

Effectiveness of Total Quality Management in Saudi Arabian Manufacturing Organizations

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ABSTRACT

Total Quality management is a management philosophy and technique used in the organizations to have the overall success in the organization by focusing on society beliefs, value system, employee's wellbeing, customers' satisfaction, implementing government regulation in the era of globalization and tough competition. TQM aims at continuous improvement and it is often treated as a journey, which does not end. This paper focuses on understanding the effectiveness of Total Quality Management in Saudi Arabian Manufacturing Organizations. Based on the data collected and surveying managers working in manufacturing organizations based in Saudi Arabia, this study proposed the factors which contribute to the effectiveness, benefits of TQM and Causes for TQM Failure. The findings will help the organizations to achieved success with the usage of TQM.

Keywords: Total Quality Management, continuous improvement, customer satisfaction, effectiveness.

I. INTRODUCTION

Total Quality Management (TQM) is a management approach that tries to achieve and sustain long-term organizational success by encouraging employee feedback and participation, satisfying customer needs and expectations, respecting societal values and beliefs, and obeying governmental statutes and regulations, product leadership. TQM provides the overall concept that mainly focuses on continuous improvement in an organization. TQM is a necessity, process, system, having people and leadership. Total quality management is an approach to do business that attempts to maximize an organization's competitiveness in bringing continuous improvement in the quality of products, services, people, processes, and environment/(s).

II. LITERATURE REVIEW

According to Abazid et al., 2019, Total Quality Management (TQM) was identified as a philosophy of management which highlights systems and processes to endure the increasing client necessities. It was achieved through a strict search of continuous development, emphasizing teamwork and virtuous employment of management methodologies.

According to Honarpour et al, 2018, TQM application by the workforce has proven to increase the proficiency and satisfaction levels attained.

According to G .S. Vijaya and Hariharan; 2013, a company cannot become world class within a shorter duration; it has to focus on Total Quality Management and achieve it by a continuous improvement cycle.

Total quality management (TQM) is the system of activities directed at achieving delighted customers, empowered employees, higher revenues, and reduced costs (Juran, 1995). "Only through top management commitment and involvement does TQM take hold and become part of the organization's culture." (CEBOS, 2015).

According to Bou-Llusar et al., 2009 reviews the variety of definitions of TQM available in the literature (Oakland, 2000; Dale, 2003; Eriksson and Garvare, 2005) and concludes that it is a management approach which prescribes guidelines for organizations to operate and achieve high performance.

The success of TQM lies in implementing it in all the departments in the organization. The important success factors identified in TQM implementation are Failure mode effect analysis, Business Process Management, Benchmarking and others. (G.S.Vijaya; 2017)

III. RESEARCH METHODOLOGY

This research is based on an extensive literature review of Total Quality Management .This research is both descriptive and explorative in nature. The main empirical evidence is drawn from interviews with few of the employees who are working in Organizations having implemented Total Quality Management. In the explorative stage, preliminary research was carried out to understand the effectiveness of TQM in the Organizations. Extensive Explorative research was taken up to thoroughly understand the problem and for this purpose, literature survey and experience survey is used.

The sampling frame is 100 employees who are working in the manufacturing Organizations with TQM in use. The area of Research is restricted to management perspective only.

RESEARCH OBJECTIVES

Effectiveness of Total Quality Management in Saudi Arabian Manufacturing Organizations is understood with the following objectives:

1. To identify the factors which contribute to the effectiveness of TQM in the manufacturing Organizations.
2. To identify the benefits of TQM in the manufacturing Organizations.
3. To identify the Causes for TQM Failure in the manufacturing Organizations.

IV. ANALYSIS AND INTERPRETATION

The details of the Respondents profile are as shown in Table No.1. Majority of the respondents (75%) are male and 25% are female. Majority of the respondents (40%) belong to the age group 30-40 Years. Only 10% of the respondents are above the age of 50Years. 50% of the respondents are having experience between 1 to 5 Years and only 10% have more than 16 years of work experience.

