

Total Quality Management and Organizational Success

Ebiasuode Awu

Department of management,
Faculty of management sciences,
University of port harcourt,
Rivers state, nigeria.

Abstract: *This research examines the relationship between total quality management and organizational success. The business environment is dynamic so every organization needs to bring up their A game in order to have a competitive advantage in the business environment. Organizations need to implement total quality management in order to achieve organizational success as well as satisfying the customers so as to make more profit in the business arena. The study also discussed the dimensions of total quality management which are product improvement and process improvement as well as the measures of organizational success which include employee satisfaction and customer's satisfaction.*

Keywords: *Total Quality Management, Organizational Success, Product Improvement, Process Improvement, Employee Satisfaction and Customers Satisfaction.*

INTRODUCTION

The business environment is a competitive environment. For organization to be successful, they need to have a quality product to beat the competition in the business environment as customer seems to go for the highest quality product to satisfy their needs. Total quality management is very important in an organization as it pave way for organizational success. Quality is a strategy every organization implement to achieve organizational goal as well as gaining competitive advantage in the business environment. TQM is a strategy for generating and transferring more efficient and superior services by achieving collaboration among organizational members (Lakhal, Pasin & Liman, 2006). Quality difficulties have emerged as one of the most critical aspects of today's global competition. Customers' increasing need for higher-quality products in the marketplace has prompted many businesses to deliver high-quality goods and services in order to compete successfully. Many firms have committed significant resources in developing and implementing Total Quality Management (TQM) practices in their operations to meet the challenge of global competition (Musran, 2013). To put it another way, Shekoufeh and Siavash (2013) defined Total Quality Management as an integrative management philosophy aimed at continually increasing product quality and processes. Practitioners recognize that quality is a durable competitive advantage and competence of a business to continue expanding, regardless of the type of quality management approach used (Yunis, Jung & Chen, 2013).

The goal of any quality strategy is to produce high-quality products (goods and services) for customers. Customers are thus the primary quality goal for businesses. Total Quality Management (TQM) has recently become increasingly popular for supporting quality in company, and scholars and practitioners alike regard it to be a new paradigm in management. To assure success, Total Quality Management is built on a foundation of continuous quality improvement, increased organizational performance, and a focus on the process rather than the result (Sanjar, Rostam & Atefeh, 2013). In today's business world, an organization's success is viewed as a rudimentary element and an end that justifies the means used by the organization over time. In every endeavor of an organization's operation, the most important factor to consider is whether it succeeds or fails in achieving its predetermined objectives (Aghajary & Senin, 2014). This performance threshold is significant because it allows internal or external comparisons among industrial players, as explained by (Ferreira, Lima & Costa 2012). To be successful in business, companies need a diverse workforce of skilled, motivated, and adaptable employees who can help develop core competencies and generate long-term competitive strategies based on the quality of goods produced and services rendered, as suggested by the quality of goods produced and services rendered by the quality of goods produced and services rendered by the quality of goods produced and services rendered by the quality of goods produced and services rendered by the quality (Levine, 1995).

In terms of organizational success, according to Igili (2010), new competitive tactics have shattered existing management philosophies and rendered traditional techniques of product/service development and delivery outdated. Competition has gotten so fierce on all fronts that organizations will only be able to survive if they make a difference. Customers' increased expectations and demands have taken center stage in every aspect of organizational life. The days of companies resting on their laurels and claiming to have a franchise to the highest quality products and services are long gone. Several companies have become bystanders on the road to the future as a result of the constant wave of technological breakthroughs and environmental turbulence, and their structures, processes, and skills have become increasingly less attuned to the ever-changing realities of today's consumer demands and expectations. Business management through quality has developed exponentially over time, especially since pioneering quality

teachers such as Deming, Juran, Ishikawa, Feigenbaum, Crosby, Taguchi, Romig, and others established it in 1940 till today, indicated by Sihotan and Zebedeus (2013).

As a result, firms seek to establish procedures and processes in order to improve the quality of their products and services. Organizational success, on the other hand, is also vital. Overall, an organization's success is determined by how successfully it accomplishes the individual objectives of its business plan, indicating its success rate. In a similar spirit, an organization must evaluate itself in order to be aware of the rate at which its operations are acceptable and of their quality, particularly in dynamic and complex situations. Having no surveillance, assessment, or monitoring mechanisms in place in an organization, on the other hand, implies that the organization has no relationships with its internal and external environments, resulting in its decline and eventual death.

