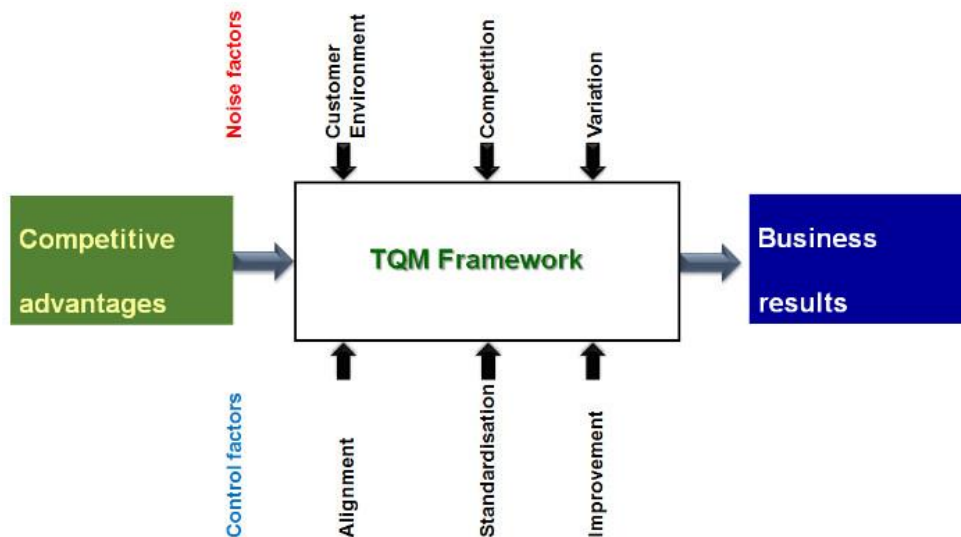


TQM MODEL – A FRAMEWORK TO HARNESS COMPETITIVE ADVANTAGE



Many organisations create or adapt abstract framework recommended by consultants as their TQM model. Often these frameworks talk only about the promotional and training initiatives deployed across the organisation and are laced with references of contemporary quality engineering practices – SPC, TPM, BPR, 6 Sigma et al.

However, TQM model should be evolved after extensive deliberation by all the stakeholders in the organisation. Evolving a TQM model should be a highly involved exercise wherein the team develops a collective understanding of an organisation's strengths, weaknesses and competitive advantages and link them to value proposition that the organisation intends to offer to its customers.

But TQM model does not stop at this linkage. TQM is all about setting a process and its refinement to achieve desired outcomes. TQM philosophy that has roots in the Shewart's control charts, has evolved to become a guiding approach for entire business, a Not-for-profit organisation, and society at large. As all-encompassing the subject of TQM is, so would be its interpretations. I have reproduced the definition of TQM by JUSE – Japanese Union of Scientists and Engineers – the governing body of the 'Deming Prize Committee'.

TQM: A set of systematic activities carried out by the entire organization to effectively and efficiently achieve the organization's objectives so as to provide products and services with a level of quality that satisfies customers, at the appropriate time and price.

TQM encourages us to design and deploy a companywide movement for harnessing our strengths for delivering value to our customers on a sustained basis. TQM facilitates this by encouraging us to:

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- **Align** the entire organisation, internal/external stakeholders and business processes
- Bring an element of predictability through **standardisation** and reduction in variation in all aspects of business
- **Improve** the performance through monitoring, benchmarking and **planned experimentation**.

In essence TQM is all about a systematic approach for identifying existing/potential value proposition for the target customer – develop capabilities to deliver that value in a differentiated manner – sustain the competitive advantage for growth through organisation wide alignment; consistency and continuous improvement.

Based on the learning from the TQM journey of my organisation, I propose that organisations evolve their own unique TQM model through these steps:

1. Formulate the vision and long term business objectives.

Taking the core purpose or mission of the organisation the team identifies a vision and the set of long-term customer centric objectives. These objectives are articulated in terms of measures defined to ascertain the execution and the year wise target for the same. The team also identifies the market opportunity and firms up the product-market choice.

2. Evolve the base building and challenging strategies from the SWOT analysis

Based on product market choice and the competitive environment the team develops a collective understanding of the organisation's SWOT (Strengths-Weaknesses-Opportunities-Threats). The SWOT analysis should ideally give insights about execution approach. One way to ascertain this could be:

Area	Action
Is the strength an enabler to tap the opportunity ?	<ul style="list-style-type: none"> ▪ If Yes, codify it and protect its intellectual property and deploy it across the organisation ▪ If No, standardise it and possibly outsource it
Is the weakness a trigger for manifestation of threat ?	<ul style="list-style-type: none"> ▪ If Yes, plan intervention at Top management level. ▪ Plan a capability building initiative if weakness is an obstacle for tapping the opportunity ▪ If No, plan capability building through continuous improvement at operations level

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The initiatives which are designed to plug the weaknesses across the organisation could be called as **base building strategies**. These could be pertaining to products, process, people and partners.

The initiatives which are designed to give competitive advantages could be called as **challenging strategies**.

3. **Deploy the same throughout the organisation**

In a mature organisation an initiative is designed and deployed across organisation and functions. Each function would have a role to play in designing and execution. Thus could also serve as check point for the organisation to design and deploy a cross-functional initiative.

4. **Document the processes and reporting system**

Many organisations relegate the process documentation to operations. But mature organisation invest in developing management systems covering process documentation and performance monitoring systems. This exercise if not done earlier should be taken on priority as an initiative. It helps in shortening the learning curve, set performance standards and gives insights into variances visa-a-vis the standard.

Having done this, organisation could use IT solutions prudently for deployment across geographies and effective monitoring.

Quality Engineering tools like SPC, 6 Sigma, etc. could then be deployed according to the complexity of the problem

5. **Experimentation plan for continuous improvement**

Having documented the processes, organisation could then define experimental plans/initiatives to reduce variation and bring predictability in the business.

If the variation is observed **within organisation's domain**, tools like SPC, Statistical Experimentation Methods, and Problem Solving methods could be deployed

If the variation is observed in external environment, tools like Scenario planning, Market studies, simulation, benchmarking could be deployed.

In this manner, the organisation is likely to develop its own cogent TQM deployment framework which is process centric and has a feedback mechanism. It is also prudent to review the TQM model for efficacy at an interval of 3-4 years.

I have tried to summarise this in the attached picture using the help of Taguchi's Parameter Diagram model

Having evolved the TQM model, it should be communicated visually. Having a visual TQM model developed is beneficial in having a common understanding across the organisation.

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Like a strategy map this TQM model explains the way TQM has been deployed in the organisation.

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