



# A Study On Problems And Challenges In Course Of Implementation Of Total Quality Management Practices In Msmes

<sup>1</sup>Navneet Sharma

Research Scholar

Desh Bhagat University

Mandi Gobindgarh

India

<sup>2</sup>Manpreet Kaur

Assistant Professor

Desh Bhagat University

Mandi Gobindgarh

India

## Abstract

MSMEs have been competing with multinational companies both at home as well as export market for years due to globalization of the economy and liberalization of import regulation. After the liberalization process, these aspects have become imperative for very survival of MSMEs. The aim of the research is to study the problems and challenges during implementation of TQM practices in MSMEs. In spite of problems and challenges to deploy TQM practices in MSMEs, TQM practices are being implemented. In response to the pressure of an open market economy, most of the MSMEs have adopted TQM practices. MSMEs should consider TQM as an innovative tool for improving operational and organizational performance in today's dynamic manufacturing environment. The study has contributed to the practical and academic knowledge of Total Quality Management in MSMEs.

## Keywords

TQM, ISO, MSME

## Introduction

Due to rapid globalisation taking place, there is aggressive competition in the international market. Global competition has made organisations face challenges to successfully compete in today's international market. The stress of competition is being experienced with the increase of its magnitude and worldwide participation in trade and commerce after the formation of WTO. In today's scenario, there is lot of stress on manufacturing industries to regularly provide products of world class quality and that too at a price which is competitive to provide worth for money. As a result of this competition, the economic growth of a nation has taken place. After analysis of the impact of domestic competition, it was concluded that performance of trade is considerably impacted by domestic competition in terms of world export share. Competition is an aspect which is very closely related to competitiveness. Whereas competition is an outer and situational aspect whereas competitiveness is a chief characteristic of anything which can be enhanced and improved. In the present-day viewpoint, competitiveness has turned out to be a primary driving force in economics like gravitational force in physical science. There is an attempt to increase competitiveness in various countries and regions. It involves competitiveness of various countries, industrial sectors and independent units. The fiscal power of a nation or business or organization in relation to its competitors in the economy of international marketplace where there is free movement of commodities, services, people, skills, and ideas across physical boundaries is described by competitiveness. In the worldwide competitiveness game, extremely competitive entities emerge as the winners.

To be and remain competitive, not only domestically but also globally, is the greatest challenge for an industry these days. The enhancement of competitiveness, which is a multi-dimensional concept, can be done in many ways. Most suitable way of creating long lasting competitive advantage for business is the quality way, which is an effectual and recognized method. Many renowned instances of countries and their organizations can be given to support the fact that competitiveness has been achieved by employing the methods and concepts of quality.

Total Quality Management (TQM) happens to be the latest management concept in globalized and rapidly varying business environments. These days, the organizations are treating TQM as the supernatural power to improve organizational performance, creating learning organization, alteration of both the employees and the management interaction and behavior. Various previous studies have established that TQM creates profound impact on performance of both large as well as Micro small and medium enterprise (MSME). Numerous researchers have also considered the concept of Standardization of Quality (ISO 9000 standards certification) related with the TQM. This study aims to examine problems and challenges during implementation of TQM practices in MSMEs and whether particularly in India.

## Research objective

To study problems and challenges during implementation of Total Quality Management practices in MSMEs

## Total Quality Management

In the Global marketplace, increased levels of competition have resulted in quality, which has turned out to be of huge importance to the organizations and consequently, Total Quality Management (TQM) has become a key management issue. A considerable number of industries are applying TQM, and the topic is the subject of many books and papers these days. Today TQM appears to be a well-accepted system of management. However, two decades ago, terminology was not used. Before discussing the origin of TQM, it is necessary to understand the terminology. This is not an easy task since every writer on this subject has their own definitions, by and large devising it to suit their own beliefs, prejudices and business and academic experiences. The result is a proliferation of unique definitions and confounds comparisons and it adds to the difficulties of understanding an analysis. Even with the publication of an international definition of TQM in ISO 8402 (1994) there is ample evidence that writers and researchers do not stick to this definition and create their own unique offering. Moreover, as Hackman et al. (1995), Christian et al. (1995) stated many interventions not related with TQM that are being encompassed under TQM banner. Despite the divergence of views on what constitutes TQM, there are several common elements running through the various definitions. Several writers have tried to define the different dimensions that shape TQM, including Ahire (1996), Dale et al. (1999), Flynn et al. (1994), Darrell (2003) and Eaton et al. (1998).

