

The main advantage of total quality management

[Business](#), [Management](#)



Total Quality Management A major element in world market competition is quality. During the 1970s and 1980s, the Japanese and their U. S. companies demonstrated that high quality is achievable at lower costs and greater customer satisfaction. It was the result of using the management principles of total quality management (TQM). U. S. companies have demonstrated that such achievements are possible using TQM as a way to manage. Such companies also found that they were recognized with everyone pulling in the same direction.

Improvement had become a way of life. Before the 1980s, U. S. management was broadly successful. Prior to that, the dominant management model was that of the autocrat. Management, primarily senior management, decided how the business was to operate, including what the policies and objectives were; how it was organized; what jobs were established; and how they should be done. It was an unquestioned axiom that if everyone did what the upper management required, the business would be successful.

Organizations are composed of managers and the people who follow them. People respond strongly to leadership expectations and rewards. If they are given little power in their jobs, they will have little interest in improving themselves. If leaders exhort the members for better output but reward (promotions, bonuses, recognition) for mostly high output, they get the behavior they desired. Quantity over quality has been a common management philosophy in the United States. The first step in implementing total quality management requires an upper-management change in both philosophy and behavior. Managers must adopt the objectives of customer satisfaction and continuous improvement. They must implement the change

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to achieve these objectives through their personal and continuous involvement and in the reeducation of everyone in the organization in TQM principles and practices. The past philosophy of management can work reasonably well if a company dominates the world market. When markets become complex and worldwide with stronger competitors, a new model is needed.

Asian and some United States companies have demonstrated that there is a more effective way to manage, quite different from the autocratic model. It is employee involvement in quality improvement. These companies also introduce high quality at lower cost as a competitive element, thereby changing the competitive equation for everyone. Total quality management is a way to continuously improve performance at every level of operation, in every functional area of the organization, using all available human and capital resources.

Improvement is addressed toward satisfying board goals such as cost, quality, market, share, schedule, and growth. In an ongoing effort, it demands commitment and discipline. The quality management process includes the integration of all employees, suppliers, and customers within the corporate environment. Total quality management embraces two underlying tenets. First, quality management is a capability which inherent in your employees. Second, quality management is a controllable process, not an accidental one. The idea of an integrated, human-oriented system approach to management, was successfully used by W. Edwards Deming in the 1950s. Deming told the Japanese that they could become world-class

leaders if they followed his approach. He proposed a system that would change the philosophy of management in many ways. Today, this system is the pillar of the total quality management philosophy. There are fourteen functional elements to the TQM philosophy. Here are a few of them.

Organizational vision provides the framework that guides a firm's beliefs and values. The idea of the corporate vision should be a simple, one sentence guide or motto that every employee knows, and more important, believes. If well crafted, the vision statement can serve through a torrent of change in product and service technology. The strategic vision needs to consider both the external customer and the employees, but should lack a defining or differentiating phrase between them. For example, General Motors provides all employees a card with its strategic vision, including a cause and effect diagram that indicates the importance of teamwork. Simply stating a vision is not enough. It needs to be demonstrated by the actions of the executives, managers, superiors, foremen, and individuals. It should be done continuously in all their actions and initiatives.

Moreover, deliberation must be exercised in developing these goals and strategies. They must reflect the values and culture of the work force. While top-management commitment is essential, managers should realize when to lead and when to get out of the way. In a sense, quality management is management from the bottom up. An atmosphere of responsibility must be created toward the customer for whatever product is produced or service is rendered. It is inevitable that change will be resisted. In fact, a great deal of effort in quality management is expended in overcoming such resistance,

usually by allowing change to come from individuals directly involved, rather than management. The whole idea of continuous improvement leads to change.

Some barriers that effect by this are: (a) We know what they really want (without asking them). (b) Quality is not a major factor in decisions-low initial costs mentality prevails. (c) Creating accounting can increase corporate performance. (d) Cant manufacture competitively at the low end. (e) The job of senior management is strategy, not operations. (f) Success is good, failure is bad. (g) If it isnt broke, dont fix it. (h) The key disciplines from which to draw senior management are finance and marketing. (i) Increase in quality means increase in cost. (j)

Thinking that time, quality, and cost, are the worst mutuality exclusive, at best we can only choose two of the three. There are several steps to barrier removal. (I.) Identify the barrier. Some of the barriers may effect progress. (II.) Place into categories. Related barriers and their systemic causes may now be analyzed. Categorization may be facilitated by using either cause and effect diagrams or quality function deployment. (III.) Establish priority. An objective process that is not influenced by management or hidden agenda must be developed. At this stage barriers are judged on their validity in accordance with the severity of the problem. (IV.) Problem solve. This means more than symptoms removal. Sick organizations do not recover for the long term if the symptoms are masked. It is vital to address the root of the problem. The elimination of one barrier may solve many problems, for example, poor communication between management and staff. Keep in mind

that analyzing the problem should include estimates of resources required for its solution. (V.)

Goals and strategies for resolution. Resolution of problems may entail goals over a period of months or years. Goals should be realistic and attainable with the given resources. Strategies ensure that goals can be accomplished. Bear in mind that numerical goals as such may not be what is required. Numerical goals may also limit the amount of growth, particularly in organizations used to working up to an average. Communication is the glue that binds all techniques, practices, philosophies, and tools. Communication may be written, verbal, or nonverbal.