As a result of the gradual nature of the Total Quality Management process, it is necessary to pay close attention to it at all times. According to the aforementioned, numerous literatures still express a lack of awareness as to the attitude of total quality management, which may make the essential improvements for organizational development and improvement difficult, resulting in the organization's demise. Various studies on the subject have been conducted, with some evaluating the relationship between TQM practice and organizational performance. Terziovski and Samson (1999) investigated the impact of overall quality management strategies on the operational performance of a large number of manufacturing enterprises in their case study. The study found that there is a cross-sectional association between TQM practice and organizational performance, but that not all TQM practice categories are particularly strong predictors of performance. Leadership, people management, and customer focus were the most powerful significant determinants of operational performance. Other research looked on the link between TQM practices and company performance.

Most researchers discovered a positive association between TQM practices and performance (Terziovski and Samson, 1999; Flynn and Saladin, 2001; Sila and Ibrahimpour, 2005; Lakhal et al., 2006).

However, the point of take off is to examine how total quality management enhance and improve organizational success.

STATEMENT OF THE PROBLEM

The purpose of every organization is to achieve organizational goals as well as make profit and satisfy the need of the customers in the competitive business environment. Most organizations are challenged in the harsh business environment because they are unable to implement quality in the line of their business. Organizations have gone out of business due to lack of Total Quality Management Programme in the organization which also have a role to play in the success of the organization.

Progressively, the success of organizations has recently been hampered in the Nigerian manufacturing sector, which takes the form of rising raw material costs, which primarily affect manufacturing firms in the country, and accompanying this is an increase in raw material prices to about 45 percent of previous industrial costs (Hussein and Kachwamba, 2011). This has resulted in tough quality management problems in the nation's fragile and developing manufacturing sectors, which rely heavily on imported raw materials (Okorie and Humphrey, 2016).. However, the manifestation of this has led to lack of TQM in the organization which has affected the success of firm in the competitive business environment. Most managers have tried to solve the problem of TQM facing the success of the organization but there are still some bottle neck thwarting the effort of managers in the organization.

However, this study seeks to examine how total quality management can improve the quality and set the bar for organizational success in the harsh competitive business environment.

PURPOSE OF THE STUDY

The purpose of the study is to show the influence of Total Quality Management on Organizational Success. The study further seek to

