CHAPTER 6

TQM IMPLEMENTATION IN MEDIUM ENTERPRISES

In this chapter effort has been made to understand about TQM implementation and its approaches in respect of traditional, integrated and agricultural concepts. The various statistical and non-statistical tools have also been discussed, which may help to sustain the TQM adoption in medium enterprises. There is a need of TQM in medium enterprises as it leads to improvement of image, reputation, customer satisfaction, simplification and enhanced productivity. The prerequisite for TQM adoption shows that TQM with its approach to gaining excellence requires effective training and development, planning, rejecting status quo, movement towards breakthrough, purpose driven management, common goal and diffusion of success story. But an initiation with existing resources is a precondition. This chapter also highlights certain problems but it can be simplified by a proactive approach. The award models are also discussed which medium enterprises can use to benchmark their activities, necessities and requirement for further improvement as well as for winning the awards.

6.1 INTRODUCTION

As TQM involves a decision to change, the mindset of people with too many implications takes time to implement in an organisation with the range and depth of education and number of people actively involved in problem solving. People throughout organisation must understand the concepts and its application in the same way. It helps determine the success of TQM initiative. Communication should be focussed as diffused communication can lead to poor implementation. The Supervisory category should also be associated along with staff. All round skill up gradation of new as well as old workers gives quality awareness at each level and helps them to overcome dehumanisation and provides a framework for their contribution (Natarajan and Pio, 1999). With subsequent practices, it results in increased ownership and consequently eradication of militancy and meaningful relation with union.
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TQM inevitably calls for a new attitude from management and planning for development of quality culture and infrastructure. There is a need to generate quality awareness, to develop training and install motivation programmes and to develop monitoring tools (Dalela and Saurabh, 1999). Zero Defect programmes, participation in QC (Quality Control) groups and by incentives and reward for quality activities can motivate employees. The challenge of Zero Defects requires the individual to pledge him to improve and for motivational programmes, top management support is needed for intended success.

The first step of implementation is a need to lay a foundation for future activities and should be designed so that each step builds upon the previous and actions should not be independent or separate from previous one. Successful TQM must balance realities of organisation i.e. OD and HRD in achieving quality objectives and the process should empower simultaneously all the participants in the process. Launching a TQM initiative requires a mission, objectives, a strategy plan and tools and techniques (Geoff, 2001). As TQM revolves around the top management commitment, all employees, customer, suppliers, communication, teamwork and the systems are to facilitate the improvement as it leads to modifying and simplifying the existing system. Steve Brown (2001) emphasizes that success quality improvement programmes depends upon the extent to which it is seen as a total activity running companywide and involving everyone in ownership of the quality problem as well as responsibility for solving it.

In a medium size enterprise, TQM can be implemented successfully by:

a) intensifying both external and internal customer relationships, patiently and systematically for a better pay off;

b) adopting a holistic organisation change initiative by developing the core competencies of the business;

c) identifying and documenting the best practices, which can be standardised and diffused throughout the organisation;

d) developing quality vision, policy, designing process for quality, gaining and sustaining commitment, developing training
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programmes for changing management perceptions and by developing the motivational methods.
e) identifying success stories, quality strategy, cultural changes for sustenance of process and by education, tools and techniques; and
f) encouraging application of survey and complaint management systems for reinforcing customer orientation.

The TQM implementation in an organisation is the need of the situation. 3 M, Xerox, Ford, Boeing, Nissan, Toyota, Sony, BA, Fuzzy and many other successful organisations have adopted TQM for the following reasons:

• Organisations that take quality seriously are winning the competitive battle.
• Quality differentiates products and services.
• Total quality companies have fewer problems with suppliers and buyers.
• Concentrating on quality produces sustained cost advantages.
• Designing quality into the process rather than inspecting faults pays in the long run.

TQM implementation has many benefits and the most important intangible benefits include improved morale and cooperation. The tangible benefits are the enhanced earning due to quality improvement (Ehresman, 1996).

