

# **Course 02: Conceptual framework for TQM**

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# Introduction

- In the global marketplace, there is increasing competition among producers and marketers of goods and services, so that the focus **for competitive advantage has come to be on quality**. Attempts at improving quality in organizations led to the advancement of the management philosophy called total quality management (TQM).
- It is not clear if TQM is still a desirable management theory or a fad; hence, an analytic review of its innovative change process is presented to judge its status.

- Total Quality Management (TQM) was initially developed in **Japan**, and its origins can be traced in the work of the -so called- quality gurus, Deming, Juran, Feigenbaum, Ishikawa and Crosby and on the rise and dominance of the Japanese automobile industry in the world markets.
- During the 1980s and 1990s, TQM began to influence National Business Systems and was widely seen as a **“revolution” in management**.
- In the literature, TQM is often referred as a “social movement” (Hackman & Wageman, 1995), a “comprehensive way to improve total organizational performance and quality” (Hunt, 1993) and as a “new paradigm in management” by a series of authors such as Spencer (1994) and Grant, *et. al*, (1994). However, very often Total Quality Management has gone from buzzword to fad in many people's opinion (Bergquist, et.al, 2005).

- It is widely accepted that **TQM** emphasizes self-control, autonomy, and creativity among employees and requires active co-operation rather than mere compliance. In addition, TQM theory supports that internal and external information should be equally shared among all employees in order to encourage them to become responsible for quality improvement.
- However, although many articles have been written about the “basic principles and tools” of TQM and the various approaches taken to assure a successful implementation of TQM according to Dayton (2003) continue to remain complex and somewhat clouded.

- **In almost all definitions of TQM, two substantial aspects can be identified: the ‘hard’ side and the ‘soft’ side.** The “hard” (or technical) side refers to management tools, techniques and practices, while the “soft” (or “philosophical”) is associated with management concepts and principles. Whilst the “hard” aspects of TQM include clear and well-documented methods of achieving quality results, at the same time the “soft” aspects synthesize its whole theory, composing its background and philosophical elements. Beyond the acknowledgement of this distinction, there is a general disagreement of what exactly composes the ‘soft’ side of TQM.
- This disagreement provokes a major methodological problem associated with the statistical measurement of its conceptual context. In other words, while it is feasible to measure peoples’ awareness of the ‘hard’ aspects of TQM, it is quite problematic to assess their actual understanding of its ‘soft’ principles, insofar as there is a lack of generally accepted and measurable frameworks. For this reason the majority of the research in this field has been qualitative, focusing upon specific aspects of TQM and ignoring its wholeness.

# Definition and aims of TOM

- Total quality management (TQM) aims to provide organisations with a template for success through **customer satisfaction**. TQM initiatives must include an in-built **culture of continuous improvement**, which can help an organisation satisfy the needs of its customers on an ongoing basis (Walsh, et.al, 2002).
- Park- Dahlgaard et al. (2001) suggested that TQM might be seen as a continuous process, as a “fusion of eastern and western ideas”. According to McAdam & Henderson (2004) “the future of TQM as influenced by market changes is likely to result in less structured TQM approaches and more devolved, empowered, customer facing TQM activity. While TQM exponents may argue that these elements have been in existence for some time, there is clearly a need for TQM to become more mobile and agile to meet such challenges”.

## Definition of TOM: follow-up 1

- **A baseline technical definition of what TQM** is all about has been given by the American Federal Office of Management Budget Circular (Milakovich, 1991) *“TQM is a total organisational approach for meeting customer needs and expectations that involves all managers and employees in using quantitative methods to improve continuously the organisation’s processes, products and services”*.
- **Finally, the US General Accounting Office defines TQM** as *“The new approach to the art of management that was developed during WWII and seeks to improve product and service quality and increase customer satisfaction by restructuring traditional management practices. The application of TQM is unique to each organisation that adopts such an approach”*.

## Definition of TOM: follow-up 2

- According to the latter **definition TQM** is not merely a technical system. In fact, TQM is associated with the organisation itself, which is also a social system. Pike & Barnes (1996) argue that organisations are not only technical systems but also human systems.
- In addition, Oakland (1993) states that TQM is an attempt to improve the whole organisation's competitiveness, effectiveness and structure.
- For Dale (1999) "TQM is the mutual co-operation of everyone in an organisation and associated business processes to produce products and services which meet and, hopefully, exceed the needs and expectations of customers.
- TQM is both a philosophy and a set of management guiding principles for managing an organisation".
- Finally, Besterfield *et al.* (1999) try to analyse the acronym TQM by defining the three words that it consists of: Total refers to made up of the whole; Quality refers to the degree of excellence of a product or service; and Management refers to an act, art or manner of handling, controlling, leading and planning. Thus, TQM is the "art of managing the whole to achieve excellence"

# Definition of TOM

- **TQM is a management philosophy that seeks** to integrate all organizational functions to focus on meeting customer needs and organizational objectives (Hashmi, 2000-2004). It is thus a multi-faceted approach to creating organizational change, with factors including quality, customers, employees, organizational production, and the role of senior management (Hackman and Wageman, 1995).
- **TQM emphasizes the creation of an environment** that supports innovation, creativity, and risk taking in meeting customer demands, using participative problem solving that incorporates managers, employees, and customers (Noe *et al.*, 2000). *TQM focuses on employee involvement* in the control of quality in organizations (Levy, 2003). Rather than concentrating on the volume of production, TQM focuses on quality, customer demands and expectations (Landy and Conte, 2004).
- **Quality has a glut of definitions. Crosby (1980) defines it** as conformance to requirements. Quality is that which meets and/or exceeds customers' expectations (Parasuraman *et al.*, 1991).