

Strategies for the Effective implementation of Total Quality Management: A Case Study of RIMS B-School.

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Abstract:

This paper focuses on the important elements of Total Quality Management (TQM) and deals with the generic models for implementing TQM with five strategies to develop the TQM Process. Deming's 14 Points on Quality Management, a core concept on implementing Total quality management is also discussed in this study with the benefits of TQM. A case study of RIMS -Business School that Improved Learning, Research, and Placement Measures with TQM implementation has been examined in this paper.

Key Words: Total quality management, Strategy, Implementation.

Introduction:

A core definition of Total Quality Management (TQM) describes a management approach to long-term success through customer satisfaction. In a TQM effort, all members of an organization participate in improving processes, products, services, and the culture in which they work. The methods for implementing this approach come from the teachings of such quality leaders as Philip B. Crosby, W. Edwards Deming, Armand V. Feigenbaum, Kaoru Ishikawa, and Joseph M. Juran.

Total quality management can be summarized as a management system for a customer-focused organization that involves all employees in continual improvement. It uses strategy, data, and effective communications to integrate the quality discipline into the culture and activities of the organization.

Important Elements of Total Quality Management (TQM):

Customer-focused: The customer ultimately determines the level of quality. No matter what an organization does to foster quality improvement—training employees, integrating quality into the design process, upgrading computers or software, or buying new measuring tools—the customer determines whether the efforts were worthwhile.

Total employee involvement: All employees participate in working toward common goals. Total employee commitment can only be obtained after fear has been driven from the workplace, when empowerment has occurred, and management has provided the proper environment. High-performance work systems integrate continuous improvement efforts with normal business operations. Self-managed work teams are one form of empowerment.

Process-centered: A fundamental part of TQM is a focus on process thinking. A process is a series of steps that take inputs from suppliers (internal or external) and transforms them into outputs that are delivered to customers (again, either internal or external). The steps required to carry out the process are defined, and performance measures are continuously monitored in order to detect unexpected variation.

Integrated system: Although an organization may consist of many different functional specialties often organized into vertically structured departments, it is the horizontal processes interconnecting these functions that are the focus of TQM.

- Micro-processes add up to larger processes, and all processes aggregate into the business processes required for defining and implementing strategy. Everyone must understand the vision, mission, and guiding principles as well as the quality policies, objectives, and critical processes of the organization. Business performance must be monitored and communicated continuously.

- An integrated business system may be modeled after the Baldrige National Quality Program criteria and/or incorporate the ISO 9000 standards. Every organization has a unique work culture, and it is virtually impossible to achieve excellence in its products and services unless a good quality culture has been fostered. Thus, an integrated system connects business improvement elements in an attempt to continually improve and exceed the expectations of customers, employees, and other stakeholders.

Strategic and systematic approach: A critical part of the management of quality is the strategic and systematic approach to achieving an organization's vision, mission, and goals. This process, called strategic planning or strategic management, includes the formulation of a strategic plan that integrates quality as a core component.

Continual improvement: A major thrust of TQM is continual process improvement. Continual improvement drives an organization to be both analytical and creative in finding ways to become more competitive and more effective at meeting stakeholder expectations.

Fact-based decision making: In order to know how well an organization is performing, data on performance measures are necessary. TQM requires that an organization continually collect and analyze data in order to improve decision making accuracy, achieve consensus, and allow prediction based on past history.

Communications: During times of organizational change, as well as part of day-to-day operation, effective communications plays a large part in maintaining morale and in motivating employees at all levels. Communications involve strategies, method, and timeliness.

These elements are considered so essential to TQM that many organizations define them, in some format, as a set of core values and principles on which the organization is to operate.

Generic Models for implementing TQM:

1. Top management learns about and decides to commit to TQM and it is identified as one of the organization's strategies.
2. The organization assesses current culture, customer satisfaction, and quality management systems.
3. Top management identifies core values and principles to be used, and communicates them.
4. The organization identifies and prioritizes customer demands and aligns products and services to meet those demands.
5. Management maps the critical processes through which the organization meets its customers' needs.
6. Management oversees the formation of teams for process improvement efforts.
7. The momentum of the TQM effort is managed by the steering committee.
8. Managers contribute individually to the effort through planning, training, coaching, or other methods.
9. Daily process management and standardization will be taken place.
10. Progress is evaluated and the plan is revised as needed.
11. Constant employee awareness and feedback on status are provided and a reward/recognition process is established.

Five strategies to develop the TQM process:

Strategy 1: The TQM element approach

The TQM element approach takes key business processes and/or organizational units and uses the tools of TQM to foster improvements. This method was widely used in the early 1980s as companies tried to implement parts of TQM as they learned them.

Examples of this approach include quality circles, statistical process control, Taguchi methods, and quality function deployment.

Strategy 2: The guru approach

The guru approach uses the teachings and writings of one or more of the leading quality thinkers as a guide against which to determine where the organization has deficiencies. Then, the organization makes appropriate changes to remedy those deficiencies.

For example, managers might study Deming's 14 points or attend the Crosby College. They would then work on implementing the approach learned.

Strategy 3: The organization model approach

In this approach, individuals or teams visit organizations that have taken a leadership role in TQM and determine their processes and reasons for success. They then integrate these ideas with their own ideas to develop an organizational model adapted for their specific organization. This method was used widely in the late 1980s and is exemplified by the initial recipients of the Malcolm Baldrige National Quality Award.

Strategy 4: The Japanese total quality approach

Organizations using the Japanese total quality approach examine the detailed implementation techniques and strategies employed by Deming Prize-winning companies and use this experience to develop a long-range master plan for in-house use. This approach was used by Florida Power and Light—among others—to implement TQM and to compete for and win the Deming Prize.