However, the prerequisites for implementation of TQM can be as follows:

i) The organisation should establish the reason of TQM implementation and should also decide how much it wants (goals) from TQM and how much resource it can allocate.

ii) The operational plan should constitute a committee which may have direct access to CEO;
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iii) People should feel the need of change and mission, vision and quality policy should reflect it.
iv) Strategy should be focussed on vision.
v) The business excellence model chosen for TQM implementation should be appropriate and monitored periodically.
vi) The corrective and prevention action plan should be developed.
vii) The training and education of quality personnel and executives should be ensured.
viii) The preparatory activities should constitute the visiting to advanced companies by its quality personnel.
ix) Since the TQM implementation is not a one-time exercise, the organisation should develop its structure to facilitate the continuous effort required from everyone to maintain it.

6.2 APPROACHES TO TQM IMPLEMENTATION

There are several approaches of TQM implementation. Most of these can be applied at the organisational level rather than at individual level. Some of the approaches have been described as below:

6.2.1 TRADITIONAL MANAGEMENT APPROACH TO TQM IMPLEMENTATION

This approach implies that quality can be inspected into products. But the truth is that quality can be achieved through fundamental changes in the way of designing, producing and doing it right the first time (Bhatt, 2002). Traditional management approach honours stability, systems of control and procedures with conservative, dispassionate style and behaviour. Traditional management approach represents the 80% of failures of TQM implementation and is the most common cause to the most of failures. Generally, due to illiteracy among employees, lack of finance, marketing problems, high cost of raw materials and low level of technology, traditional management gets strength. Traditional management causes forced injecting of TQM systems and processes into existing cultures without negotiating with or gaining
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commitment to their impact on individual lives. In this culture changes do not take place and the changes are tolerated but quickly abandoned when money runs out or a new idea comes along. However, if the organisation understands that there will be a fundamental conflict between traditional organisation structures and systems and those required to support employee participation, then it may be necessary to begin implementation of quality approach by using traditional model.

6.2.2 INTEGRATED MANAGEMENT APPROACH TO TQM IMPLEMENTATION

In integrated approach the principles of quality management are attended to as an important system that blends, integrates, aligns and maximises the other systems to beat competition in world class of quality performance. It involves high involvement, work practices, quality practices, quality performance and firms' performance (Prasad and Tata, 2003).

According to Mark (2003) the successful implementation will require patience, technical skill and the ability to effectively interact with personnel on different levels. To effectively accomplish the integration with mission and avoid pitfalls along the way, he propagated the following seven-step road map:

Step I: While starting, be sure you have management's support in your effort.

Step II: Document the administrative features of your improvement programme in a draft standard operating procedure.

Step III: Insert references to your company's improvement programme where appropriate, through quality manual, standard operating procedures and work instructions.

Step IV: Be sure about your initial audit procedures including audit matrices and checklists.
**Step V:** Include all specialised training and reference materials related to the business improvement methodology in your company's listing of controlled documents.

**Step VI:** Consider linkages from the perspective of the business improvement programme.

**Step VII:** Carefully plan and launch the programme to ensure maximum efficiency and acceptance by all stakeholders.

### 6.2.3 AGRICULTURAL APPROACH TO TQM IMPLEMENTATION

According to Gupta (1994), Agricultural approach stresses that TQM should be treated like planting a tree, which takes anywhere between 5-7 years to bear fruit. The roots of tree are the organisation's vision supported by appropriate culture and values. The base of tree is the top management commitment and involvement. The three branches are customer satisfaction, waste reduction and quality assurance and processes. The tree has to be nurtured with education, training and continuous improvement.

Fig 6.1: Agricultural Approach to TQM implementation.
6.3 PROBLEMS OF TQM IMPLEMENTATION

The root causes of barriers are attitudinal and should not be taken for granted (Menon, 1992). In general, problems of TQM implementation are usually portrayed as someone else’s fault. The main aim of finding problems is to understand the relative impact of various obstacles on effective TQM transformation in a better way. It will not only be useful to those organisations implementing TQM but also to those trying to sustain quality management practices. Generally, TQM fails because of uncorrected vision, poor objectives, loose cannons, wandering new programme syndrome and change management. The problem of quality management is not that people don’t know about it but the problem is that they think they know. For quality management to be successful, each employee must be successful, each supplier must be successful and finally each customer must be successful where the world ‘successful’ actually means fulfilment of commitment and actualisation of its total potential (CII, 1998).

