

## Total Quality Management in Modern Organizations by Using Participation and Teamwork

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### ABSTRACT

A Total Quality Management (TQM) is an important strategy for modern organizations to improve continual process in reducing and eliminating manufacturing errors. It focuses on improving customer service, training employees to work with effectiveness and increase customer satisfaction. Moreover, it emphasizes an improvement of the quality of an organization's output which includes goods and services through continual improvement of internal practices. In this article, the researchers have to present the following sections: (1) Components of Total Quality Management (TQM) consisting of the goals and challenges of Total Quality Management (TQM); this section includes a combination of organizational improvement techniques such as employee participation and teamwork, continuous improvement, and customer services and satisfaction; (2) Factors affecting success in the implementation of Total Quality Management; this section presents that cooperation of the workforce is very important and employees should be supported to participate in setting goals and values of the organizations; and (3) Processes of implementation of Total Quality Management (TQM) in the entire organizations, which require involvement of employees, decentralized decision-making, ongoing training on developing leadership, and cultural change.

**Keywords:** Total Quality Management; Modern Organization; Participation and Teamwork

## Introduction

Many concepts first associated with Total Quality Management are attributable to the work of W. Edwards Deming in the 1940s and implemented by Deming from his efforts to assist the Japanese in rebuilding their manufacturing infrastructure following World War II. Total Quality Management is a combination of a number of organizational improvement techniques and approaches, including the use of quality circles, statistical process control, self-managed teams and task forces, and extensive use of employee participation (French & Bell, 1999). Total Quality Management is typically a companywide effort seeking to install and make permanent a climate where employees continuously improve their ability to provide on demand products and services that customers will find particular value (Ciampa, 1992). According to Integrated Quality Dynamics, Inc. (1998), Total Quality Management is a structured system for satisfying internal and external customers and suppliers by integrating the business environment, continuous improvement, and breakthroughs...while changing organizational culture.

In order to fully understand the influence of Total Quality Management (TQM) on performance, it is important to identify the four functional dimensions that TQM is designed to bring together through the introduction of a common set of practices and techniques. The first functional area is customer focus. Customer satisfaction should be the driving force behind all quality initiatives. The second is the area of continuous improvement. This objective is the most often accomplished through utilization of a systemic process of benchmarking and self-assessment. The third functional dimension is employee fulfillment. Total Quality Management should be used to promote a greater efficiency in the workplace and the end result should be used to foster a higher level of morale and a sense of greater employee motivation. Finally, the fourth functional dimension is the improvement of the organization as a total system (Anderson, 2020).

Management is very important to the modern organizations because it is an indicator of organization's progressiveness, prosperity and growth. Organization managers must be able to plan and implement management system to minimize cost and maximize profit. Moreover, top management must be able to take into account environmental factors, internal and external factors, skills and knowledge of employees in order to increase customer satisfaction and competitive advantage (Sukhumpong Channuwong, 2018; Surachai Kaewkoon, 2019). Saneh Juito (2006) mentioned that modern organization is an organization that focuses on management revolution and self-adjustment to the

current environment that is full of chaos, complexity, complication and disorderliness under uncertain situations. Modern organizations consist of three characteristics: (1) Having human resource with high quality. Managers and employees meet with high quality, have knowledge and skills needed to operate for the success and growth of the organization as well as to be participated in setting goals and visions of the organization. (2) Having advanced technology. Modern organizations have updated and advanced technologies, and use sophisticated technologies to increase performance and productivity of the organization. (3) Having flexible structure and system. Modern organizations usually change organizational structure from a vertical to horizontal. Some reduce the organizational size to be smaller and more flexible. Employees in each level are empowered to make quick decision. Organizational structure is decentralized and flexible, focusing on quick customer services, and customer satisfaction.

### **The Goals and Challenges of Total Quality Management (TQM)**

Total Quality Management is essentially a continuous, incremental change program that focuses on customer needs and services, emphasizes participation and teamwork, and seeks to create a culture that fosters productivity and profit (Stephen & Mary, 2000). Modern organizations should place importance on Total Quality Management in terms of the three areas toward which management can best direct its change efforts: structure, technology, and people.

