

CSFs for Total Quality Management (TQM) in Service Organizations: Review

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Abstract

Service organization has lagged behind the industrial organization and manufactures to improve their quality service with implementing quality management system such as TQM. Methods, rules and regulation for TQM implementation in service organization is totally different form industrial organization. The success of quality management practice like TQM in manufacturing and industrial organization for improving their performance encourages service organization mangers to use TQM in their respective organization. In this study we want to find and determine the most critical factors for TQM implementation among service organization. Based on comprehensive analysis and previous research about critical successful factors for TQM implementation in different organization, this study proposes the five critical factors for TQM implementation among service organization.

Key words: *management factors, security-financial factors, e-banking, explorers factor analysis*

1. Introduction

Service organizations are one of the most important industries in the world, especially in developing countries (Schneider, Godfrey et al. 2003). We can mention the strong and high quality service industries in developing countries are one of the factors that can reduce the rate of unemployment and also led to the economic boom in these countries (Greenhalgh, Robert et al. 2004). But in most cases this industry has critical problems such as lack of standards, low and poor quality and instability. And In many cases the mangers of service industries are not fully satisfied with the result from their offering services (Landrum and Prybutok 2004). Most developing countries are grappling with the problems in the service industry. The problems are mentioned above is the reason for service clients and owners that are not satisfied with the result obtained. With this interpretation apart from the time and costs spent, dissatisfaction of customers with the outcome of the service is major problem for service industries (Bayraktar, Tatoglu et al. 2012). The Total Quality Management (TQM) method is one of the most important quality practices that lead to progress and excellence in various industries, including the service industry at the international and national dimensions, and have certificates of

quality management (TQM) also helps customers to more confident about their service organization choose (Talib and Rahman 2010). Recently, new efforts to improve the quality of the service industry in a variety of studies have been published. And many service companies are beginning to use different quality management systems including (TQM). Unfortunately some service companies use quality management (TQM) system in order to optimize their financial systems instead of use this quality system in order to enhance the quality of their services (Sit, Ooi et al. 2009). A lot of research shows that many efforts of quality management system (TQM) has failed or whether the good result was not come out from this effort (Talib and Rahman 2010). So all corporations, especially service companies need to complete the implementation of quality management system (TQM) properly and must be familiar with the Critical Successful Factors (CSFs) for the implementation of TQM. Understanding critical factors for successful implementation of TQM is very important for any organization (Talib and Rahman 2010). In this article we are trying to find the proper critical success factors for the implementation of TQM systems in service companies.

2. Concept of CSFs for TQM implementation

A comparative study done between TQM success/failure had indicated that there were the factors which are affected on TQM implementation success or TQM implementation failure in different industries (Lee, Khong et al. 2006; Antony, Jiju Antony et al. 2007). The experience of TQM practice teach us how we must select and find proper factors that are important for removing obstacle and barriers for successful TQM implementation path in the different organization (Wali, Deshmukh et al. 2003). The purpose of this research is determining and finding critical success factors which are suitable and proper for total quality management (TQM) in service industries. First of all it's obvious that any organization has different critical area and determining critical factors must be based on the business activity of that company, for example supplier management can be one of the TQM critical factors for industrial organization such as car manufacturing but we cannot choose this factor as success critical factor for TQM implementation among service organization. In fact critical successful factors is those action and managerial decision that must be set and manage and control by top management of any organization to be ensure that any quality management effort will be successful in the organization (Talib 2013). Critical successful factor are those areas that can affect the organization in positive or negative way and determining the right critical factors for any organization will affect the TQM effort in positive way (Talib, Rahman et al. 2013). The knowledge of proper critical factors is very important for organization to implement TQM successfully. Finally we can mention CSFs in the framework of the TQM refer to critical areas that must be emphasized in order for the TQM implementation to be successful.