Although new concepts of preventive quality management have proved that quality improvement does not necessarily increase cost and instead in fact reduces waste and thereby results in lower cost. However, the certain basic factors responsible for poor state of quality in Indian industries are (Lal, 1994): misconception about quality i.e. higher quality costs more; quality affects productivity; higher quality necessarily requires modern plant and machinery, requires heavy investment; and quality can be assumed by inspection; diverse and overlapping standardisation activity; multiplicity of certification and inspection activities; quality of basic inputs and infrastructure; consumer awareness and purchase practices; inadequate management and systems in test laboratories; and lack of quality education and training. Long back Deming highlighted the following as seven deadly diseases, which required to be eliminated for effective TQM implementation: i) lack of consistency of purpose; ii) emphasis on short term profits; iii) over reliance on performance appraisals; iv) mobility of management (job hopping); v) overemphasis on visible figures; vi) excessive medical costs for employee health care that increases the final costs of goods and services; and vii) excessive costs of warranty and legal costs. Menon (1992) also advocated
followings as the problems of TQM implementation: operators are not trained with the interpretations of SPC charts, inability to control suppliers, poor planning and lack of adequate tools for quality planning, and poor design and/or software failure results in the measurement system failure.

In India and other developing countries, low levels of education, along with prevalence of numerous languages make it difficult to communicate ideas and quality visions to all employees. Organisations in such countries are less likely to find it necessary to focus on customer satisfaction due to low literacy rates and low levels of education that often results in unorganised customer sectors. On the other hand, in developed countries, organisations are more focussed to customer’s satisfaction as they have organised customer sectors. However, with the rise of literacy rate, the implementation of quality training should speed up. Weak education and institutional infrastructure plays significant role in undermining quality creation. Improving educational standards and institutional support enhances better implementation of the quality programmes.

6.4 TQM IMPLEMENTATION TOOLS

Tools provide techniques for a planned approach to business problem analysis and solution. TQM consists of various tools, techniques and procedures that may help developing and implementing procedures for employee training, product inspection and measuring progress towards quality goals. It has been seen that different companies use a combination of different quality concepts, principles, tools and techniques. However, the following statistical tools are well-established techniques and can be used to improve the efficiency of the business planning process.

i) Control Charts: Control chart indicates the range of variability possible in a particular process. Its use helps identify special causes that hinder the normal flow of the process and cause abnormal variations in the process.

ii) Check Sheets: Check sheet is used to present data effectively in a graphical format. It is a sequential listing of functions or operations.
iii) Pareto Chart: Pareto chart is used to determine the factors that have the greatest cumulative effects as the process and arrange such factors in their order of importance. It enables the user to focus on few important factors in the process. It gives 80 – 20 rule, which signifies that 80% of the problems originate from 20% of causes.

iv) Flow Charts: Flow chart is pictorial depiction of a process and presents a stepwise back up of the process, which allows the user to identify errors that may occur in the process. It is useful in service industries where work process involves unseen steps. It is extremely useful in training new employees.

v) Histograms: It is a graphical representation of data that shows the dispersion and central tendency of the information, which helps to evaluate the data, distribution at various levels.

vi) Scatter Diagrams: Scatter diagram is a graphical tool that tries to establish the interrelation between variables i.e. the influence of one variable on the other. It displays points representing the observed value of one variable in relation to that of the other variables.

vii) Cause and Effect Diagrams: Cause and effect diagram used to connect multiple possible causes with a specification outcome i.e. given a specific outcome, the diagram is constructed to identify and organise various causes responsible for that outcome, thus, establishing the causes for that particular effect. This diagram is also known as ‘Fishbone diagramme’ and ‘Kauru Ishikawa Diagram’. It groups problems according to categories i.e. method, manpower, materials and machinery. The causes are identified in brainstorming sessions attended by all concerned. The causes are divided into four primary causes i.e. methods, men, materials and machines, represented in the form of arrows slanting from backbone.