Details	Variables	Number	Percentage
	(Independent)	(frequency)	
Gender	Male	75	75%
	Female	25	25%
Age (Years)	20-30 Years	30	30%
	30-40 Years	40	40%
	40-50 Years	20	20%
	Above 50 Years	10	10%
Experience (Years)	1 to 5 Years	50	50%
	6 to 10 Years	20	20%
	11 to 15 Years	20	20%
	Above 16 Years	10	10%
Department	Marketing	10	10%
	Finance	10	10%
	Accounting	10	10%
	Engineering	25	25%
	Purchasing	20	20%
	Human Resources	10	10%
	Information Systems	15	15%

Table No-1: Source: Primary: Respondent’s demographic profile

The respondents belong to the various departments are as shown in the above Table No.1.According to the respondents, TQM has impact on various departments where it “Provides key inputs to customer information” in Marketing Department, “evaluates and monitor financial reports” in Finance Department, “Provides exact costing” in Accounting department, “translates customer requirements into specific engineering terms” in Engineering Department, “acquires material to support product development” in

Purchasing department, “helps in hiring employees with skills necessary” in Human Resources, “increased need for accessible information” in Information systems.

1. Factors which contribute to the effectiveness of TQM in the manufacturing Organizations are identified through the surveys which are as follows

Factors which contribute to the effectivness of TQM in the manufacturing Organizations	
Factors	%
1. Top Management commitment	98
2. Customer Focus and Satisfaction	96
3. Supplier Relationship Management	87
4. Employee Involvement	79
5. Training and Continuous Education	81
6. Process Management	89
7. Human Resource Management	73
8. Quality Systems	91
9. Quality Information and Performance Measurement	85

Table No-2: Factors which contribute to the effectiveness of TQM in the manufacturing Organizations

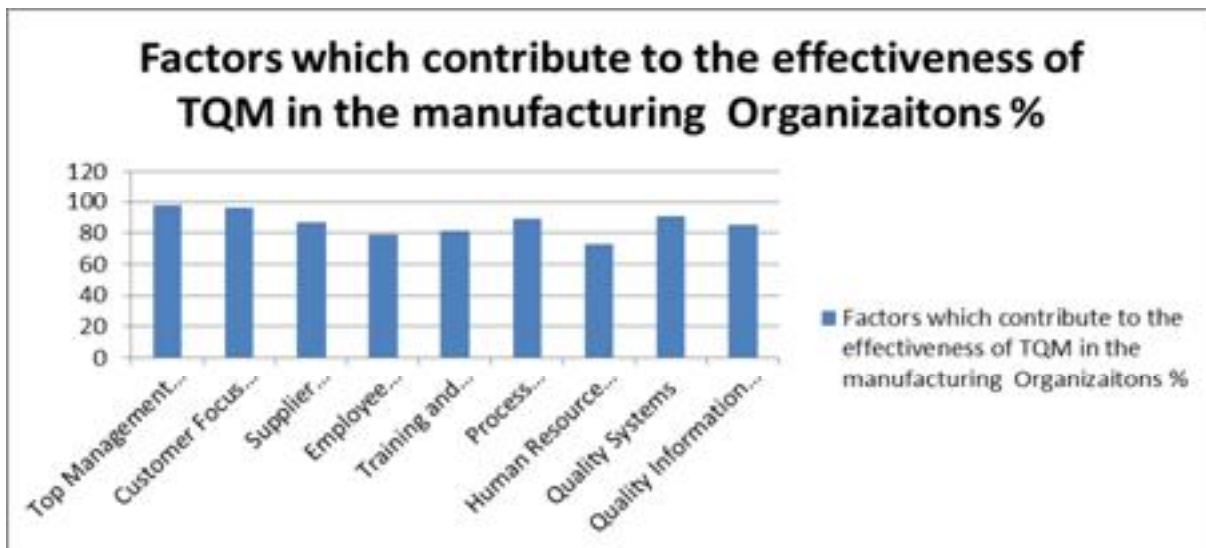


Chart No-1: Factors which contribute to the effectiveness of TQM in the manufacturing Organizations