3. Identification of successful critical factors for TQM implementation

In previous section we explained the concept of critical successful factors as number of area in any organization and companies that must have more focus on them to be ensure that any quality management effort such as TQM be successful and improve the performance of the respective company to have competitive advantages against

other competitors. If the results in these areas are not satisfactory, performance of an organization will fall short of expectations (Rezazadeh, Najafi et al. 2012). In this section we introduce different TQM critical successful factors that addressed by different researchers and authors to have overview of these factors. Karuppusami (2006) identified CSFs for TQM implementation as top management commitment, quality of service and product, employee involvement and teamwork. Kumar (2010) addressed TQM critical factors as teamwork, product design, employee empowerment, management commitment, quality culture and training. Ebrahimi (2010) also identified some successful critical factors for implementing TQM successfully among different organization as customer satisfaction, quality of information analysis, supplier management, performance management, training, top management commitment, employee satisfaction, product design and teamwork. Gurtner (2014) also mentioned that critical success factors for manufacturing organization must be top management commitment, supplier quality management, performance measurement, human resource management. Al-Refaie (2014) identified these factors for TQM implementation as critical factors: employee empowerment, employee involvement, training, leadership management, and teamwork and employee satisfaction. Samat (2006) also identified TQM critical factors after study among American industrial firms, those factors were addressed by Dayton are: customer focus, employee satisfaction, team building and teamwork, management commitment, quality improvement system, process management and supplier quality management. Tables 1 can show us different critical successful factors that were addressed by different researchers in different organization.

Table 1: CSFs for TQM implementation in different organization

Author	Critical successful factors for TQM implementation in manufacturing and service organization
Salahedin (2009)	top management leadership, education and training, employee empowerment and involvement, benchmarking
Valmohammadi(2011)	Leadership, process management, customer focus, communication and quality information system, employee management and involvement,
Talib and rahman(2011)	Top management commitment, costumer focus, training and education, continuous improvement and innovation, supplier management, and employee involvement
Baird et al.(2012)	Quality and data reporting, supplier quality management, product/service design,
(Rezazadeh, Najafi, Hatami-Shirkouhi, & Miri-Nargesi, 2013)	Top management commitment, costumer focus, training and education, product design, quality policies, quality data reporting, and customer satisfaction orientation
(Singh, 2014)	Top management commitment, employees' training and empowerment, supplier development and coordination between departments

4. CSFs for TQM in service organization

TQM application has been used in decades mainly by factories and industrial organizations compare to service organization. In fact, TQM system is very rarely used by service organizations. The competitiveness as well as the rise in service industry share gave rise to the demand for TQM practice in service organizations (Talib and Rahman 2010). TQM implementation in service organization is different from implement TQM in industrial organization because of intangibility of service offered and measurement of quality in service organization (Antony, Manville et al. 2012). In industrial organization's quality mangers are able to measure the quality of the goods or measure the quality of supplier, but in service organization is very difficult to measure the quality of services (Talib 2013). Ahmad (2011) mentioned TQM practice in manufacturing companies is not same as service firms. They are different in operation, product qualities, process, and customer affiliation. Manufacturing firms pay attention to the process and quality of the good, whereas service firms pay more attention to customer approval (Sureshchandar, Rajendran et al. 2001). Based on above argument it can be concluded that the critical successful factors for TQM implementation among service organization is totally different form CSFs for TQM implementation among industrial organization. CSFs for TQM in service organization majority base on human and behavioral factors such as employee satisfaction,

customer satisfaction, and job stress and so on. In this section we introduce some CSFs for TQM from different researchers especially for service organizations. Prajogo (2005) identified TQM critical factors for service organization ,these factors are "Top management commitment, customer satisfaction, job stress, employee personality, employee satisfaction, information system management". Brun (2011) also mentioned 6 critical factors for TQM in service organization "training, teamwork, customer satisfaction, effective communication, management commitment and process management" .Brah (2002) find critical factors for service organization, these factors are" employee education, employee communication, training, information analysis, leadership management and customer satisfaction". Yee-Loong Chong (2011) identified four TQM critical factors as: "employee empowerment, rewards and recognition, management commitment, customer focus and employee involvement". Tables 2 show us different critical successful factors that were addressed by different researchers in service organization.

Table 2: CSFs for TQM implementation in Service industries

Author	Critical successful factors for TQM implementation in service organization
Al-Marri et al. (2007)	top-management support, customer focus, strategy, employee involvement, problem analysis, service design, human resource management, continuous improvement, quality systems, quality department
Ueno (2008)	training, teamwork, empowerment, communication, culture, performance appraisals and rewards
Wen-Yi Sit, Keng-Boon Ooi, Binshan Lin(2009)	top management support, customer focus (CF), employee involvement, employee training, employee empowerment, process improvement,
Fotopoulos and Psomas (2009)	leadership, strategic quality planning, employee management and involvement, customer focus, process management, continuous improvement, information and analysis and knowledge and education
Ali Mohammad mosadeg(2010)	Top management commitment, training and education, costumer focus, continuous improvement and innovation, employee involvement, employee encouragement, benchmarking, and quality information
Dixit Garg, T.K. Garg (2011)	Continues improvement, customer satisfaction, team work, management commitment, feedback, employee training, and effective communication.
(Talib, Rahman, &	Top management commitment, training and education,