With these three areas in mind, for modern organizations to successfully implement a Total Quality Management program, it is recommended that organizations' structure should be more decentralized. The companies should have reduced vertical differentiation, wide spans of control, a reduced division of labor, and the support of cross-functional teams. These structural components give employees the authority and means to implement process improvements. For instance, the creation of work teams that cut across departmental lines, allows the people who are closest to the problem and who understand it best to become the change agents for the resolution of that problem (Hessenbein, Goldsmith and Beckhard, 2001; Kotter, 1996).

Technologies are very important for modern organizations to run business with efficiency and effectiveness. To avoid obsolescence and promote innovation, each modern organization must be aware of technological changes that might influence its productivity. According to Pearce and Robinson (1996), utilization of technological advances often suggests possibilities for the creation of new products, for

improvements to existing products, and for modifications in current manufacturing and marketing techniques. Technological change in Total Quality Management is directed at developing flexible processes to support continuous improvement. Employees committed to Total Quality Management (TQM) are constantly looking for things to fix; thus, work processes must be adaptable to continual change. As a result, implementation of TQM requires an extensive commitment to the education and training of workers. Modern organization must provide employees with training in skills such as problem solving, decision-making, negotiation, statistical analysis, and team building. For example, all employees will need to be able to analyze and interpret data. The organization should devise processes to provide work teams with quality data such as failure rates, reject rates, and scrap rates. In addition, the company should provide feedback data concerning customer satisfaction.

The people dimension of Total Quality Management (TQM) requires a workforce committed to the organization's objectives of quality and continual improvement. Once again, this objective requires proper education and training. The modern organization should provide an education program that offers tuition reimbursement for employees who wish to develop their work skills. Such a program would help to prepare the company's workforce for the future and would serve to bolster employee relations. In addition, the organization should adapt a new performance evaluation and reward system that supports and encourages its TQM objectives. Many successful programs have included the achievement of quality objectives in bonus plans for executives and have provided bonus incentives based upon quality objectives for the general workforce.

In order to achieve the objectives of Total Quality Management (TQM), Modern organization must begin to focus upon the needs of the customers who support the company and who buy its products. Without the customers, the company cannot grow and prosper. As a result, it is imperative that the organization should evolve to a culture that is more customer focused and market driven. In order to achieve this change, the modern organization must begin to practice the following behaviors:

- (1) Show customer empathy – listen to and fully understand the customer's needs.
- (2) Balance meeting the needs of customers with adding value to the business.
- (3) Anticipate customers' needs and quickly act upon them.
- (4) Consider the customers' perspectives in making decisions.
- (5) And satisfy the customer with quality products and services (Burke, 2001).

It is generally accepted that successful implementation of a Total Quality Management (TQM) program requires active and strong leadership from the Chief Executive Officers (CEO) or from top management. The structure of the organization, which is entrepreneurial, is somewhat centralized, although it is still quite simple in nature. For the most part, organization's structure must be built around its core processes of manufacturing and the business areas designed to support manufacturing. What is unusual in the current situation is the fact. Despite some organizations have centralized structure; the implementation of Total Quality Management is not being driven by top management. It could be argued that organizations' chances for successful implementation are being hindered by this lack of involvement by top management (Cummings & Worley, 1993). In fact, top-led organizational change is considered to be more effective than change efforts being driven by lower levels. These are relevant to a study of Beer and Nohria (2000) which found that the very nature of organizational change today favors a top-led approach. For example, more and more change initiatives take place in response to major shifts in corporate strategy or to a fundamental reengineering of basic company processes. The implication is that fewer and fewer change efforts are about incremental improvements limited to isolated functions. Instead, change often has systemwide ramifications and involves costly new systems and technologies. Given the magnitude of this type of change and the often-heavy accompanying investments, senior executives are far better positioned to lead organizational reinvention

When discussing the management of organizational development (OD) initiatives, a central question needs to be addressed: What are the key ingredients in successful change efforts? According to Cummings and Worley (1993), there are five sets of activities required for effective change management: Motivating change, creating a vision, developing political support, managing the transition, and sustaining momentum. These five set of activities offer several methods for sustaining momentum to complete and stabilize the change process of modern organizations.