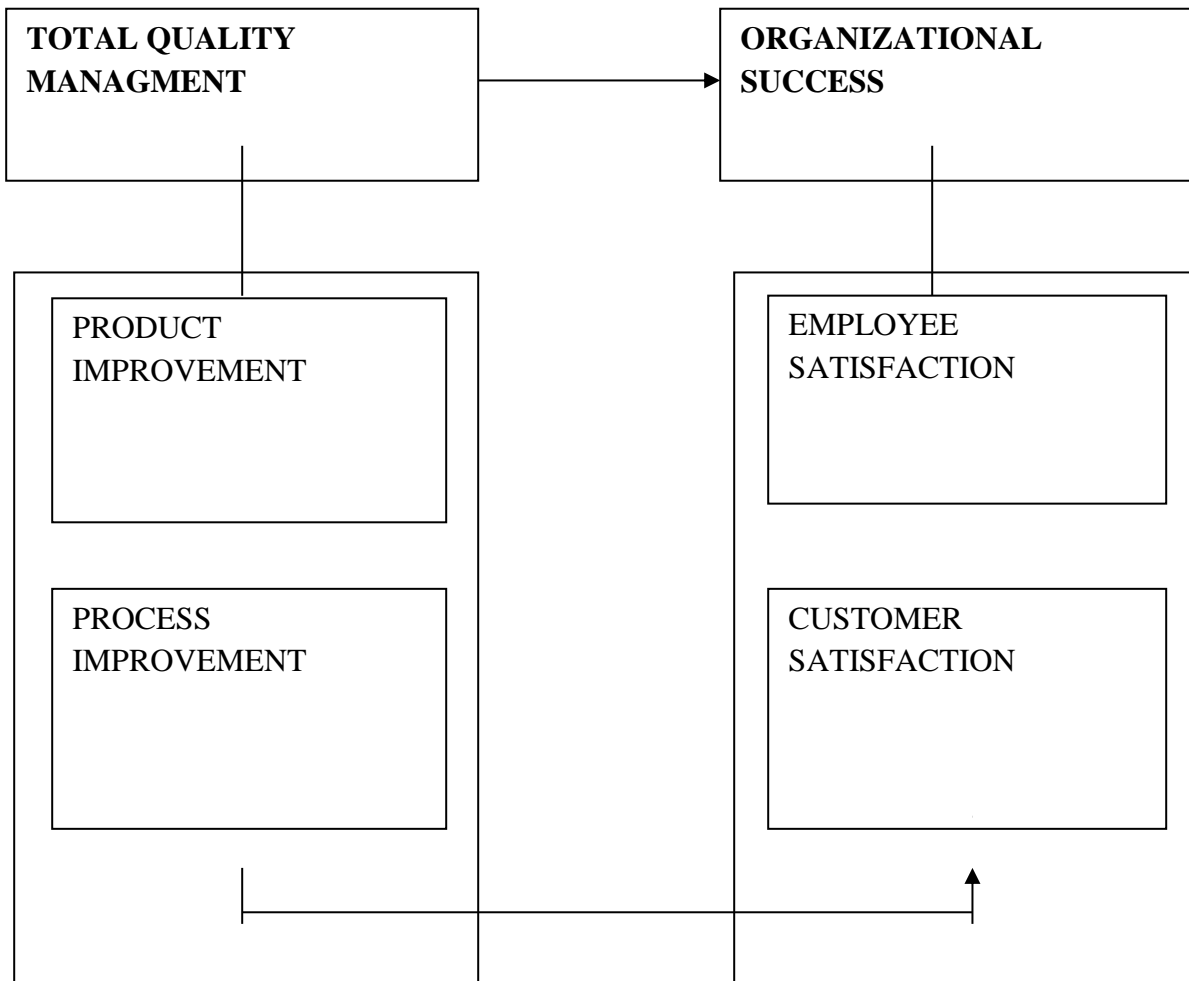
1. Ascertain the influence of product improvement on employee satisfaction.
2. Ascertain the influence of product improvement on customer's satisfaction.
3. Ascertain the influence of process improvement on employee satisfaction.
4. Ascertain the influence of process improvement on customer's satisfaction.

IMPLICATION OF THE STUDY

The implication of the study review the important of total quality management in an organization as it tend to determine the organizational performance as well as the success of the organization. The implementation of total quality management in an organization cannot be over emphasized as it paves way for organizational success.

CONCEPTUAL FRAMEWORK

Figure 1:



Source: Shekoufeh and Siavash (2013)

The conceptual framework shows the relationship between Total Quality Management and Organizational success. The conceptual framework also reviews the dimensions of the independent variables as well as the measures of the dependent variables.

REVIEW OF RELATED LITERATURE

Total Quality Management

Total quality management entails an organizational commitment to ensuring customer satisfaction through the application of an integrated system of tools, procedures, and training. Its goal is to increase the creation of higher-quality goods and services at increasingly lower rates. It entails the ongoing development of organizational processes in order to produce high-quality products and services. As a result, it is largely a change in an organization's technology, as well as its manner of working. This refers to the way customers are processed, the service delivery methods used on them, and ancillary organizational processes such as documentation, procurement processes, and other procedures in human services. It also refers to a shift in an organization's culture, conventions, values, and belief systems regarding how they operate. Furthermore, it is a shift in the political system, decision-making procedures, and power structures of an organization. Changes in these three dimensions must be aligned, according to Kanter (2008), for significant change to occur.

Total quality management will not succeed as a technology transformation unless the cultural and political components are addressed as well. TQM causes a significant shift in an organization's culture and work style. TQM is a management system that focuses an entire company's efforts on improving customer satisfaction, continuous improvement, and employee involvement. As a result, many quality management principles are defined in terms of changing people's attitudes and the organization culture. Total Quality Management, according to Lawal (2006), is 90% mindset, notably the attitude of listening to consumers. TQM is a business theory, approach, or practice that expresses the view that an organization's management process should be centered on the principle of customer-provided quality. The TQM's optimum is continuous improvement of product quality and service delivery. There appears to be no clear road to TQM because every successful practitioner comes from a distinct culture. According to Choppins (2005), success with TQM may come from building a distinctive TQM model that reflects the business ethnics and mission, reducing hardship to the bare minimum. It takes into account and rewards the effects of people who are directly involved, both inside and outside the company. TQM is a management system that entails all employees in a company delivering products or services that meet or exceed customer expectations. TQM, according to Carter (2003), is a preventive, proactive approach to business that represents strategic leadership, common sense, data-driven problem resolution and decision making, employee involvement, and strong management practice. As a technique of continual improvement, TQM places a high emphasis on process measurement and controls. TQM is a quality initiative.