Author	Critical successful factors for TQM implementation in service organization
Qureshi, 2012)	costumer focus, continuous improvement and innovation,
Talib, F., Rahman, Z., & Qureshi, M. N. (2013).	quality systems, training and education, teamwork, and benchmarking
Moghadam, M. S., Sayadi, E., & Moharer, A. (2013).	Leadership, customer focus, information analysis, focus on human resource, management process

We extract the most important critical factors for TQM implementation especially for service organization based on previous research about determination of the critical factors for TQM implementation among service organization. In this study we identify these most critical factors for TQM implementation for service organization and will explain one by one:

- Top management commitment
- Customer satisfaction
- Employee involvement
- Training
- Organization quality culture

4.1 Top management commitment

Researchers believe that the most effective factors for the success of TQM implementation without strong support from top management cannot produce an advantage (Antony, Leung et al. 2002). In many case TQM practice especially in service organization fails because there is no strong support from senior managers in the organization. In fact the Top manager is the person that must create the vision for the organization and design the rules and regulation and also distribute the duties among other department to implement TQM effectively (Thai Hoang, Igel et al. 2006). Previous research studies showed that experienced senior managers can carry out a major reform for the implementing TQM system more efficient and more effective.

4.2 Customer satisfaction

Since the success of a service organization is totally depend on customer demand, customer satisfaction is definitely one of the most important factors for successful implementation of TQM among service organization (Sit, Ooi et al. 2009). Perhaps in factories and industrial organizations that have a specific customer, customer satisfaction is not important as service organization. But certainly in service organizations customer satisfaction are the second critical factors for implementing

TQM (Zakuan, Muniandy et al. 2012). In fact TQM a unified philosophy and quality management system that connect and involve all the units, activities and objectives of the organization to satisfy customers and meet the customer and client needs and requirement as the main objective for any service organization (Bon and Mustafa 2013). It seems that each activities and department in organization must engage and committed to sustaining customer satisfaction for improving TQM performance in the organization (Lam, Lee et al. 2012).

4.3 Employee involvement and empowerment

Employee involvement can be described as employee relation in several research and study and identify as one of the most critical factors for successful TQM implementation among service organization. Many studies confirm that encouraging employee to involve in quality decision and management decision make workers and employee of the organization feel responsible for their duties and help organization to make better decision for their performance and quality improvement (Psomas, Pantouvakis et al. 2013). Employee involvement has been associated to various management strategies including styles of management, total quality management, job performance, and job satisfaction (Pantouvakis and Bouranta 2013).

4.4 Training

Training and education not only increases efficiency but also improve employee's information and knowledge about their organization value and interest. Training also improves employee knowledge, and skills associated with TQM issues and activities (Talib, Rahman et al. 2013). Training and Education also allows employees to increase their ability to solve problems for improving the quality of services. Investing in training will improve the service organization capabilities and improve the organization employee skills and information about quality management system to have excellent TQM in the organization (Sureshchandar, Rajendran et al. 2002).

4.5 Organization Quality culture

Some factors are very important to have effective and successful TQM practice among service organization. These factors can be categorized as organization quality culture; these factors are organization job security, customer information, use of data for improvement, teamwork and collaboration among managers and staff. Failure of TQM implementation most of the time due to lack of power to change culture of organization or accept the new culture base on TQM concept and framework (Chiarini 2013).in sense if the service organization's managers want to have effective TQM practice, they must change the quality culture of organization base on TQM concept and Should not unreasonable resistance to the adoption of a new penal culture in their organization.

5. Conclusion

The success of service organizations for implementing quality management systems depends on the identification and analysis of critical factors. Although researchers have identified many critical factors for TQM among service organizations, but in this study we examine those critical factors that has the highest impact on TQM and most important for service organizations. Analysis of TQM successful critical factors has revealed that majority of critical factors are common in previous research but quality culture did not mentioned by other authors and researchers in previous studies. These five successful critical factors are proposed for TQM implementation among service organization in this study. These successful critical factors can be as guide for service organization which has plan to implement TQM in their organization to understand the critical areas for implementing TQM in service organization.

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