Strategy 5: The award criteria approach

When using this model, an organization uses the criteria of a quality award, for example, the Deming Prize, the European Quality Award, or the Malcolm Baldrige National Quality Award, to identify areas for improvement. Under this approach, TQM implementation focuses on meeting specific award criteria. Although some argue that this is not an appropriate use of award criteria, some organizations do use this approach and it can result in improvement.

Deming's 14 Points on Total Quality Management:

Deming's 14 Points on Quality Management, a core concept on implementing total quality management, is a set of management practices to help companies increase their quality and productivity.

1. Create constancy of purpose for improving products and services.
2. Adopt the new philosophy.
3. Cease dependence on inspection to achieve quality.
4. End the practice of awarding business on price alone; instead, minimize total cost by working with a single supplier.
5. Improve constantly and forever every process for planning, production and service.
6. Institute training on the job.
7. Adopt and institute leadership.
8. Drive out fear.
9. Break down barriers between staff areas.
10. Eliminate slogans, exhortations and targets for the workforce.
11. Eliminate numerical quotas for the workforce and numerical goals for management.
12. Remove barriers that rob people of pride of workmanship, and eliminate the annual rating or merit system.
13. Institute a vigorous program of education and self-improvement for everyone.
14. Put everybody in the company to work accomplishing the transformation.

The following are the benefits that total quality management (TQM) can offer organizations:

1. Strengthened competitive position.
2. Adaptability to changing or emerging market conditions and to environmental and other government regulations.
3. Higher productivity.
4. Enhanced market image.
5. Elimination of defects and waste.
6. Reduced costs and better cost management.
7. Higher profitability.
8. Improved customer focus and satisfaction.
9. Increased customer loyalty and retention.
10. Increased job security.
11. Improved employee morale.
12. Enhanced shareholder and stakeholder value.
13. Improved and innovative processes.

Case Study of RIMS B-School:

RIMS was established in 2005 to offer post-graduate business diplomas, which are considered equivalent to MBA degrees. Currently, 500 students are enrolled in RIMS, and the institute employs 23 full-time faculty members as well as an equal number of adjunct and visiting faculty members. Located in Bangalore, India, the country's third most populous city, the RIMS campus features a large library, classrooms, conference halls, computer center, sports complex, and many other student amenities. All students enrolled in RIMS have completed an undergraduate program—either in engineering, commerce, life sciences, or other fields of study. Industry leaders such as Ernst & Young, Deloitte Consulting India Private Ltd., ICICI Securities Ltd., and SBI Life Insurance Ltd. are just a few of the organizations that recruit RIMS graduates.

Faced with troubling research concluding that most MBAs in India were unemployable and not industry ready due to quality gaps in education, the Ramaiah Institute of Management Studies (RIMS) took a hard internal look at three dimensions of quality. After analyzing the school's circumstances, an internal quality team reported significant gaps between the school and its primary competitors on three measures: assurance of learning, faculty research productivity, and quality of employment placement for graduates. RIMS, a graduate business school in India, uncovered major gaps in three of its quality processes. A cross-functional team used TQM principles to improve measures of learning, faculty research, and graduate placement.

At RIMS, the student evaluation program incorporates four components that are recognized by scholars as critical to the success of participant-centered learning. The 4-Ps include:

- Physical presence
- Prior preparation
- Participation
- Perspective

The concept of participant-centered learning was pioneered by Harvard Business School and is followed by many of the top business schools today. In essence, the emphasis shifts from the teacher to the students. The 4-P method is a tested method to achieve the desired results. In a full-time residential program, unless a student is physically present in the classroom, effective learning cannot happen. At the graduate level, the students have to come well prepared based on the teaching plan given at the beginning of each semester to improve the level and depth of understanding. Participation is a key factor since peer learning is very effective in developing qualities and attributes needed in managers and leaders.

Finally, coming from different backgrounds and with differing aspirations (whether to become marketing, finance, human resources, operations, or technology managers), students can bring varying but relevant perspectives that enrich any discussion. As an example, marketing students may focus on customer orientation, finance students on shareholder value, and human resources students on employee focus. Yet, all the dimensions are important for organizational success. The ability to appreciate others' viewpoints is a valuable outcome of participant-centered-learning.

Assurance of learning measures increased by 80 percent, research productivity rose by more than five times, and the quality of graduate placements more than doubled.

This team-based project was a finalist in ASQ's 2010 Education Team Excellence Award process and earned the "Award of Distinction."

Conclusion:

The new operating environment of the future will provide a set of challenges on various levels. A clear focus on defining and managing the customer side, process emphasis, and creating knowledge through innovation will comprise the new business environment. Under this new environment, TQM systems will shift towards a philosophy of quality based strategic management systems. TQM is a quality-based management strategy that promotes enterprise-wide quality through a strong focus on customer orientation and environment and dynamics. Additionally, this strategic orientation relies heavily on synchronized processes among all trading partners to create knowledge through innovation in order to achieve global competitiveness.

TQM brings problem solving techniques and continuous improvement opportunities, which facilitate implementation of policies in an organization. The effective use of TQM helps companies obtain the maximum return on investment. Therefore organizations adopting TQM philosophies in the true spirit of understanding the TQM philosophy as part of their corporate strategy and applying any model for Business Excellence for TQM Strategy implementation will result in reducing the cost and give a solid foundation of required enhanced human capacities and capabilities, conducive organizational culture, optimal utilization of all resources and improved processes.

This will facilitate the change and transformation in an organization and enable them to move towards Business Excellence.

For those businesses that have not yet started applying the TQM philosophy as part of their corporate strategy, need to implement the TQM Strategy for moving towards Business excellence to gain competitive advantage.

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