In brief, an implementation of Total Quality Management should be driven from top management. Chief Executive Officers should lead, motivate employees and change organizational culture to focus on providing better goods and services to customers. Employee training in decision making, problem solving skill, business negotiation and teamwork are important strategies for modern organizations.

### Factors affecting success in the implementation of Total Quality Management

Modern organization's initial intent was appropriate: a desire to reduce costs, prevent errors, and reduce waste. However, the organization's intent was never adequately conveyed to the employees; while the effort to ensure that the company's intent was fully understood by all parties was handled very poorly. Good intentions for change are surely requisite to success, but true change is never accomplished by managers; it is accomplished by frontline employees (Beer & Nohria, 2000). The value of the intent needed to be translated into a value for the employees. This could have been easily accomplished, since a positive outcome would have meant success for the firm, hence, success for the employees. The use of an outside consultant as the champion for the implementation process was the company's initial error in its failure to prepare the workforce for the change effort. However, outside consultants are fine, if used to train leaders, so that the leaders can lead the change effort.

Cultural change requires the cooperation of the workforce, unless the workforce itself is to be changed. It is a difficult process and usually comes from within. While commenting upon the implementation of a quality program, Deming often said that everyone had to become a quality advocate to make it work. It would seem that the involvement of an inside champion would have been beneficial to the implementation process. The Human Resources (HR) department was not involved. As a result, the company missed the opportunity to take advantage of its best vehicle for communication. The consultant should have been tasked with creating a TQM coalition to guide the effort from within. This is a fundamental part of change management, when crisis is not involved (Kotter, 1996).

The Total Quality Management (TQM) effort needed some groundwork completed prior to the launch. The employees, when properly approached and properly trained, could have easily articulated the organization's objectives in much the same terms as the company articulated them in the first place. Employees understand the concept of customer satisfaction and its value. They appreciate the difference between internal and external customers and they understand that the company's internal customers include the employees themselves. The Human Resource team is well suited to complete such training and assist in getting the groundwork completed. Of all the dimensions of TQM, the improvement of the organization as a total system requires that all employees understand and embrace the concept, before changes can be made. Modern organizations should choose to emphasize the company desire to cut costs and to eliminate mistakes (Burke, 2001; Collins, 2001).

The employees should be supported to participate in setting goals and values of the organizations. They rarely identify with goals when they have been prohibited from participating in their development. In addition, the company's focus upon manufacturing mistakes is essentially a focus upon employee error, not system malfunction. Once again, had the HR department been involved in the TQM implementation process, the employees could have been involved in the establishment of goals and milestones, yielding a more committed workforce. If the company fails to involve the workforce in a unified effort, the employees remained committed only to their own functional areas and were prone to finger-pointing for each failure that came up along the way. It is axiomatic to change of this magnitude that the employees be involved and committed for the change to occur (Beer & Nohria, 2000). Participation allows employees to taking an active part in proposing new ideas, providing useful recommendations, and making decision on important issues that have both direct and indirect impact on employees' lives and work in the organization (Sukhumpong Channuwong, 2018).

The implementation of a process such as Total Quality Management is a daunting change when done well. It takes a great deal of time and requires acceptance of the concept by every party involved. If success is to be achieved, the implementation process requires the involvement and effort of all of the employees. In organization's change effort, the focus was skewed from the very beginning. The change agent chosen was an outsider, the employees were never polled as a team, the champions for the change were never developed, and the focus of the effort was virtually imposed upon the employees against their own best interests. Conflict was bound to result. The opportunity existed to use the expertise of the HR department to circumvent all of these errors, but it was never exercised. Reward and compensation incentives for employee success in the implementation process were never investigated. It would have been wise to investigate the use of lead and lag incentives to start the change process and to motivate the employees to continue with the effort (Beer & Nohria, 2000).

### **Processes of Implementation of Total Quality Management (TQM) in the Entire Organizations**

Total Quality Management (TQM) has been a success in firms that have implemented the changes with total involvement of the employees, decentralized decision-making, ongoing training that develops leadership, and clear specific objectives. Whenever change is implemented, proper

consideration must be given to the organizational structure in which the modification is being proposed. The correct structure must be developed in order to provide for the distribution of authority, speed of decision-making, and focus of productivity. Under certain situations “the manager gains more leverage by using changes to the formal structure” than by endeavoring to modify the culture (Beer & Nohria, 2000). However, for modern organizations, changes in culture and structure are needed.