Product improvement:

This is described as a technique or series of procedures designed to ensure that a product or service under development (rather than after it has been completed) fulfills specific standards.

Quality assurance and control (QA/QC) is a term that combines QA and QC into a single word.

According to Fening, Amaria, and Frempong (2013), a critical aspect of any total quality plan for businesses to avoid breakdown is process management, which is focused on managing the production process so that it performs as expected. To reduce the risk of operator mistake, process management procedures must be properly defined and documented, with instructions for machine operation and set-up posted at each workstation. The Problem solving approaches, statistical process control, failure mode impacts analysis, fool proofing, sampling, and inspection are some of the methods used for process control and improvement (Flynn et al., 1994).

Am of the view that when there is product improvement in the organization, the employees need to reward for a work well done which in turn will boost the morale of the employee to put in more effort to ensure organizational success because of the satisfaction they derive in the organization. The employee satisfaction cannot be under mind in an organization except the organization don't want to stand the tales of time in the competitive business environment. When there is product improvement in the organization, customers derive satisfaction in patronizing the firm which in turn create more profit for the organization. While implementing a TQM in the organization, the customer's satisfaction should be put into consideration.

Process improvement:

This is the proactive activity of finding, assessing, and enhancing current business processes inside an organization for the purpose of optimizing them and meeting new quotas or quality requirements. Participating in TQM allows people at a company to gain new knowledge and abilities. Participation has several advantages, including the ability to transform certain employees' unfavorable attitudes, minimize workplace conflict, instill a greater knowledge of the importance of product quality, and help to the formation of an organization-wide quality culture. TQM will accomplish little to improve an organization's performance unless all of its employees embrace it, which typically necessitates a cultural shift.

I postulate that Process improvement in an organization cannot be over emphasized. An organization needs to improve the process of production which in turn lead to employee satisfaction as new knowledge is been added as well as creating room for career development. Employees needs to be trained and develop to carry out certain duties in the organization. When an organization has a process of getting product faster to the customers, it gives them satisfaction. In this part of the world, the average Nigerian man is not patient so if an organization can be able to deliver at a particular time, then the organization will enjoy more patronage in the business environment and all parties (organization and customers) goes home with a merry christmas as organization will make profit and customers will derive satisfaction.

Organizational Success

Performance measurement is one of the most important aspects of achieving effective organizational management procedures. The ability of an organization to fulfill its strategic and financial goals can have a direct impact on its performance (Li et al., 2006). The performance of organizations has been largely ignored in previous research, with some (Katou, 2008) analyzing organizational performance solely in terms of financial performance. Stock et al. (2000) also discussed how to monitor financial and market harmonic performance, such as return on investment (ROI), sales profit and growth, and market share advancement. One thing to keep in mind is that organizational performance can be measured based on operational performance, which refers to an organization's overall performance, which includes financial performance, customer satisfaction, and product quality effectiveness (Brah et al.,2000). Whereas an organization's operational success is directly linked to improved delivery performance, flexibility, cost and error reduction, and process productivity (Nunnally, 1978).

Employee Satisfaction

Employee satisfaction and long-term viability are sometimes (incorrectly) limited to accounting or quantitative statistics. This is mostly due to the fact that the financial side of our organization's activities is more easily quantifiable (dollar values) and there are widely acknowledged accounting principles and standards. Money is just one type of input. There are other more resources that contribute to viability and long-term sustainability. However, it is important to recall that accounting is transaction-based, and reviewing financial reports is analogous to studying a horse's "droppings" rather than assessing the horse and cart's environment, mission, conditions, and so on. The term "viability" refers to evaluating the horse and cart as a whole, rather than just the accounting droppings.

