way to ensure that it will improve all three.

In order for companies to continually improve they must have very accurate and strategic plan and goal set. Strategic planning is a process that determines the future of an organization. The processes that produce good results are standardized and documented. The documented processes are followed. If the process is changed the documentation is changed. If an organization lacks this standardization, then improvements tend to slip. Without standardization’, variation is increased rather than reduced. Goal setting determines resources allocations needed. Having a well-proven process for strategic planning and goal setting makes the effort more efficient. It assures that a strategic plan will provide a frame that will shape the organization?s future, and will help align their efforts for a better performance. An important part of improvement is Teamwork. Good team activity includes a clear definition of project.

Team Approach

Most companies survive with large inefficiencies and unnecessary costs because they have reached a point with large enough sales that these problems may not be readily apparent. If employees are encouraged and rewarded for TQM participation, with higher job satisfaction and perhaps even money incentives, customer satisfaction, production, sales, and profits will increase. In turn costs and customer problems will decrease.

In order for a company to implement TQM it is necessary for the company to receive involvement from all their employees. Most successful organizations have realized that when they become involved in team building and employee motivation increases and organizational results are achieved. Management shows its commitment by practicing TQM Principles by teaching the TQM philosophy, by encouraging their subordinates to practice total Quality Management and by creating a management environment where TQM can be successful. In getting the team off to a good start you need to agree on a purpose. Identify people, who will be effected by the work of the team (stakeholders), identify limits and expectations of team’s work. Agree on roles and responsibilities, ground rules and logistics of when and where to meet. The work of the team is accomplished by creating work plans, having productive meetings, using data, making good decisions, evaluating potential solutions, implementing changes and documenting its work. Once a company institutes the TQM philosophy, it must pay careful attention to each person’s commitment level and TQM actions. If problems occur with any individuals resisting or actively sabotaging adoption of TQM, the problem must be dealt with. All it takes is one person to ruin the complete process

The committed manager will reinforce the quality message with every action. Each policy decision, resource allocation and interaction with any of his subordinates must communicate total dedication to quality. TQM will not be successful without line management ownership, active involvement and leadership by example. Teamwork is critical to effective continuous improvement and standardization. Teamwork should be based on knowledge, design, redesign and redesign. Organizations must break down any barriers that exist between departments, all departments must work together in order to foresee problems of production that may be encountered. Individuals can support the team by taking responsibility for the success of the

Team following through on commitments, contributing to discussions, actively listening to others, getting your message across clearly, giving useful feedback, accepting feedback easily.

Competitive Benchmarking

Benchmarking, both on a personal and an organizational level, is one of the most important trends in total quality management. The process of benchmarking is described as the most effective means of ensuring the continuous improvement. While increasing awareness of what you do will, it identifies what needs to change and why. This will lead to more effective management, helping organizations identify and set realistic targets. Competitive benchmarking can provide companies with a clear baseline of current quality performance levels. It will also make companies externally focused on other organizations that are in a position to learn from and take advantage of the experience of them. Organizations must start by identifying their core capabilities – those strategic business capabilities that provide their business advantage. As companies do this it will enable them to focus on the key business processes that deliver those competencies, and identify the critical success factors for those processes. Benchmarking helps companies learn from the best practices of other organizations, not necessarily restricted to those in the same industry or business sector. When managers are willing to take the time to understand the criteria, understand what their own assessment scores mean, and understand what is necessary to improve these scores, they can proceed to develop meaningful and realistic action plans for improving their organizations.

Companies that have benchmarked themselves against the most efficient and most profitable both foreign and domestic have incredible results, such as Xerox.

Employee Empowerment

The key to success with the TQM philosophy is the empowerment of the employee. Every employee has a wide range of discretionary effort that is totally within his or her power to contribute or withhold as he or she chooses. Employee empowerment can lead to both increased productivity and employee satisfaction. Better organized and supported work environments under the Total Quality Management system are created by placing responsibility onto the worker, who works with a select number of co-workers in a specialized team. This allows labors as well as executives a chance to give influential input. Involving people in the decisions that a company must make in order for them to feel responsible and accountable for their work is something that takes time, patience and perseverance. Irresponsible empowerment is when management assumes delegating more guarantees better results and employees assume they can do whatever they want. Employee empowerment must include accountability, employee involvement focuses on improvement, change results in improvement, resistance to change is minimized, and more delegating does not result in less control. Since participation and involvement are critical to the success of employee empowerment, employees must use their learned abilities regularly to keep in use. Acceptance of employees as fully functioning rather than apprentice human beings is important to making them feel that they matter that their input is important and appreciated. It’s crucial that a company embodies that which you choose to praise and reward. The things that upper management recognize, reward, and praise are the activities that will most likely be repeated.

