# Principles of Total Quality Management & Eight Principles of TQM

# 8 principles of Total Quality Management

- Customer focus. ...
- Total employee commitment. ...
- Process approach. ...
- Integrated system. ...
- Strategic and systematic approach. ...
- Continual improvement. ...
- Fact-based decision-making. ...
- Communications.

## **Quality Definition in Business**

Quality in business means satisfying the customers by providing excellent products and services. Researchers defined quality in many ways, but the essence of the definition is almost similar. Edward described that "quality is the ability to exceed the customer's satisfaction by providing service and product." In addition, Crosby defined that "quality is conformance to customers' requirements." Moreover, Juran defined quality as being 'fitness for use. So, quality is the standard or degree of the products or services that can differentiate them from others by measurement.

# **Total Quality Management (TQM)**

Total Quality Management (TQM) refers to the management process that includes the commitment and dedication of every employee in the organization to maintain a high-level quality in every sector for customer gratifications. The employees have to be informed about the strategy before implementing it. In the mid-1980s, total quality management (TQM) was introduced based on the Company-Wide Quality Control (CWQC) and benchmarking process. Later, many scholars, such as Juran, Deming, and Ishikawa, contributed to the practices and improved the content of Total Quality Management. The most important contributions of Total Quality Management are <u>Deming Cycle</u>, Juran quality trilogy, Ishikawa's Fishbone diagram, and CWQC (Yang, 2012). For example, Netflix practices Total Quality Management, and <u>Netflix organization changes</u> confirm that the authority focuses on maintaining the TQM tools.

# What are the Principles of Total Qual

#### nciples of TQM

Principles of Total Quality Management & Eight Principles of TQM. The Eight Principles of Total Quality Management (TQM) are Customer Focus, Leadership, Involvement of People, Processes

Approach, System Approach to Management, Continual Improvement, Factual Approach to Decision-Making, and Mutual Beneficial Supplier Relationship.



In the mid-1990s, the eight basic principle or elements of total quality management (TQM) was proposed by some well-known philosophers (Evans, 2013). These eight principles of TQM entirely work together to develop the process and yield customer satisfaction.

# 1. Customer Focus

The first and prime principle of total quality management (TQM) is to focus on the customers who are buying the products and services as well as potential customers. Customers are the people who justify the quality of the products and services. So, the company needs to ensure that the customers will feel that they have spent their money on a quality product if it can last long to fulfil demands. You can exceed customer satisfaction only when you know their needs. So, successful companies align their objectives with the client's needs.

# 2. Leadership

Leadership is essential in maintaining unity among employees to achieve interdependent goals (Evans, 2013). Although there are mainly three types of leadership in the industry, the democratic leadership style is the best to perform well. Leaders can form a convenient environment to work effectively inside the organization, in which all employees work to achieve the organization's goal. So, leadership seems to be a significant principle of total quality management.

# 3. Involvement of People

People from every level give their all-out efforts and dedication to the organization's profits. The total employee commitment enables the industry to develop products and raise sales growth. So, all

the employees in the organization have to be well-trained, committed, and dedicated to achieving an interdependent goal on time. Additionally, the industry needs to create a responsive environment where every employee will be motivated to complete the task correctly. The employees' activeness, motivation, and retention can yield customer gratifications. The involvement of people can produce effective teamwork. According to Evans (2013), three types of cooperation are vertical, horizontal, and inter-organization.

# 4. Processes Approach

The company needs to improve the process consistently to yield sound output. A good result from the processes approach can bring customer satisfaction. Hence, TQM focuses on the process approach to assure the quality of the product or service.

# 5. System Approach to Management

The total quality (TQM) highlights executing the strategy systematically. The industry makes a proper implementation plan, and they collect data while applying those processes.

The International Organization for Standardization (ISO) describes this principle: "Identifying, understanding, and managing interrelated processes as a system contributes to the organization's effectiveness and efficiency in achieving its objectives."

# 6. Continual Improvement

Continual improvement of the process is an essential step for every industry to make their customer satisfied. Therefore, TQM assists the company in keeping watching the constant improvement of the system to improve the service and product of the industry. Above all, continual improvement assists the company in achieving competitive advantages, and it is the most critical principle among the eight principles of TQM.

# 7. Factual Approach to Decision-Making

A factual approach to decision-making is another crucial principle of TQM. It eases making decisions based on the information collected from data. Making a decision based on facts is an effective way to achieve customer satisfaction. This principle uses the actual method to collect and analyze data in order to make decisions for the company's progress.

# 8. Mutual Beneficial Supplier Relationship

Mutual beneficial supplier relationship is another important principle of total quality management for building rapport with suppliers. It is also called reciprocity. Usually, a business is conducted by multiple combined departments, and each of the departments is assigned individual tasks, although the function of these departments is interconnected. The total quality management process helps all sections work combined to achieve an interdependent objective. The company uses visual aids and flowcharts to understand how employees perform perfectly. Executing total quality management (TQM) is not easy; TQM represents a significant cultural shift, so the company needs to implement it slowly and accurately (Evans, 2013).

# Conclusion

The Eight Core Principles of TQM are Customer Focus, Leadership, Involvement of People, Processes Approach, System Approach to Management, Continual Improvement, Factual Approach to Decision-Making, and Mutual Beneficial Supplier Relationship. These are examples of total quality management principles, also known as the eight pillars of total quality management. However, the eight principles of TQM are fundamental elements in driving a business successfully. Everybody in the company has to be conscious of the plan, method, and strategy to achieve a goal. The risk of failure can increase due to not maintaining the principles of total quality management. So, the authority should ensure that every employee is aware of them. It will motivate the employees, letting them know that they contribute to the industry. Apart from that, effective communication reduces the risk of failure and increases coordination and cooperation.



## Total quality management (TQM)

## The Advantages of Total Quality Management Principles

Although Japan identified total quality management (TQM) advantages in the mid-1950s, now the benefit of the TQM is disclosed worldwide. The most important benefits of the TQM are:

- The TQM principles develop the quality of products and services to satisfy customers; because it motivates employees naturally and boosts their productivity in the organization.
- Additionally, the principles of TQM reduce production costs and faults and make processes more efficient and reliable.
- Moreover, it improves the condition of the work environment and the <u>communication</u> process.
- Finally, the core principles of TQM raise profits margin.

#### **Total Quality Management Tools**

The researchers introduced many tools of the TQM that help the industry operate smoothly with profit. These tools can help the industry in many approaches. For example, the fundamental strategies are; identifying difficulties with quality, analyzing data, collecting information, identifying the leading causes of the problems, and assessing the results.

#### **Quality Strategy to Profitability in the Organization**

Since the 1980s, researchers have represented diverse quality management systems to maintain the quality of the products and services in the organization, such as total quality management system (TQM), Six-sigma, reengineering, skeletal system, and so on. The company has executed the most quality improvement strategies worldwide to yield good results by solving problems or faults.

#### The History and Evolution of Quality Management Strategies

- Inspection quality control (IQC), since 1910
- Statistical process control (SPC), since 1930
- Total quality control (TQC), since 1950
- Company-wide quality control (CWQC), since 1970
- Total Quality Management (TQM), since 1985
- Six-Sigma (6σ), since 1986
- Business Excellence Model, since 2000
- The development and implementation system of the DMAIC Six Sigma program