



TOTAL QUALITY MANAGEMENT AS EFFICIENT INSTRUMENT FOR DEVELOPMENT IN MODERN ORGANIZATION.

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ABSTRACT:

Total quality Management or TQM is an integrative Philosophy of Management for continuously improving the quality of products and processes. It is very clear that TQM without involving integrity, ethics and trust would be a great remiss, in fact it would be incomplete. Training is the key by which the organization a TQM environment. Leadership and teamwork go hand in hand. Lack of communication between departments, supervisors and employees create a burden on the whole TQM process. Last but not the least; recognition should be given to people who contributed on the overall completed task. Hence, lead by example, train employees to provide a quality product, create an environment where there is no fear to share knowledge, and give credit where credit where credit where credit is due is the motto of a successful TQM organization. Quality improvement can be defined as 'the change for better performance of the product, process and system in an organization, which is either the elimination of error or for the growth and prosperity of the organization'.

Keywords:

Quality enhancement, acknowledgement, truthfulness, morals.

INTRODUCTION:

The experience of poor quality is exacerbated when employees of the company either are not empowered to correct quality inadequacies or do not seem willing to do so. We have all encountered service employees who do not seem to care. Everyone had experiences of poor quality when dealing with business organizations. These experience might involve an airline that has lost a passenger's luggage, a dry cleaner that has left clothes wrinkled or stained, poor course offerings and scheduling at your college, a purchased product that is damaged or broken, or a pizza





delivery service that is often late or delivers the wrong order. The consequences of such an attitude are lost customers and opportunities for competitors to take advantage of the market need. The TQM concept was developed by a number of American management consultants, including W. Edwards Deming, Joseph Juan, and A.V. Feigenbaum, etc. The main difference between TQM and six Sigma (a newer concept) is the approach. At its core, Total Quality Management (TQM) is management approach to long-term success through customer satisfaction. In a TQM effort, all members of an organization participate in improving processes, products, services and the culture in which they work. Total Quality Management is a management approach that originated in the 1950's and has steadily become more popular since the early 1980's Total Quality is a description of the culture, attitude and organization of a company that strives to provide customers with products and service that satisfy their needs. The culture requires quality in all aspects of the company's operations, with processes being done right the first time and defects and waste eradicated from operations. To be successful implementing TQM, an organization must concentrate on the eight key elements;

1. Principles
2. Honesty
3. Faith
4. Preparation
5. Cooperation
6. Management
7. Restructuring
8. Communication





MATERIAL AND METHOD:

Purpose:

1. To study concept of TQM
2. To study the evolution of TQM
3. To study quality improvement
4. To study cost of quality
5. To study how TQM improve quality of product & process.

RESULT AND DISCUSSION :

Investigation line:- For this research paper secondary data is used. Secondary data is Collected from various websites, reference books, different types of articles etc.

Meaning of excellence :- Total quality management (TQM) is an integrated organizational effort designed to improve quality at every level. Today, there is no single universal definition of quality. Some people view quality as “performance to standards.” Others view it as “meeting the customer’s needs” or “Satisfying the customer”.

Price of excellence :- The reason quality has gained such prominence is that organizations have gained an understanding of the high cost of poor quality. Quality affects all aspects of the organization and has dramatic cost implications. The most obvious consequence occurs when poor quality creates dissatisfied customers and eventually leads to loss of business. However, quality has many other costs, which can be divided into two categories. These are of two types prevention costs and appraisal costs. The second category consists of the cost consequences of poor quality, which are called quality break down costs. These include external break down costs and internal break down costs.

The first two costs are incurred in the hope of preventing the second two.

1) Prevention costs :- Prevention costs are all costs incurred in the process of preventing poor quality from occurring. They include quality





planning costs, such as the costs of developing and implementing a quality plan. Also include are the costs of product and process design, from collecting customer information to designing processes that achieve as part of this costs, as well the costs of maintaining records of information and data related to quality.

2) Appraisal costs :- Appraisal costs are incurred in the process of uncovering defects. They include the cost of quality inspections, product testing and performing audits to make sure that quality standards are being met. Also included in this category are the costs of worker time spent measuring quality and the cost of equipment used for quality appraisal.

3) Internal Breakdown Costs :- Internal breakdown costs are associated with discovering poor product reaches the customer site. One type of internal breakdown cost is rework, which is the cost of correcting the defective item. Sometimes the item is so defective that it can not be corrected and must be thrown away. This is called scrap, and its costs include all the material, labor, and machine cost spent in producing the defective product. Other types of internal breakdown costs include the cost of machine downtime due to failures.

