

## **MANAGEMENT PRINCIPLES AND TECHNIQUES**

### **HSST COMMERCE (M3)**

#### Topic 4 : **Total Quality Management**

- Q = Quest for excellence
- U=Understanding customer needs
- A = Action to achieve customer satisfaction
- L=Leadership desire
- I = Involving all stakeholders in achieving objectives
- T=Team spirit to work for a common goal and
- Y = Yardstick to measure progress
- Quality is the degree of excellence at an acceptable price and control of variability at an acceptable cost
- Meaning
- Quality is a measure of how closely a good or service conforms to specified standards.

#### **Definition of quality**

Total Quality Management (TQM) refers to management methods used to enhance quality and productivity in business

organizations. TQM is a comprehensive management approach that works horizontally across an organization, involving all departments and employees and extending backward and forward to include both

suppliers and clients/customers. Total Quality Management (TQM) refers to management methods used to enhance quality and productivity in business organizations.

## **Dimensions of product quality:**

- 1. Performance: primary product characteristics, e.g. picture brightness in TV.
- 2. Features: secondary characteristics, added features, e.g. remote control, picture-in-picture.
- 3. Usability: ease of use with minimum training.
- 4. Conformance: meeting specifications, Industry standards,.
- 5. Efficiency: ratio of output to input. E.g. mileage, braking distance, processing time.
- 6. Aesthetics: sensory characteristics, e.g. appearance, exterior finish, texture, color, e shape, etc.
- 7. Reputation: subjective assessment based of past performance, brand image, industry ranking.
- 8. Safety: in items like pressure cookers, electrical items, toys, cranes, etc.

## **Dimensions of service quality:**

- 1. Time: how much time a customer must wait / undergo service.
- 2. Timeliness: whether service will be performed when promised.
- 3. Completeness: whether all items in the order are included.

- 4. Consistency: consistent service every time, and for every customer. Reliability of service.
- 5. Accessibility/Convenience: ease of obtaining the service.
- 6. Accuracy: absence of mistakes.

## **TQM BASIC CONCEPTS**

- 1. Management Involvement - Participate in quality program, develop quality council, direct participation
- 2. Focus on customer - who is the customer internal and external, voice of the customer, do it right first time and every time.
- 3. Involvement and utilization of entire work force - All levels of management
- 4. Continuous improvement - Quality never stops, placing orders, bill errors, delivery, minimize wastage and scrap etc.
- 5. Treating suppliers as partners - no business exists without suppliers.
- 6. Performance measures - creating accountability in all levels