Without implementing a structure that allows for TQM principles (continuous improvement, etc) to be optimal, the effective change of the modern organization would be truncated. However, changing the structure without changing the culture would slow the change process and prohibit change from occurring (Beer & Nohria, 2000). Cultural changes that are needed include a willingness on the part of the executive management to turn loose of decision-making power, putting the right people in the right jobs, and developing a clear definition of quality that permeates the organization (Collins, 2001).

In many organizations, one of the greatest inhibitors of change is that the people at the lower levels of the firm cannot comprehend the changes that are needed. This ideology of exclusion can prohibit the needed changes in the organization from occurring. The key to implementing the changes in most modern organizations is the total involvement of each employee. No amount of reengineering rhetoric will compensate for employee input into the change dynamic. One of the key components of Total Quality Management is the immersion of the total organization into the continuous improvement process. The element of a wide range of employee involvement separates many reengineering efforts from TQM. It is this principle of employee participation that is needed in most modern organizations.

In some small organizations, it is possible for all of the employees to become involved in the Total Quality Management process. The principle barrier to the implementation of total involvement is the willingness to communicate to all levels of the organization. The geographic dispersion of the organization will create some challenge, but with the assistance of technology (teleconference/video conference etc.) the obstacle of geography can be minimized. According to French and Bell (1999), the use of cross-departmental teams will provide the needed perspectives on the elemental change components. Self-directed teams could help to implement the strategy of change and to make decisions optimal. Developing these teams into self-managed teams will train the team members in a wide range of skills, cultivate leadership for the years ahead, create a system of feedback to the management team, and make a quality mindset possible. Team building should be focused on developing strong