4) External Breakdown Costs :- External breakdown costs are associated with quality problems that occur at the customer site. These costs can be particularly damaging because customer faith and loyalty can be difficult to regain. They include everything from customer complaints, product returns, and repairs, to warranty claims, recalls, and even litigation costs resulting from product liability issues. A final component of this cost is lost sales and lost customers. For example, manufacturers of lunch meats and hot dogs whose products have been recalled due to bacterial contamination have had to struggle to regain consumer confidence. Other examples include auto manufacturers whose products have been recalled due to major malfunctions such as





problematic breaking systems and airlines that have experienced a crash with many fatalities. External breakdown can sometimes put a company out of business almost overnight. Companies that consider quality important invest heavily in prevention and appraisal costs in order to prevent internal and external break down costs. The earlier defects are found, the less costly they are to correct. For example, detecting and correcting defects during product design and product production is considerably less expensive than when the defects are found at the customer site. External breakdown costs tend to be particularly high for service for service organizations. The reason is that with a service the customers spends much time in the service delivery system, and there are fewer opportunities to correct defects than there are in manufacturing. Examples of external breakdown in services include an airline that has overbooked flights, long delays in airline service, and lost luggage.

5) The growth of TQM :- In the early twentieth century, quality management meant inspecting products to ensure that they met specifications. The concept of quality has existed for many years, though its meaning has changed and evolved over time. In the 1940s, during World War II, quality became more statistical in nature. Statistical sampling techniques were used to evaluate quality, and quality control charts were used to monitor the production process. In the 1960s, with the help of so-called “quality gurus,” the concept took on broader meaning. Quality began to be viewed as something that encompassed the entire organization, not only the production process. Since all functions were responsible for product quality and all shared the costs of poor quality, quality was seen as a concept that affected the entire organization. The meaning of quality for businesses changed dramatically in the late 1970s. Before the quality was still viewed as something that needed to be inspected and corrected. However, in the





1970s and 1980s many U.S. industries lost market share to foreign competition. In the auto industry, manufacturers such as Toyota and Honda became major players. In the consumer goods market, companies such as Toshiba and Sony led the way. A new concepts of quality was emerging. One result is that quality began to have a strategic meaning. To survive, companies had to make major changes in their quality programs. Many hired consultants and instituted quality training programs for their employees. Today, successful companies understand that quality provides a competitive advantage. They put the customer first and define uality as meeting or exceeding customer expectations. Since the 1970s, competition based on quality has grown in importance and has generated tremendous interest, concern, and enthusiasm. Companies in every line of business are focusing on improving quality in order to be more competitive. In many industries quality excellence has become a standard for doing business. Companies that do not meet this standard simply will not survive. As you will see later in the chapter, the importance of quality is demonstrated by national quality awards and quality certifications that are coveted by business. The term used for today's new concept of quality is total quality management or TQM. We can see that the old concept is reactive, designed to correct quality problems after they occur. The new concept is proactive, designed to build quality into the product and process design.

6) Quality Improvement:- Quality improvement can be defined as ‘the change for better performance of the product, process and system in an organization, which is either the elimination of error or for the growth and prosperity of the organization.’ Quality improvement is activity carried out by management to improve areas within the business and thereby increase its effectiveness and efficiency. Quality improvement is an organization wide activity involving everybody in the organization from the top management to the operators at the bottom level. There are a





number of structured quality improvement projects at various levels of an organization. Quality improvement a beneficial change, normally there are there types of advantageous changes.

1) Product Development:- Product improvement consists of two aspects, i.e., 'product feature improvement' as per the customer stated and implied needs leading to customer satisfaction. This is income oriented as it leads to value addition, increase in sales, increased market share and world-class product quality. The second way of improving the product is 'Freedom from deficiencies or defects in the product. This results in perfect product performance as per the customers expectations. This reduces customers dissatisfaction and chronic waste. This is cost oriented. The product could also be service 'Service' here' refers to pure service from the service industry as well as the service associated with a tangible product.

2) Process Upgrading:- The process orientation eliminates the defect and the product becomes totally of Zero defect. The installation of production technique like the 'Statistical process control' and the 'six sigma' eliminates the errors from the process by ensuring process and machine capability and incorporation computer aided auto control system in the process as explained in details.

3) System Step Up :- System improvement holds the gains of the quality improvement project both in process as well as in product. System improvement only can take the organization to a new height of world class performance and enable organization to sustain its leadership and growth at the new height for a long time.

CONCLUSION And RECOMMENDATIONS :-

1. Total Quality Management (TQM) is a management approach to long-term success through customer satisfaction.





2. To be successful implementing TQM, an organization must concentrate on the eight key elements.
3. Quality affects all aspects of the organization and has dramatic cost implications.
4. In many industries quality excellence has become a standard for doing business.

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