In an analysis Nemeth (1999) concluded that smaller companies uses techniques and tools such as check sheets, data collection, failure statistics and Pareto diagrams to identify the major areas for improvement. He also reported that large companies are more likely to apply the TQM tools i.e. benchmarking, SPC, Six-sigma, Design of Experiments and Failure Mode.
Effect Analysis (FMEA) etc. due to their less flexible nature. However, care should be taken while using statistical tools. Because many firms fail due to an extreme emphasis on benchmarking or SPC without a concurrent use of teamwork, defect prevention and other non-statistical tools and problem solving techniques.

The followings are certain non-statistical managerial tools, which play an important role in TQM implementation in an organisation:

6.4.1 COMMUNICATION AS A TOOL OF TQM IMPLEMENTATION

In an organisation, communication is a means by which employees share ideas, clarify thinking and create a common understanding. It helps binding together everything with common understanding of ideas between the sender and the receiver and acts as a vital link between all elements of TQM. Communication was described by Watt (2003) as “the cement that holds together the bricks of the total quality process and maintains enthusiasm, motivates staff, increase understanding and aligns the workforce towards corporate expectations, as well as capturing ideas, ventilating feelings and opinions”. The effective communication can be achieved by keeping up to date information, prioritising it, determining the line constraints, deciding whom to inform and means to inform, following up and getting the feedback. In an organisation, communication about defects, tests, investigation, equipment manufacturing, customer feedback and other experiences are required to be transformed and shared among workforce, which will improve efficiency by learning from experiences. In an organisation, it acts by three ways i.e. downward, upward and sideways. Communication is important in a TQM organisation because TQM is for the entire organisation. It helps changing human behaviours with the help of dialogue with management, mid level managers, employees and other key stakeholders by the way of meetings and decision making teams.

In TQM organisation, communication is conducted between different departments, top management and employees and between supervisors and employees. It is also necessary to create TQM awareness, interest, desire and action. The means by which it can be communicated in a TQM organisation are by regular meetings, Intranets, newsletters, posters, videos.
and broadcastings. In addition to these some commonly used tactics are face to face meetings, CEO memo to employees, presentations, notice boards, slogans, set of frequently asked questions and answers, hot line phones, e-mail, awards, suggestion box, feedback surveys, quality quiz and logo shirts for team members. Above all, in a TQM organisation, it is used to keep the customers (internal and external) informed in language, which they can understand and listen to them. It should be a continuous process and the organisation should make every effort towards reducing the barriers if any. The organisation should be encouraged to design a communication system for the smooth launch of TQM programme. The visual communication systems are presumed to be more successful because people are attracted by what they see. The visual communication in the form of notice boards, slogans, indicating lights, Kanban cards and visual display units are necessary for TQM launch in an production based organisation.

6.4.2 REWARDS AND RECOGNITION AS A TOOL OF TQM IMPLEMENTATION

Reward and recognition is instituted to support TQM by motivating people who resulted in an encouraged behaviour based on personal initiative and relationships rather than on hierarchy. There are some differences between rewards and recognition. Rewards are generally considered to be something for quality work, such as money or other tangible things of financial value. Whereas, recognition is an act of acknowledgement and is directed at an individual's self esteem and social needs. Recognition is provided both for suggestions and achievements for teams as well as for individuals for detecting and recognising the contribution by supervisors. It should be prompt, as it leads to huge changes in self-esteem, productivity, quality and the amount of effort exhorted to task at hand. Recognition is both a motivation and reward for desired performance. It is an essential form of positive reinforcement. It can be provided both for corrective efforts, for results, for teams and individuals, for suggestions and for achievements and can be given in many forms, times, and places.

Reward and recognition can come in any form in a TQM organisation, either in the form of personal letter from top management, plaques, trophies,
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placing the name on the notice board, bonus, salary increase, promotion, theatre tickets, a pat on the back or any thing which may make sure that one’s deliverance doesn’t turn sour to employee concerned. The reward practices can be divided into two groups, monetary and non-monetary. According to Allen and Kilman (2001) “non monetary awards are appropriate for firms just getting started with TQM” and this is the reason most organisations implementing TQM have traditionally relied on non-monetary rewards. But to certain extent financial incentives have the greater power if the employees are to be fully motivated to continue contributing and implementing improvement ideas. The financial incentives may be assumed in the form of sharing monetarily in the savings and extra profits derived from TQM, gain sharing, quality based promotions and job security.