## Important factors of TQM implementation

The past decade has seen MSMEs focus on Total Quality Management (TQM). Despite the current competitiveness of the business climate, every organisation desires and strives to survive and be successful to expand and grow. Total quality management (TQM) is a technique of managing to enhance efficiency, profits, market share, cohesiveness, flexibility, and competitiveness of a firm. But, for that, careful planning and good management quality is required for their products and services. The following factors are considered as essential and crucial for achieving successful TQM execution within any company.

### 1. Management commitment

Management commitment is of utmost importance in an organization. Every employee should be aware of TQM policies. Vision of the organization should be clear to deploy TQM successfully.

### 2. Customer focus

It means degree to which an organisation focusses on and continually satisfies customer requirements. Such organisations are expected to be successful as they give priority to customer requirements and maintain close relationship with the customer. It helps determine the customer's taste, colour, and preferences. Therefore, it is necessary to get the customer closely involved in the product design and development with valuable input to every stage. The customer allows an organisation to exist, thus prioritising customer is

one of the major factors of the framework of Total quality management. Every element should focus on total customer satisfaction for both internal and external customers.

### **3. Employees involvement and participation**

TQM environment or culture needs committed and skilled employees, who all can fully participate in the activities performed to improve the quality. MSMEs must encourage all its employees at all levels to take responsibility. They must also boost them to communicate well toward refining the quality at all production stages. Since managers and supervisors hire the employees, so they should consider the employees as intelligent and capable having effective ideas.

### **4. Training and education**

Training and education in any field are utmost important in determining the success of implementation of Total Quality Management. MSMEs should consider that empowerment and involvement is not that effective unless employees receive formal, systematic training on Total Quality Management. Education and training programs should target everyone working in the organisation. It is the responsibility of everyone to get involved in such training programs conducted by the organisation. The training programs help employees from the top management to the labour-force to understand the philosophies of TQM.

### **5. Communication**

Communicating is a path towards TQM, leading to reduce one's fear and confusion. Good communication is a bond that holds together the Total quality management process. Direct communication between employees and supervisors, face-to-face interaction, and a good feedback system are very significant in conveying ideas to the management and facilitating TQM.

### **6. Culture**

The culture within a company is nothing but the interaction that takes place between employees within an organisation. A relationship gets created within the employees by their behaviour. Culture, in other words, can be described as the beliefs which permeate the company regarding the processes. These processes tell us how to conduct the business, how the employees must behave, and the way they prefer to be treated. Total quality management culture consists of a co-operation and openness, which is required to be created by the organisation management. In TQM culture, all the employees are made to feel considered; it happens only if they are involved in the development of the vision, strategies, and plans of the organisation. The implementation of TQM culture is important because employees are unlikely to behave in an acceptable, responsible manner unless they see the management shows commitment.

Leaders should be the first to provide the initiative to apply Total Quality Management, as well as support quality programs.

### **Problems and challenges in TQM implementation**

There are various problems and challenges which MSMEs face during TQM implementation. Being aware of some of the challenges faced by them within the same or different sectors, MSMEs are contemplating implementation of TQM and can accordingly prepare themselves to meet and address those challenges. It will make the process of implementation of TQM faster and smoother.

The problems and challenges can be classified into three categories as below.