98% of the respondents are of the opinion that Top management commitment is the prime factor as the top management act like a role model and the rest of the employees can follow their leaders. 96% of the respondents are of the opinion that Customer focus and satisfaction is a very important factor as today we give more prominence to the “Voice of the customer”, which starts from the customer specifications and ends at the customer satisfaction. 87% of the respondents are of the opinion that Supplier Relationship Management is very important as suppliers can supply Quality raw materials as and when required which will help the manufacturer to satisfy the customer. Moreover Quality of the raw materials can be assured if the relationship with the customer will be good. 79% of the respondents feel that Employee involvement is important as employees are the asset and backbone of any organization and they should be kept happy and empowered. 81% of the respondents are of the opinion that Training and continuous education is required for the employees, so that they can accept the changes implemented in the organizations. 89% are of the opinion that Process management is important as manufacturing organizations success depends on the process that is adopted. 73% of the respondents are of the opinion that it is Human Resource management where right kind of employee with the right skill will be able to do the right job for the first time and it is also the duty of the HRD to take care of wellbeing of the employees. 91% are of the opinion that Quality

Systems are very important as the Quality Systems implemented in the organizations' will give us standardization and success in the competitive world. 85% are of the opinion that Quality Information and Performance Measurement is very important because we can take better decisions with the Quality Information and the Performance Measurement will tell us about our mistakes and gives us an opportunity to improve.

2. TQM Benefits identified in the manufacturing Organizations are as shown in Table No.3 and Chart No.2.

90% of the respondents feel that Better Quality Products can be manufactured with TQM implementation in their organizations. 95% respondents are of the opinion that Productivity improvement is possible because of the Total Quality in the entire organizations. 89% of the respondents feel that automatically there will be reduced Quality costs, 93% of the respondent feel that the sales increases, 97% feel that the Profit margin will increase as customers accept the product and the profit margin to the company increases; as a result 84% of the respondents feel that the employee grievances get reduced.

Benefits of TQM	
Benefits	%
Better Product Quality	90%
Productivity improvement	95%
Reduced Quality Costs	89%
Increased Sales	93%
Increased Profitability	97%
Reduced Employee Grievances	84%