Maintaining stakeholders, fair expectations, projections, and faith in the future are all important factors in ensuring viability and sustainability. Financially sound businesses have strong financial systems and processes in place to ensure employee satisfaction and the long-term sustainability needed to achieve high-quality results for people and communities. To achieve financial goals, a company must carefully balance its spending within the constraints of its revenue stream. It is critical to have effective governance and financial operational management in place to forecast income and spending, as well as to monitor and flag emerging financial difficulties. Financial plans and budgets must be adaptable enough to allow for changes in spending patterns and properly connected with the organization's strategic and service planning. Financially robust organizations also pay careful attention to these five elements:

- Effective asset management
- Active management of financial liabilities
- Maintaining a healthy level of liquidity
- Implementing a financial risk strategy
- Investing in insurance

Customer Satisfaction

Rai (2013) defined satisfaction as a buyer's emotional or cognitive response following a subjective assessment and comparison of pre-purchase expectations and actual performance following the consumption of a product or service, while also evaluating the costs incurred and benefits reaped in a specific purchase or over time while transacting with an organization. Recent research, such as Asikhia's, have emphasized the importance of customer happiness (2010). According to Kassim and Abdullah (2010), customer satisfaction is a critical trend in developing organizational performance. Fotopoulos and Psomas (2010) found that customer focus and satisfaction are positively and significantly related to organizational performance, while Chen et al. (2012) found that well-established customer relationships can improve both financial and non-financial performance. According to Dadfar et al., (2013), it is critical to have a solid relationship with both the consumer and the service provider in order to collaborate effectively.

GAP IN KNOWLEDGE

For organization to have an edge in the business environment, there need for them to cultivate a Total Quality Management culture as it leads to organizational success as well as satisfying the customers in the business environment. This research paper increase in-depth knowledge of Total Quality Management and Organizational Success in organization.

SUMMARY/CONCLUSION

Based on the well-documented status of Total Quality Management, recent organizational success in the workplace, and the implications of prior theory and research, and after a careful examination of several indicators of organizational performance and success factors, it is critical to remember that interactions between workplace quality management have a significant impact on organizational success outcomes. Firms are more likely to have low levels of success in achieving goals when organizational total quality management levels are both low, but they are more likely to feel high levels of strain when colleague and employee quality management levels differ. In contrast to employee strain, the current study's findings show that coworker quality management has a significant and positive impact on employee performance, implying that all employees can benefit (at least in terms of their performance) from exposure to coworkers who use positive Total Quality management. Taken together, the findings of this study contribute to a better understanding of how enterprises' existing total quality management affects them and, more broadly, highlight the importance of positive quality management in the workplace. Furthermore, these discoveries not only contribute significantly to different bodies of study, but they also serve to educate scholars and practitioners in a variety of human resource roles. Finally, managers may approach the concept of a learning company from a variety of angles, but common aims include enhanced TQM, continuous improvement, and performance assessment.

RECOMMENDATION

1. Managers are driven to devote time and resources to TQM programs because they improve organizational success and performance.
2. It uses technology to create a supportive organizational environment for the effective implementation of TQM.
3. Total quality management should promote a consistent and rational plan for attaining continuous improvement: upgrading employee talent, skill, and knowledge on a regular basis.
4. Employee training and development should be the norm, as it allows them to learn the most up-to-date information and contribute more effectively to the firm.
5. Employee seminars should cover a broader range of issues, such as time management, the ramifications of the Americans with Disabilities Act, balancing work and family obligations, and international trade theory, among others.

CONTRIBUTION TO KNOWLEDGE

This study seek to establish or show how an organization need to be at the top of their game to produce a quality product that will be worthy of customers satisfaction in the business environment in order to survive and gain a competitive edge over its rivals in the business environment by introducing Total Quality Management in the organization thereby achieving the goals of the organization which lead to the success of the organization.