Understanding and refining skills for each main type of communication is an ongoing process for everyone. All forms of communication involve four elements, the sender, receiver, message, and the medium. The medium is the method of delivery and can affect the message. It was said that the medium is the message, referring to the filtering effects that can happen to the message and how personality factors may influence the understanding. Written communication such as office memos and reports, are the result of hundreds of hours of work, and their final form should be worthy of spending some time to get the words right. The use of space and graphical elements such as charts and figures enhances the readability of any written piece. Given the vast amount of time spent on reading and creating memos, letters, and proposals, the by word on written communication should be more is better; and the less is permanent (memos sent electronically, faxes, hand notes on the bottom of the letters, rather than typed, recorded reply)

the better. Verbal communication takes place in many different settings and the form of the communication will vary. One sort of vocabulary may be used to address shareholders and a different idiom may be used when chatting with co-workers.

The skills principally lacking in verbal communication are public speaking and small group interactions. Public speaking scares people to death. This fear may be overcome by training, organizing, and a little practice.

Videotaping the presentation to review later and practice on a small group to build confidence will help as well. Small group interactions are essential to build comfort and ease among the group. It will provide a sense of teamwork and it is vital to have a small talk among the team. Humans infer a great deal of information from nonverbal clues. These nonverbal clues include body language as well as the way the person is dressed. Some believe that nonverbal clues lead to gut feelings about how to interact with another person. Despite the similarities of nonverbal communication there are cultural differences, and it is probably most important to understand these, rather than reading an individual's body language. It is easy to fall into the trap of overanalyzing nonverbal clues and infusing them with meaning, when, for example, someone may be hard of hearing or near/far sighted rather than being inattentive or too attentive.

Continuous evaluation feedback is essential to continuous improvement. How else would a company know if their goals are being reached? Feedback mechanisms may be a simple oral or written report, information system, or complex automated statistical analyses integrated with expert systems. The

key is to receive the information in time to allow initiating corrective action. For example, in construction, feedback from engineers, subcontractors, and so forth can help a manager find new ways to reduce cost and schedule. Feedback may also help architects to find the best way to construct a building and therefore affect the design. Unlike innovation, which requires great resources, and no small amount of serendipity, continuous improvement is easier to manage and utilize everyone's talent. Japanese companies have used this idea for some time, and call this approach kaizen. This idea fits hand in hand with the team building approach. To reduce cost and time and increase in productivity, the focus must be projected on the process that produces the project.

Improving the process, for example, may reduce or eliminate costly order changes and therefore reduce time complexity. Through inspection and analysis of the process, everyone shares a common learning experience and the accumulated knowledge and understanding of the process becomes the basis for improving it. Precepts of Quality Improvement § Quality leadership must begin with top management. § The most important aspect of quality is identifying the activities within the organization that affect quality. § Written procedures are one of the necessary communication media by which the management functions of directing and controlling are exercised. § One of the most critical activities in quality improvement is preparing a clear, concise description of the services to be acquired. § The cost, time, effort devoted to evaluating and selecting suppliers must be commensurate with the importance of the goods and services to be procured. § Quality audits must determine the adequacy of, and compliance with, established policies,

procedures, instructions, specifications, codes, standard and contractual requirements.

Quality audits must also assess the effectiveness of their implication. The simple objective of most quality audits is to gather enough reliable data through inspection, observation, and inquiry to make reasonable assessment of the quality of the activity being audited. § The foundation of quality control is having timely and accurate information so that systems that are not capable of producing consistent quality can be identified and improved. § An affective quality cost program can help the management team to allocate strategic resources for improving quality and reducing costs. § Productivity, profit, and quality are the ultimate measure of success of the production system. The hearing the voice of the customer has become a key phrase in the past few years. This would seem to be an obvious point, but it is not. After World War II, the United States was the only major country that did not have a devastated economic infrastructure.

Therefore, it was able to produce items of any quality and sell them. Industries were internally driven and not customer driven. As global markets grew, new competitors with new technologies approached these markets providing better quality of products and involving the customers. This approach worked miracles for these new industries and valuable lessons would be learned from this. Here are some strategies for improving customer and vendor relations. § Link organizational vision to customer satisfaction. § Reward suppliers. § Move to a single source. § Minimize the overall number of vendors. § Identify the internal and external customers. § Identify end

users and distributors. § Establish routine dialogue with customers. § Involve the customer in planning and development. Keep in mind that the vendors must be qualified and have policies that are compatible. Viewing these vendors as partners, rather than adversaries can lead to the ability to implement successfully such cost-saving measures as just-in-time, whereby materials arrive as needed. Empowering the worker means enabling the worker to achieve his or her highest potential. For most American companies, this is new, and may be the most powerful and useful concept in quality management.

Allowing and facilitating workers to achieve their highest potential may seem either obvious or impossible, but in fact it is neither. Empowering requires turning the organizational charts upside down, recognizing that management is in a place to aide the worker in overcoming problems that may occur, not to place roadblocks along the way. Empowering strategies include: § Ownership. A key strategy in empowering employees is to allow them ownership of tasking, project, or division. Ownership implies trust and requires a delegation of authority commensurate with the responsibility of the task. Ownership can also be granted to a team. Ownership also demands that the final resolution of the tasking be in the hands of the owner. § Value all contributions. Whether or not they are appreciated, it is important to enhance the self-esteem of the contributor to accept their contribution and evaluate it. § Everyone has a value. Treat everyone with respect.

All work has dignity to it. § Teams must own problems. Teams are a waste of time if management vetoes or substantially changes their recommendation.

If management is unable to trust the recommendations that come from the team, then management fear rules, and will spiral to lower and lower productivity. § Delegate authority to the lowest possible organizational level. No one knows more about a job than a person directly involved in it.

The outcome of training is modified behavior. It may enhance interpersonal skills or specific manual skills, but there is a direct, identifiable modification. Training need not consist solely of traditional classroom instruction. Employees can train other employees very effectively. A company-wide curriculum should be developed that addresses the needs of each department.

Courses should be just long enough to be effective. Immediate reinforcement of the training is necessary to be effective as well. The main advantage to TQM is the focus on the quality, which is one of the major