Something that is vital to the success of a company and its empowerment and employee participation is ‘truth’. Employee loyalty is dependent on it. Employees must know what is really going on at their company. If information is held back, employees will simply quit on the philosophy. Withholding knowledge generally will only serve the one who is withholding it in retaining “power”. Some organizations think that if they give empowerment they give up power. They think that their power comes from their position. That is not true. What it really shows is that you have the power from within. Companies need to do is to truly want their employees to actively embrace the activities is to create a feeling of safety; nobody desires to get shot down for sticking their neck out in an effort to improve their organization. Companies must acknowledge employees’ for taking risk and fully back their decisions while still retaining the right to suggest that “in the future they make a different decision”. Enthusiasm towards employees, their growth, and their risk taking, is critical. Employee Empowerment is a choice, it’s a journey, and it’s what will assist organizations and employees in building a successful and synergetic relationship. One that will take all involved to greater levels of success. The final goal of employee empowerment is to have all employees contribute the maximum of their discretionary capability to the continuous improvement of their and their collaborators’ work.

Knowledge of Systems and Tools

Total quality management will only work if the supplier/customer interfaces extend beyond the immediate customers, and beyond the immediate suppliers. In order to achieve this, a company must organize itself in such a way that the human, administrative and technical factors affecting quality will be under control and produce consistency. This leads to the requirement for the development and implementation of a quality system which enables the objectives set out in the quality policy to be accomplished, the quality system in use must be appropriate to the type of activity and product or service being offered.

Consistency can only be achieved if we ensure that, for every product or each time a service is performed, the same materials, the same equipment, the same methods of procedures, are used in exactly the same way, every time. The process will then be ‘under control’. This is the aim of a good quality management system – to provide the ‘operator’ with consistency and satisfaction in terms of methods, materials and equipment.

The International Standards Organization (ISO) Standard 9000 Series sets out the methods by which a management system, incorporating all the activities associated with quality, can be implemented in an organization to ensure that all the specified performance requirements and needs of the customer are fully met. The ‘wheel’ has been invented but it must be built in a way, which meets the specific organizational and product or service requirements. It then requires audit and review to ensure that: The people involved are operating according to the documented system (a system audit) .The system still meets the requirements (a system review).

If in the system audits and reviews it is discovered that an even better product or less waste can be achieved by changing the method of one of the materials, then a change may be effected. To maintain consistency, it must be ensured that the appropriate changes are made to the documented system and that everyone conceded is issued with the revision and begins to operate accordingly.

Along with different types of systems and standards, there are also many different types of Tools that can benefit a company in total quality management. There are seven main tools; these are usually referred to as ?the seven basic?. The seven tools are: Check sheets, Flow Charts, Scatter Diagrams, Histograms, Pareto Analysis, Run Charts, Control Charts and Cause-and Effect Diagrams. These tools can aid an organization in a number of ways, they include tracking phases of improvement as well as measuring overall improvement with in an organization.

Conclusion

TQM is not an end in itself. It is an ongoing process. Clearly not all of TQM? methods and tools are applicable all of the time. They have to be used selectively. But in a moderately complex organization, they will all be used, and therefore they all need to be known and understood. For many companies to compete in the next decade rapid quality improvement may not provide a competitive edge, it may just be a necessary skill

Continuous quality improvement is the hallmark of successful companies, worldwide. Many successful Japanese companies have adopted continuous quality improvement as the number one operational principle for all employees and departments. TQM is mainly concerned with continuous improvement in all work, from high level strategic planning and decision making, to detailed execution of work elements on the shop floor. It stems from the belief that mistakes can be avoided, defects can be prevented, and waste can be eliminated. It leads to continuously improving results, in all aspects of work, as a result of continuously improving capabilities, people, process, technological and machine capabilities.

As we enter the 21st century the TQM philosophy looks to be a main stay in the business world. Much of this rapid evolution in markets is fueled by changing customer needs Most of the trends that have evolved with TQM look to remain very prominent in most organizations. These trends include Expansion of quality management concepts along with methods and tools to all industries and all company functions. Another tend seems to be Quality improvement, which is happening at a revolutionary pace. Partnering also looks to be a trend that will evolve in the future, this includes forming partnerships with suppliers, with others in their industries, and even with competitors. Education and training will be an integral part of total quality management in the future as well, for all members of the team — management, professionals, and the workforce. Companies will try and implement more self-directing work teams. In order for theses trends to work organizations must continue to focus on the customer. Benchmarking and strategic quality management will also be vital to any company?s success in the future.

337