1. Employees related
2. Management related
3. Due to lack of employee empowerment.

#### **1. Employees related:**

Factors related to employees are as follows:

- a. Employees are not trained to implement TQM practices.
- b. Responsibility and accountability of employees are not defined.
- c. Resistance to change among employees is there.
- d. Training provided is not focused.
- e. Employees are not well equipped to tackle problems.
- f. Quality action procedures are not clear.
- g. Cross functional teams are not active.

## 2. Related to Management: Factors related to management are as follows:

- a. Time constraint.
- b. Inadequate resources for implementation of Total Quality Management practices.
- c. Inadequate Customer focus.
- d. Improper coordination with suppliers.
- e. The workforce is not committed to quality.
- f. Frequent turnover of the employees.
- g. Employees are not adequately rewarded/recognized for their contribution towards quality improvement.
- h. Lack of understanding regarding implementing aspects of Quality Management tools by middle level managers.
- i. Difficulty in changing the quality culture of the organization.
- j. Processes are not benchmarked.
- k. High cost of implementation of TQM outweighs benefits.
- l. Frequent turnover of middle and top management.
- m. The best practices / products are not benchmarked.
- n. Quality activities are driven more by cost reduction than by customer satisfaction.

The top management and leadership are also a few obstacles faced by some of the responding organizations. There is a degree of high positive association between the quality of management and the performance of the industry. Non-co-operation of top management is one of the several major critical factors for non-implementation of effective Total Quality Management. Successful quality performance requires top management to be dedicated to the goal.

### Lack of employee empowerment:

- a. Quality practices start at the grass-root level. To build a culture of quality across the industry, it is highly essential for employees to be encouraged at all levels. Such a culture can be established by giving due importance to quality at every level.
- b. In Japanese industry, during production, in case of non-conformity of any process/product, even a worker is empowered to stop any production line. Similar type of empowerment is required in related Indian MSMEs to be successful in implementation of Total Quality Management practices.

## Research Methodology

### Data collection method

Primary data is collected by different methods:

**Surveys:** In surveys, a questionnaire is prepared to collect data from various respondents.

**Interviews:** It involves physical or virtual conversation between researchers and respondents to collect data.

Secondary data is collected by referring journals, magazines, and newspapers.

Data analysis is done using statistical methods like mean, mode, ratios, percentages, and hypothesis testing.

The responses of all participants were gathered and analysed. The result showed that based on the respondents which agree and strongly agree. Most critical challenges are quality objectives being driven more on cost reduction than on customer satisfaction (68.9%), cross functional teams are not active (65.5%), quality action procedures are not clear (66.4%), process are not benchmarked (64.7%) and improper coordination with supplier (65.8%). Similarly, comparatively fewer challenges based on the responses, were workforce not committed to quality (48.9%), difficulty in changing quality culture of the organization (52.5%), employees are not adequately rewarded/recognized for their contribution towards quality system (52.7%), frequent turnover of employee (54.3%) and higher cost of implementation of TQM outweighed its benefits (55.8 %).

Level of problem and challenge (in %)						
Sr. No	Attribute	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1	Employees are not trained for TQM practices	7.3	4.8	24.2	49.1	14.5
2	Time constraint.	3.7	9.1	28.5	44.2	14.5
3	Inadequate resources for implementation of TQM practices	7.4	11.0	25.2	41.7	14.7
4	Responsibility and accountability are not defined.	7.3	9.1	23.8	37.2	22.6
5	Resistance to change among employees.	3.0	12.7	27.9	40.6	15.8
6	Inadequate Customer focus	9.8	11.6	21.3	38.4	18.9
7	Inadequate empowerment of employees	6.2	7.3	28.5	40.6	16.4
8	Inadequate commitment from top and middle management.	6.6	8.5	28.5	38.8	17.6
9	Focused training is not adequate.	3.6	13.4	22.6	42.1	18.3
10	Employees are not well equipped to tackle problems.	5.4	12.3	20.9	38.7	22.7
11	Quality procedures are not clear.	4.0	11.3	18.3	47.9	18.5