The reward and recognition should have a clear linkage with incentive programmes without which the TQM will be an additional non-value added overhead. However, reward and recognition should be given according to the different situations encountered and should be ranked i.e. the higher the achievement, the higher the reward (Eng and Yusof, 2003). A good and fair reward system affects positively the employee involvement and communication of the organisation. It should be encouraged in order to improve the employee satisfaction and boost their morale. According to Eng and Yusof (2003), in a TQM organisation, the usual recognition should be changed and should be given for recognition for efforts, not just for goal attainment. This recognition will act as a powerful incentive for everyone to become involved in quality improvement. Simultaneously group incentive should be encouraged because individual incentives act as disincentives as they encourage myopic view of employee performance which hinders overall quality and productive improvement. Whereas, group incentives facilitate synergy among workers by providing stimulus to improve quality across the organisation.
In Indian context, the medium enterprises are poised for global partnerships and have the potential to absorb latest technology in diverse industrial fields (Kharbanda, 2001). They need dynamism, flexibility and innovation drive with increasing focus on improved production methods, penetrating market strategies and modern scientific management capabilities to sustain and strengthen their operations. The medium enterprises have a significant role in India because

a) They operate in labour intensive sectors and provide jobs for ever-increasing population;

b) They offer many consumer products at moderate rates with their lower overheads and location near consumer centres, which bring down their transportation costs,

c) They provide a vital complementary role as suppliers of components, subsystems, job work and other services to the larger manufacturers.

Medium enterprises have limited financial, personnel, capital plant / equipment resources and are especially vulnerable to instability brought on by rapid changes in customer behaviour. To survive in the international market, they have to overcome many difficulties, which may need a quality and productivity revolution through the process of TQM (Park, 2002). TQM has a significant and possible relationship with most of the dimensions of organisational performance (Terziovski and Samson, 2000) and with the rise of quality concept, the medium enterprises as well large companies have been forced to involve themselves in the quality movement (Mart and Gerusa, 2000). The companies are motivated to involve themselves to quality movement basically for four reasons:

A) To improve the image and the reputation of the company;

B) To satisfy the external requirements and market pressure;

C) To facilitate and simplify the procedures and contacts with the clients;

D) To improve the productivity of the organisation and the operation of the actual quality management system.
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However, the adoption of TQM must not be a fully blown approach but a gradual progression with selection of appropriate 'quality tools and initiatives' as and when necessary with the ultimate aim of continuous improvement in the organisation (Yusuf and Aspinwall, 2000). There are many aspects of successful TQM programme implementation that may require months or years to fully incorporate TQM in every employee value system. One of the primary objectives of TQM is to create processes in which individuals or groups will “do it right the first time” and “do the right things right” (shift et al, 1998). However, apart from mythological and technological improvements, TQM emphasises attitudinal change among the employees and it is the aspect where Indian industry lags behind its world competitors.

6.6 TQM IMPLEMENTATION IN MEDIUM ENTERPRISES

In India, the research on medium enterprises is in infancy stage compared to small and large enterprises. In respect of TQM implementation in medium enterprises, one must understand the nature of market, industrial culture and principles of quality and companies must be able to demonstrate that they have systems in place to provide a quality product if they wish to be competitive in the global market place. TQM is applicable to every field of activity and will even pervade our social and domestic lives to affect communication and society at large. (Huxtable, 1995) and its success depends on the clarity with which the organisations define the objectives, the methodologies of implementation and measures of success (Arora, 1998). TQM and its implementation has become a major initiative of the companies throughout the world over the last 20 years (Ozgur et al, 2002) and in emerging global scenario, export effort would be successful only with consistent maintenance of quality standards through consistent in house quality control systems and practices because quality is the most important purchase decision factor influencing the customer's buying decision (Sachdeva and Verma, 2002) In fact quality has now become a competitive necessity in the third millennium and only organisation with the best quality will survive (Mulky, 2001). Because quality is not a simply a problem to be solved but it is a competitive opportunity, TQM is clearly a useful mechanism
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for medium enterprises seeking to achieve competitive advantage. Since medium enterprises are diverse having distinct characteristics regarding processes employed and materials used, workforce size and sophistication of working practices; they should create their own recipe in order to implement a successful quality methodology (Vlachos et al, 2000).

