

Identification of Tqm Practices from Empirical Studies by Pareto Analysis

Heena Sunil Oza¹ and Darshana S. Shiroya

¹Associate professor in Accountancy,
S.P.B English Medium College of Commerce, Surat, Gujarat, India.

²Assistant professor in Accountancy,
Shree J.D. Gabani Commerce College, Surat, Gujarat, India.

ABSTRACT: Total quality management (TQM) is a leadership philosophy and strategy that is based on continuous improvement of every process, empowerment of people, continuous learning, all creating transformation toward an organization that is providing excellent products and services. The theory of total quality management has been developed from three different areas: first contributions from quality leaders, second formal quality models and third performance measurement studies. The theory of quality management has recognized many TQM practices also known as critical success factors of TQM. The existence of critical TQM practices ensures success of TQM system resulting into satisfied customer which is the essence of long term profitability of business organizations.

This paper makes an attempt to identify TQM practices in manufacturing sector by using Pareto analysis tool. In all 14 research studies have been reviewed to identify TQM practices. The findings of this study have twofold contribution. On one hand it provides framework to test it empirically. Secondly it is also helpful to the practitioners of TQM to emphasize these critical TQM practices for long term sustainability of the business organization.

Key Words: TQM (Total Quality Management), TQM practices, Manufacturing sector, Pareto Analysis.

INTRODUCTION

Best will survive is the slogan of the top class business organizations (Singla Nitin et al., 2011). The global business environment has brought in new competition with new opportunities and new challenges. A manufacturing company's survival in an increasingly competitive market closely depends upon its ability to produce highest quality product at lowest possible cost (Kumar V., 2010). Juran (1995) pointed out that where as the 20th century became famous for world productivity, the 21st century would become well recognized as the "century for quality".

Many organizations all over the world have tried to use total quality management (TQM) to achieve increased competitiveness and improved financial result.

TOTAL QUALITY MANAGEMENT (TQM)

TQM is a leadership philosophy and strategy that is based on continuous improvement of every process, empowerment of people, continuous learning, all creating transformation of an organization that is providing excellent products and services.

TQM may also be viewed functionally as an integration of two basic functions, i.e. total quality control and quality management. Total quality control is a long-term success strategy for organization. Customer satisfaction, employee satisfaction, product quality assurance in all its

stages, and continuous improvement and innovation, are main ingredients of total quality control; whereas quality management is a way of planning, organizing and directing that will facilitate and integrate the capabilities of all employees for continuous improvement of anything and everything in an organization to attain excellence. Thus, TQM in an organization brings all the people together to ensure and improve product process quality, the work environment and working culture.

The theory of total quality management has been developed from three different areas: first contributions from quality leaders namely Deming, Crosby, Feigenbaum, Ishikawa, Juran and Taguchi; second formal quality models like Malcolm Baldrige National Quality Award, Japan's Deming Prize, The European Quality Award, etc., and third empirical performance measurement studies (e.g. Saraph et al. (1989), Mehmet Demirbag & S.C. Lenny Koh (2006), Therese A. Joiner (2006), Shahab Alam Malik, et al. (2010), Musran Munizu (August 2011), Fuzi Abusa (2011), Andre Dwijanto Witjaksono (2012), Masood Hussain et al. 2012, Ali Bakhit Jaafreh, et al. (2013)).

The empirical based studies have identified many TQM practices also known as critical success factors of TQM. This study makes an attempt to identify most critical TQM practices from a very large number of TQM practices identified in various studies to strengthen further the related literature and benefit the researchers and