

Example of essay on iso 9000 standards and their influence on total quality manag...

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ISO 9000 Standards And Their Influence On Total Quality Management

The ISO 9000 is the most well-known family of quality management standards aiming to help businesses meet the expectations of customers and other stakeholders not breaching the regulations associated with particular products. While the ISO 9000 describes fundamental standards for quality management systems, ISO 9001 is related to certification of the businesses that want to meet these standards. As for 2011, there was more than 1, 1 million certified companies; however, as this number slightly decreased comparing to 2010, International Organization for Standardization (which establishes standards and conducts certification) stated that the standards would be reviewed and modernized (ISO, 2012).

The ISO 9000 is based on eight principles, which are the following: i) a customer focus, ii) good leadership, iii) involvement of people, iv) process approach to quality management, v) management system approach, vi) continual improvement, vii) factual approach to decision making, viii) supplier relationships (Perry Johnson Registrars). In general, the main purpose of these standards is to increase efficiency at every stage of business process, to reduce costs and to improve the quality of the products, with the standards adoptable not only by large companies, but also by small companies which target increasing scale of their activities.

The ISO 9000 standards intersect with Total Quality Management concept – the approach towards management implying continuous improvement of quality and efficiency of processes. TQM practices almost fully coincide with

ISO 9000 principles, including controlling supply quality, customer focus, strategic planning, employees' involvement etc. Accordingly, one may expect that complying with ISO 9000 standards should improve TQM.

However, there is a room for argument whether the companies treat the ISO standards as a way to improve their business or rather as a marketing tool – in second case benefits to a business may be less tangible.

With little academic evidence on the impact of ISO 9000 on particular organizations, this work shows the impact on markets rather than companies. Analyzing the impact of ISO 9000 on Saudi Arabian private sector, Kadasah (2012) concludes that pursuing the standards the companies are driven by boost to the prestige the certification provides rather than by intention to become more efficient. For that reason the company appear to be dissatisfied with the results of compliance – often they fail to choose standards that suit their business better (such as ISO 20000 in informational technologies for the organizations whose efficiency depends on IT) sticking to general ISO 9000. On the other hand, the author finds evidence that introduction of ISO 9000 standards helps companies in such areas as inspection methods, quality awareness and quality control systems.

More specific example is provided by Akgag (2011), who provides the example of banking industry in Kazakhstan, where quality management had been in pathetic state until the companies started adopting ISO standards. The author suggests that while no dramatic positive changes has been noticed, adoption of ISO 9000 is a crucial first step in the long way towards building a quality-oriented sector.

Apparently, ISO certification leads to a superior financial performance, too – Mokhtar & Muda (2012) show that ISO-certificated companies tend to outperform their non-certified counterparts in virtually every meaningful financial and quality-related category. Even though these findings should be treated cautiously as the study does not establish clear causal link between certification and improved performance – the results are merely a correlation, it is evident that ISO certification is associated with more sophisticated business activity.

References:

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