TQM is a management’s holistic view on quality, which results in customer satisfaction (Murthy, 1999). Some companies have implemented TQM and many others are in the process of its implementation, yet India ranks only 38th out of 41 countries in practicing TQM (Khan, 2001). The characteristic of medium enterprises presents both opportunities and problems for organisations waiting to implement TQM. However, there was no significant difference between type of SMEs with ISO 9000 certification as regard TQM implementation and organisation performance (Rahman, 2001).

6.6.1 PREREQUISITES FOR EFFECTIVE TQM IMPLEMENTATION IN MEDIUM ENTERPRISES

Effective implementation signifies that key principles of TQM such as, customer satisfaction, employee empowerment and continuous improvement are well accepted and deployed within the firm. In particular, medium enterprises in India need to focus on leadership, who can be visionary, can initiate training to acquaint its personnel with TQM goals and objectives and prepare them for their individual participation in this quality effort and can understand and initiate ‘small wins’ celebrations.

The following pre-requisites are necessary for a medium enterprise opting for TQM in their processes and systems:

i) Training and development of upper managers to take initiative, show strong commitment toward TQM process, consolidate both technical and training issues, restructure the organisation, and allow sufficient time to employees in experimentation of skills learned.

ii) Planning the implementation process carefully so that it can be customised according to type of firm, industry condition, maturity of the firm and general readiness by all for the change (Dooley and Flor, 1998).
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iii) Since TQM is based on continuously rejecting the status quo, companies should have consistent commitment towards quality.

iv) Since small improvements lead to breakthroughs, the organisation members both at managerial and workers levels need to think for small quality improvements and practice it.

v) Since TQM can be implemented at any stage, the implementation initiative should start with existing resources to avoid any delay where momentum can be achieved and sustained by focusing on vision.

vi) TQM implementation requires a thorough and systematic analysis of customer expectations, continuously monitored systems, processes and putting in place systems of measurement, control and integrating all these (Mohanty and Lakhe, 2002).

vii) Every TQM initiative is required to be purpose driven and management led because employees perform according to what they believe their managers need from them.

viii) The implementing organisation has to address and defend its intended quality initiatives and promote TQM throughout the organisation.

ix) Management and employees both should have a common goal because conflicting goals lead to generation of human errors. For a common goal, both should understand the external threat, internal capabilities, and strengths and work towards fulfilling the goal. They can employ some systems i.e. quality control, benchmarking and techniques including internal auditing and monitoring, teamwork, co-ordination and computer technology.

x) Management throughout the companies must diffuse the TQM success stories. These success stories may be based on small case experimentation of competitors or other organisations. It will demonstrate that managers are knowledgeable with latest approaches and capable of leading the organisation.

xi) There must be appropriate reward and incentives to mobilise TQM. Rewards need to be aligned to reflect management's
commitment to quality improvement and should be associated with high prosperity to employee co-operation and learning behaviours.

xii) To remain successful, they must retain ‘big picture’ vision but at the same time implement the little things that make the difference to customers (Richard, 2003).

6.6.2 PROBLEMS OF TQM IMPLEMENTATION IN MEDIUM ENTERPRISES

In Indian context, the problems faced by medium enterprises can be divided into two groups i.e. external and internal. External problems are those which result from factors beyond the control of the industrialist, i.e. the availability of power and other infrastructure facilities required for the smooth running of the enterprise while internal problems are those which are not influenced by external forces. The internal problems of medium enterprises relate to organisation’s structure, production channels, distribution channels, technical knowledge, training, Industrial relations and inadequacy of management etc.