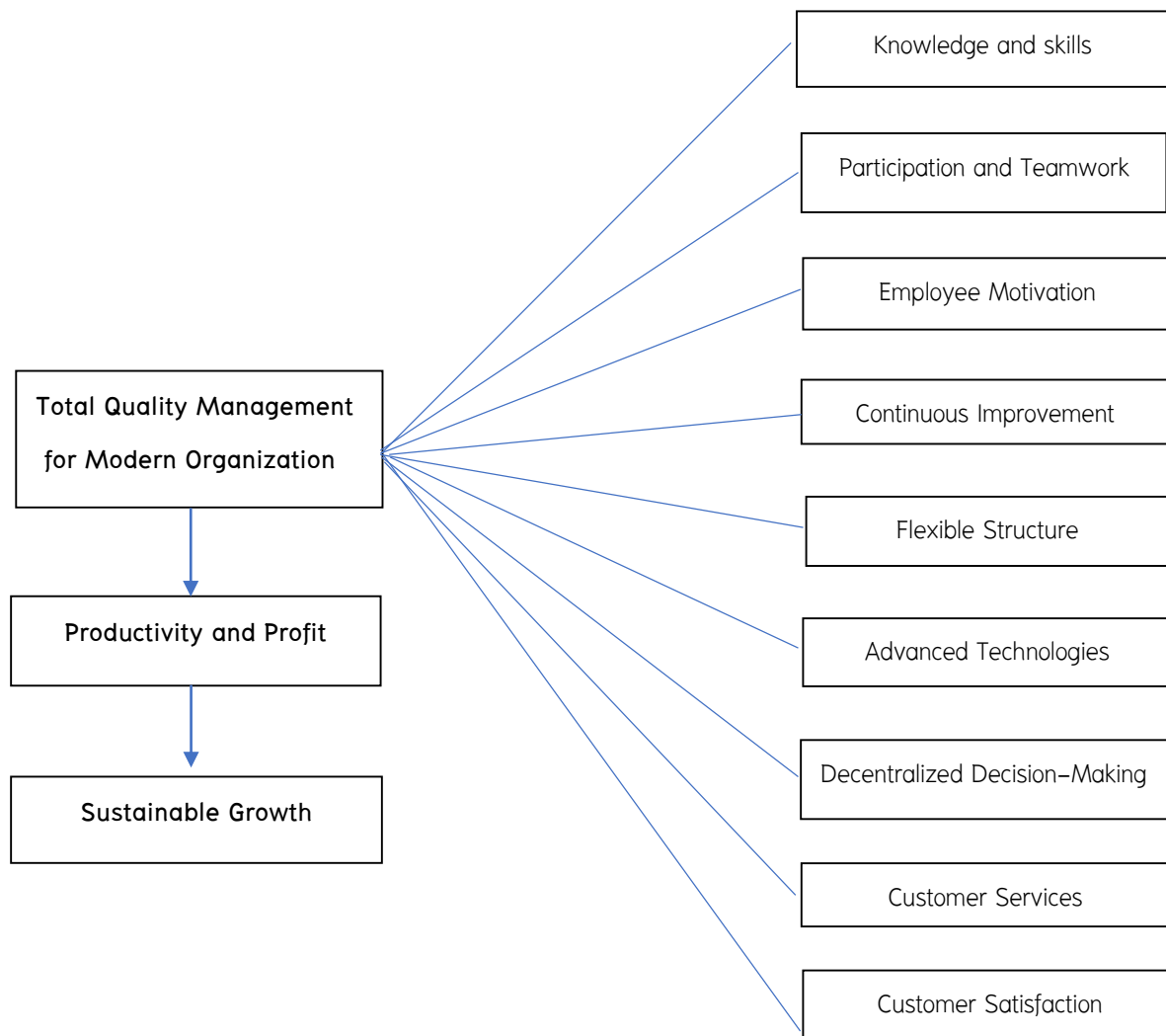


leaders and effective work groups so that the speed of change is conducive to the marketplace, the industry, flexibility of job design, and the corporate culture.

Changing the organization's culture to embrace change is the key to a bright future for the company. The cultural change will be evidenced by decentralizing decision-making, developing a flat organizational structure, implementing self-directed cross-departmental teams, designing jobs to fit the tasks, and placing the right people in the right jobs. The focus of job design (re-design or perhaps elimination) should be evaluated according to the diverse "skills, task identity, task significance, autonomy, and feedback" and is required for the demands of TQM (French and Bell, 1999). Putting the right people in the right jobs, doing the right things, will bring about the right results (Collins, 2001; Pearce & Robinson, 1996).

### **The Model of Total Quality Management for Modern Organizations**

From a study, the researchers present the Model of Total Quality Management, consisting of knowledge and skills, employee participation and teamwork, employee motivation, continuous improvement, flexible structure, advanced technologies, decentralized decision-making, customer services, and customer satisfaction (See Figure 1).



**Figure 1** The Model of Total Quality Management for Modern Organization

## Conclusion

Total Quality Management is a combination of organizational improvement techniques and approaches which can be applied to improve their abilities to provide demand products and services to satisfy customers. Total Quality Management focuses on the following aspects: (1) responsiveness to customers' need and customer satisfaction, (2) continuous improvement through systematic process of benchmarking and self-assessment, (3) employee fulfillment through promoting qualified employees and fostering higher level of morale and motivation, (4) organization improvement as a total system.

Modern organizations should seek for qualified employees and encourage them to participate in setting organizational goals, visions and strategies, use advanced technologies to facilitate productivity and increase work efficiency, changing organizational structure to be decentralized by empowering employees in each section to make a quick decision in order to provide quick customer services and customer satisfaction.

If modern organizations had employed the above techniques in effort to implement a change program in Total Quality Management (TQM), the results would certainly have been more satisfactory. In order to implement Total Quality Management Program, management should communicate a vision to the workforce that elaborated upon the purpose of the change. Management should lead the implementation process, and should involve the Human Resources Department in the change process, thereby depriving the endeavor of its most likely champion. As successful implementation of Total Quality Management requires active and strong leadership from the Chief Executive Officers (CEO), it is recommended that management should attempt to solicit input from the employees concerning the change effort and provide any motivation for the employees to see the project through to its fruition. Incentives should offer to the employees as an inducement to put forth their best efforts. Training the employees in the skills required to manage the Total Quality Management program is necessary. As customers are the most important factors who support the company to survive and prosper, the organizational culture should be changed to be more customer focused and market driven. Total Quality Management principle can be applied to cope with international and external factors of the organization in order to run business effectively and efficiently, to respond to customer needs, to satisfy customers, and to gain competitive advantage in the current global market.

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