



BE MORE NOW

Total Quality Management (TQM)

A powerful tool set that when applied will transform a business

WHAT IS TQM?

Total Quality Management (TQM) is an organisation-wide philosophy that extends beyond the organisation and includes customers and suppliers. It is a philosophy for continuous improvement to meet the customer's expectations, *First time, On time and On Budget, EVERY TIME.*

Benefits from TQM

1. **Reduced Waste**
2. **Increased productivity**
3. **More competitive pricing and market positioning**
4. **Greater customer satisfaction**
5. **Improved Business image**
6. **Improved profits**

Indirect benefits include:

7. **Improved worker morale**
8. **Improved safety performance**
9. **Improved communications**
10. **Innovation**

Total Quality Management (TQM) was developed by an American, Edward Deming. Around the mid 1940's. USA industry did not pick up on Deming's TQM system and it transpired that he was invited to Japan as part of the McCarthy post world war 2 reformations in 1950. His TQM system is credited as making a significant contribution to the Japanese post war economic (and industrial) miracle that made Japan a major world economy and a producer of quality products.

TQM evolved into various forms over time and all focus on producing outcomes that meet the customer's requirements the first time the work is undertaken – with no rework and minimised waste.

This requires everyone in the organisation – from the senior management to each employee – to commit to providing quality products and services to customers.

Quality in TQM is generally defined as:

- Meeting the customer's requirements – not less and not significantly more –the first time.
- Meeting budget / cost
- Being on time

The Principles of TQM are based on:

1. *Understanding the customer's requirements*
Clearly defining the customer's requirements up front sets the goal for the work or service. This permits correct planning and resourcing to achieve the desired quality and product /service the first time. There is no rework required.
2. *Continuous quality measurement*
Continuous evaluation of the work in the process identifies non-conformances immediately and allows immediate rectification to minimise or prevent rework and waste. This extends to your suppliers as well.
3. *Empowerment and commitment of all individuals*
The organisations goals and quality principles must be understood by all employees to allow independent, immediate and appropriate response to non-conformances.
4. *Continuous process and system improvement*
The organisation's systems and processes are constantly reviewed in order to ensure optimum performance and cost effectiveness. Changes are made when issues and opportunities are identified. This includes education, training, technology, materials, research, methodology and changes in the market place and environment.
5. *Measuring the costs*
The cost of quality is the expense of doing things wrong and more than once. Costs are a baseline to evaluate opportunities for improvement and monitor benefits after improvement. They also provide a system to prioritise resource allocation for improvement.

It is important to note that TQM is not Quality assurance or ISO 9000/9001 although these can form part of a TQM system. Similarly Safety can form part of the TQM system as well.