12	Cross functional teams are not active.	4.9	8.6	21.0	41.4	24.1
13	Inadequate focus on the customer.	11.0	8.6	22.1	34.4	23.9
14	Improper coordination with supplier.	9.0	9.6	15.6	39.2	26.6
15	Inadequate training for the employees.	9.7	7.3	22.4	32.1	28.5
16	The workforce is not committed to quality.	3.9	11.7	35.5	23.4	25.5
17	Frequent turnover of the employees.	4.3	8.3	33.1	34.4	19.9
18	Employees are not adequately rewarded /recognized for their contribution towards quality improvement.	3.7	4.8	38.8	30.9	21.8
19	Lack of understanding regarding implementation aspect of TQM tools by middle level managers.	3.7	8.6	28.8	33.1	25.8
20	Difficulty in changing the quality culture of the organization.	2.4	14.6	30.5	28.7	23.8
21	Processes are not benchmarked.	3.0	15.8	16.5	41.5	23.2
22	High cost of implementation of TQM	2.9	11.2	30.1	34.5	21.3

	outweighs benefits.					
23	Frequent turnover of middle and top management.	7.3	13.9	20.0	38.8	20.0
24	The best practices / products are not bench marked.	7.3	7.3	24.4	39.0	22.0
25	Quality activities are driven more on cost reduction than on customer satisfaction.	7.3	15.1	8.7	38.6	30.3

### Conclusion

Implementation of TQM can be a complex process that requires careful planning and coordination. It involves changes at all levels of the organization and across all the functions from production to customer service. This can make it difficult to manage the implementation process and to ensure that all aspects of TQM are aligned with the principles of TQM.

Measuring the success of TQM can be challenging. Unlike other business strategies the benefits of TQM may not be immediately clear, and it can take time to see the results. This can make it difficult to assess the effectiveness of the strategy and to maintain momentum and commitment over the long run.

### References

1. Black SA (1996) Identification of the Critical factors of TQM, Decision Sciences, vol.27, no. 1.
2. Curkovic S, Vickery SK, Droge C (2000) An empirical analysis of competitive dimensions of Quality performance in the Automotive supply industry, International Journal of Operation and Production Management, vol.20, no.3, pp. 386-403.
3. Darrell R (2003) Management tools survey 2003: Usage up as companies strive to make headway in tough times, Strategy & Leadership, vol. 31, iss: 5, pp. 4 – 11.
4. Das A, Paul H, Swierezek FW (2008) Developing and validating total quality management (TQM) constructs in the context of Thailand's manufacturing industry, Benchmarking: An International Journal, vol.15, no.1, pp. 52-72.
5. Deming WE (1986) Out of the Crisis, Massachusetts Institute of Technology, Center for Advance Engineering study, Cambridge, MA.
6. Deming WE (1993) Out of Crisis: Quality, Productivity and Competitive position, Productivity and Quality Publishing Pvt. Ltd. Madras.
7. Detert JR, Schroeder RG, Mauriel JJ (2000) A framework for linking culture and improvement initiatives in organizations, The Academy of Management Review, vol. 25, no.4, pp. 850-863.

8. Dotun A, Kehoe D (1998) An evaluation of quality culture problems in UK companies, International Journal of Quality Science, vol. 3, iss: 3, pp. 275 – 286.
9. Escobar JAR, Beniti JG, Lorente A, Rafeal M (2006) An analysis of degree of small companies' dissatisfaction with ISO 9000 certifications, Total Quality Management, vol.17, no.3.
10. Faisal T, Zillu R (2015) Identification and prioritization of barriers to total quality management implementation in service industry, The TQM Journal, vol. 22, iss: 5, pp. 591 – 615.
11. Sila I, Ebrahimpour M (2005) Critical linkages among TQM factors and business results, International Journal of Operations & Production Management, vol.25, iss:11, pp. 1123 – 1155.