Table No-3: Identified Benefits of TQM

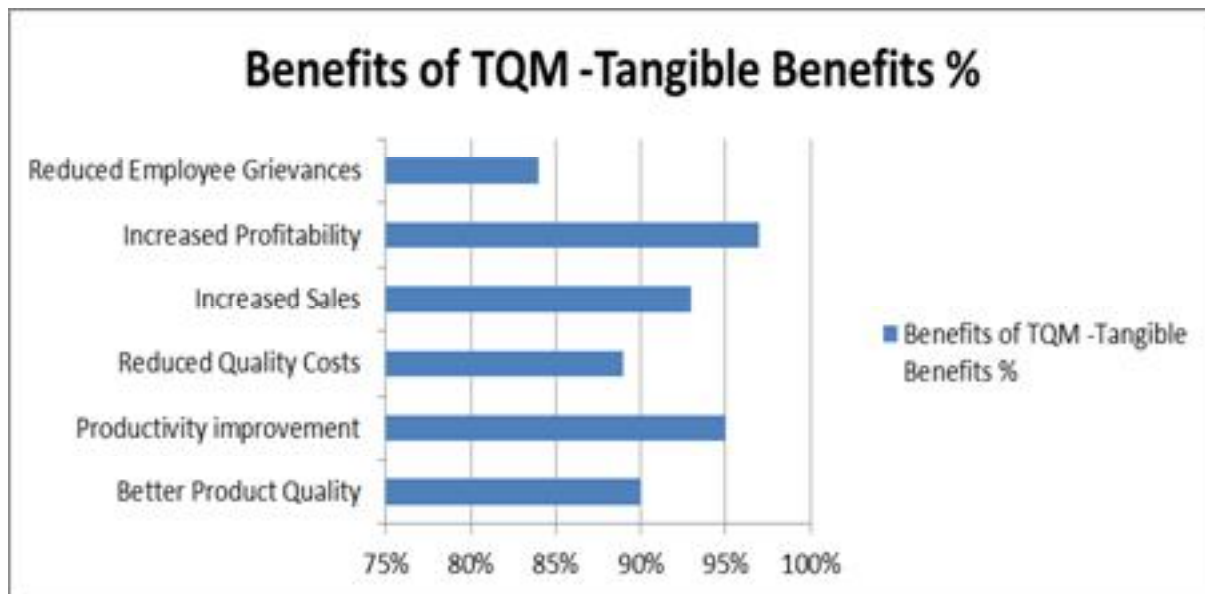


Chart No-2: Identified Benefits of TQM

3. Identified Causes for TQM failure in the Manufacturing Organizations are as shown in Table No.4 and Chart No.3.

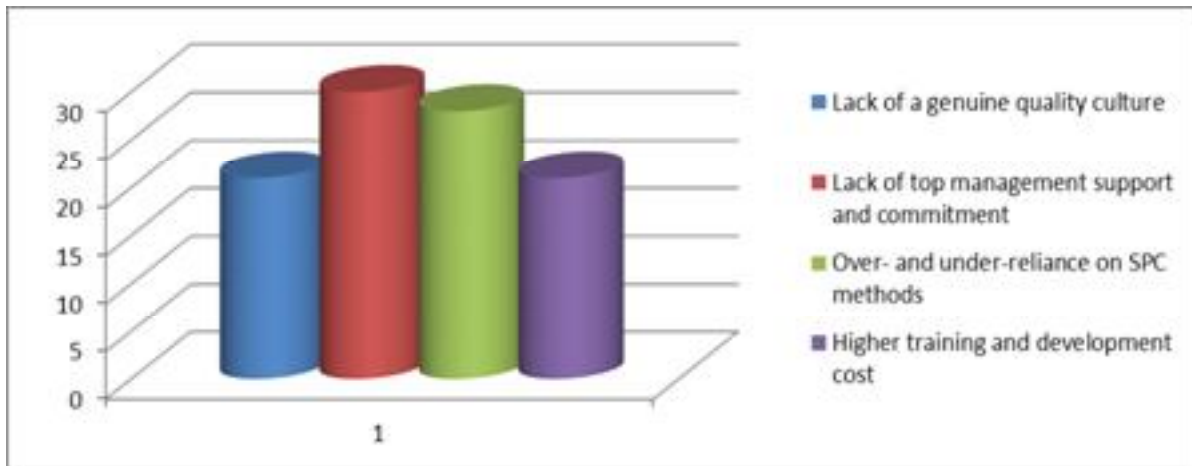


Chart No-4: Causes for TQM failure in the Manufacturing Organizations

Why TQM Fails	
Causes	%
Lack of a genuine quality culture	21
Lack of top management support and commitment	30
Over- and under-reliance on SPC methods	28
Higher training and development cost	21

Chart No.3 Causes for TQM failure in the Manufacturing Organizations

Various causes identified by the respondents are as shown in the above Table No.2. 21% of the respondents are the opinion that Lack of a genuine quality culture is the main reason of TQM failure in the organizations. Quality Culture is required in all the organizations, which helps to satisfy the entire requirement in the organizations. Lack of top management support and commitment (30%), focuses on how important is the top management commitment important to have the success in TQM, over and under reliance of SPC (Statistical Process Control) methods, which is used widely in the organization where software packages are used for statistical analysis 21% of the respondents of the opinion that TQM fails because it requires higher training and development cost which has to be taken care by the management.

V. CONCLUSION

The factors contributing to the effectiveness of TQM in Saudi Arabian Manufacturing organizations identified in this study are Top management commitment, Customer focus and satisfaction, Supplier relationship management, Employee involvement, Training and continuous education, Process management, Human resource management, Quality systems and Quality information’s and performance measurement. Identified TQM benefits are Better Product Quality, Productivity improvement, Reduced Quality costs, Increased sales, Increased Profitability and Reduced Employee Grievances. Identified causes for TQM failure are Lack of a genuine quality culture, Lack of top management support and commitment, Over- and under-reliance on SPC (Statistical Process Control) methods and Higher training and development cost.

Effectiveness of Total Quality Management in Saudi Arabian Manufacturing Organizations is very important as it gives excellent success in business in the competitive situation and brings overall satisfaction to suppliers, manufacturers, internal & external customers and other stakeholders.

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