The medium enterprises are stressed by cutthroat competitive dynamics, which lead them to a reduced market or a niche oriented long term positioning and even to be restrictive in their activities in order to ensure sustained business profitability (Roberto and Rafaele, 2002). They face challenges arising from two main aspects of the organisation i.e. sustenance and growth (Gopalan, 2003). They also suffer from the limited size of management team and deficiencies in knowledge, resources and time in developing competitive strategies for themselves (Leung and Lo, 2000). They tend to run the risk of being marginalised by large scale players and tend to be handicapped by a lack of reference clients; however they should not directly compete with large players but develop a specific niche for themselves.

The medium enterprises are still cynical of the benefits of self-regulation and the management tools that could assist it in tackling its quality problems and they have difficulty to reach, mobilise or engage in any
improvements (Samalisto, 2001). According to Mittal (2003), the market factors that inhibit the growth of medium enterprises can be categorised as a) lack of reach to the key markets, b) lack of marketing strategy, c) lack of strong technical and domain expertise, d) lack of strong client references, e) lack of ability to attract high quality talent, and f) competitive pricing pressures from larger organisations. Some of the problems of TQM implementation are directed by the failed TQM initiatives. Although the philosophy and principles of TQM are sound but in many a cases the problems of TQM implementations lead to failed TQM initiatives. These problems must be clearly identified and enabling strategies must be developed so that medium enterprises become meaningful. However, further developing their competencies can ensure survival of medium enterprises. In most of cases the TQM failures results from the considerations of individual factors i.e. forced participation, threat to management control, and no marketing and human resource development support.

In some cases the technological needs also leads to problems of TQM implementation. Kharbanda (2001) identified eight reasons for the inability of medium enterprises to identify their technological needs a) poor financial situation and low level of R and D, b) poor adaptability to changing trade trends, c) desire to avoid risk, e) non availability of technically trained human resources, f) emphasis on production and not on production costs, g) lack of management skills, h) lack of access to technological information and consultancy services and i) isolation from technology hubs.

In medium enterprises, the journey towards quality is fastened with the liberalisation and globalisation. Nowadays more and more medium enterprises are going for quality production after obtaining ISO certifications. The governments have also played supporting role with subsidizing the ISO certification costs upto Rs. 75,000/-. It became rather necessary for these enterprises to obtain ISO certification to sell their products and stay competitive in the market. But presence of large number of certification agencies made ISO certification as just another ‘certificate’ necessary for submitting tenders or marketing of their products.

The following can be outlined as problems of TQM implementation in medium scale enterprises:
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i) These companies often face the following problem, which hinder their TQM initiatives:
   a) Failure to match actions with words.
   b) Failure to understand or implement benchmarking.
   c) Failure to involve employees.
   d) Failure to address the culture of organisation.
   e) Exacerbation of failures created by failure in one part of the organisation.
   f) Failure to maintain consistence as they stop their quality journey with achievement of quality certification.

ii) Few quality problems are associated with the organisation, which does not reward creative solutions to problem i.e. preconceived ideas to customer needs and the lack of proper tools and equipment to do the job right.

iii) Lack of proper implementation and management commitment is frequently mentioned as a problem in TQM implementation but lack of openness both vertically and horizontally is major problem on the part of management.

iv) The common problems related to policies are that it does not affect the behaviour of top management.

v) The administrative problems cover problems pertaining to labour, decision-making, co-ordination, motivation leading, etc.

vi) The political and sociological reasons are also responsible for various problems.

6.6.3 PROSPECTS OF TQM IMPLEMENTATION IN MEDIUM ENTERPRISES

The medium enterprises are characterised to follow the practices of large enterprises and avoid the pitfalls of small-scale enterprises. Like large enterprises, they go for quality initiatives only if they find it favourable in their profitability, viability and survival. TQM is marked with their spectacular ROI, high employee morale and delighted customers. The medium enterprises in India have a better chance to succeed with their many success stories. They
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may be able to highlight their results in increase as customer and supplier self-confidence with enhanced commitment and involvement throughout the organisation, higher productivity, increase in quality awareness, improvement in company management, increase in the respect from customers and even a for the change in company philosophy to “doing it right first time, every time” and “providing transparency to the system”.