REFERENCE

- Aghajari N., Senin A.A., (2014), Strategic orientation and dual innovative operations strategies – Implications for performance of manufacturing SMEs, *Asia-Pacific Journal of Business Administration*, 6(2). 127-147.
- Asikhia, O. (2010). Customer orientation and firm performance among Nigerian small and medium scale businesses. *International Journal of Marketing Studies*, 2(1), 197-205.
- Brah, S.,A., Wong ,J.,L. , & Rao ,B.M. , (2000). TQM and business performance in the service sector: a Singapore study. *International Journal of Operations & Production Management*, 20(11) 1293-1312.
- Carter (2003). *Human Resource Management and the Total Quality Imperative*. New York: AMACOM.
- Chen, H.,Liu, J. Y.,Sheu,T. S.,& Yang,M. (2012). The impact of financial services quality and fairness on customer satisfaction. *Managing Service Quality*, 22(4), 399 421.
- Choppins, J. (2005). Total Quality Management: What isn't Management Service, *Quality*. 5(1).12-24.
- Dadfar,H., Staffan, B., Sedigheh,S., & Ebadzadeh, S. (2013). Customer involvement in service production, delivery and quality.*International Journal of Quality and Service Sciences*, 5(1),46-65
- Fening, F.A., Amaria, P & Frempong, E.O (2013). Linkages between Total Quality Management and Organizational Survival in Manufacturing Companies in Ghana. *International Journal of Business and Social Science*. 4(10). 1-15.
- Ferreira P.G.S., Lima E.P.D., Costa S.F.G.D., (2012), Developing a methodology for assessing virtual teams" performance perception, *International Journal of Productivity and Performance Management*, 61 (7) 710-729
- Flynn, B.B., Schroder, R.G. & Sakakibara, S. (1994). A framework for quality management research and an associated measurement instrument. *Journal of Operations Management*, 11 (3), 339-366.
- Fotopoulos, C. V., & Psomas, E.L. (2010). The structural relationships between total quality management factors and organizational performance. *The TQM Journal*, 22(5), 539- 552.
- Hussein A. & Kachwamba M. (2011). Low Quality products in Developing Countries" Markets: Is it one of Globalization Challenges? *International Review of Social Sciences and Humanities*. 26-36.
- Igili, I. C.(2010). *Organizational Approach to Total Quality Management in Nigeria: A Study of United Bank For Africa Plc*. E-Campus. B.Sc. Project.

- Kanter, L. (2008). *Managerial Leadership in Competing Globally Through Customers Value: The Management of Strategic Supra Systems*. Wertport CT: Quorum Books.
- Katou, A. (2008). Measuring the impact of HRM on organisational performance, *Journal of industrial engineering and management*,119-142.
- Lakhal, L, Pasin, F. & Liman M. (2006). Quality management practices and their impact on performance. *International Journal of Quality and Reliability management*, 23 (6), 625-646.
- Lawal, A. A. (2006). *Making Quality Work: A Leadership Guide for the Result Driven Manager*. New York.
- Levine S., (2006), High performance organizations: creating a culture of agreement. *Handbook of Business Strategy*, 375-380.
- Li, S., Ragu-Nathan, B., Ragu-Nathan, T., & Subba Rao, S. (2006). The impact of supply chain management practices on competitive advantage and organizational performance. *Omega*. 34(2), 107-124.
- Musran, M (2013). The Impact of Total Quality Management Practices towards Competitive Advantage and Organizational Performance: Case of Fishery Industry in South Sulawesi Province of Indonesia. *Pakistan Journal of Commerce and Social Sciences*. 7(1).184-197.
- Nunnally, J., (1978).*Psychometric methods*. (2nd edn). New York: McGraw-Hill.
- Okorie, A., & Humphrey, A. (2016). Standards Organization of Nigeria and Funding Challenges to Quality Control. *Mediterranean Journal of Social Sciences*, 7(5), 67.
- Rai, A.K. (2013).*Customer Focuship management: Concepts and cases*(2nd ed.).New Delhi: PHI Learning.
- Sanjar, S., Rostam, P., & Atefeh, Y (2013). The Relationship Between Total Quality Management (TQM) and Organizational Performance. *Interdisciplinary Journal of Contemporary Research In Business*. 5(4). 478-489.
- Shekoufeh, N & Siavash.E (2013). A study of the impact of TQM on organizational performance of the Telecommunication Industry in Iran. *European Online Journal of Natural and Social Sciences*, 2(3). 968-978.
- Sihotan, R.B & Zebedeus,Z.V (2013). Relationships between Total Quality Management Practices, Organizational Culture and Teacher's Performance. *International Research Journal of Business Studies*. 6(2). 105-119.
- Stock G.N, Greis N.P. and Kasarda J.D. (2000). Enterprise logistics and supply chain structure: The role of fit. *Journal of Operation Management*, 18, 531–547.
- Terziovski, M. and Samson, D. (1999). The link between total quality management practice and organizational performance. *International Journal of Quality & Reliability Management*, 16 (3), 201-210.
- Yunis M., Jung J., Chen S., (2013), TQM, strategy, and performance: a firm-level analysis, *International Journal of Quality & Reliability Management*. 30(6), 690-714.