

# TQM How to implement?

STEP BY STEP PRACTICAL GUIDE





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**Practical Guide** 

#### Step 1: Analysis of the current situation of the company

Introducing Total Quality Management (TQM) to your company can bring numerous benefits such as improving product quality, increasing operational efficiency, and enhancing customer satisfaction. However, to achieve these goals, it is important to start by conducting a thorough analysis of the current situation of the company.

#### 1. Conduct a detailed analysis of the current processes and procedures in the company:

• Analyze all existing processes and procedures in the company, starting from the moment raw materials enter the company until the delivery of the finished product to the customer. Pay attention to each stage of production and identify any errors, delays, or imperfections.

• Consult with the management team, employees, and external experts if necessary, to get a complete picture of the current processes and procedures.

#### 2. Identify areas where there are quality problems or room for improvement:

• Based on the analysis conducted, identify areas where quality problems exist, such as manufacturing defects, customer complaints, or failure to meet quality expectations.

• Also consider areas where there is potential for quality improvement, even if there are no current problems. This may include implementing new technologies, training employees, or improving processes.

#### 3. Determine the goals you would like to achieve in terms of quality in the company:

• Based on the identified areas requiring improvement, specifically determine the goals you would like to achieve in terms of quality in the company.

• Goals should be measurable, achievable, realistic, and time-bound (SMART). For example, you may set a goal to reduce customer complaints by 50% within the next 12 months.

#### 4. Develop an action plan:

• Based on the defined goals, develop a detailed action plan that will enable you to achieve these goals.

• The plan should include specific tasks, responsibility for their execution, deadlines, and resources needed to accomplish the tasks.

• Consult your action plan with the management team and other stakeholders to gain their support and assistance.

Conducting a thorough analysis of the current situation of the company allows for the identification of areas requiring improvement and the establishment of specific quality goals. Remember to consult with the management team and other stakeholders during this process to gain full support and engagement from all involved in implementing TQM in your company.

#### Step 2: Establishing Commitment and Involvement of Management

Introduction of Total Quality Management (TQM) in a company requires full commitment from the management. Their active support is essential for the success of this process. This step focuses on meeting with the company's management, discussing the benefits and significance of implementing TQM, and convincing them to actively participate and be involved.

#### 1. Meet with the company's management:

Begin this step by organizing a meeting with the company's management. The participants should include individuals with decision-making authority and responsibility for various areas of the company's operations.

#### 2. Discuss the benefits and significance of implementing TQM:

Present to the management the benefits that implementing TQM can bring to their company. Highlight the improvement in quality, operational efficiency, customer satisfaction, and competitive position. Also, explain that TQM is a strategic approach that encompasses every individual and action in the organization.

#### 3. Convince the management to provide active support and involvement:

Ensure that the management is aware of their role and responsibility in the TQM implementation process. Present to them the specific steps they need to take to support this process. Explain that TQM cannot be just a middle-level initiative but requires the involvement of the entire managerial staff.

#### 4. Establish common goals and implementation schedule for TQM:

Discuss and jointly establish the goals of implementing TQM in the company. Make sure that these goals are specific, measurable, attainable, realistic, and time-bound (SMART). Additionally, set an implementation schedule that outlines the successive stages and deadlines.

Conclude the meeting with the management by summarizing the agreements and expectations regarding their ongoing involvement. Remind them that their support and involvement are crucial for the success of TQM implementation. Collaboration with the management is very important at every stage of this process, so it is essential to maintain open communication and regularly update them on the progress.

#### Step 3: Shaping the Quality Culture

Quality culture refers to the values, beliefs, and practices related to quality that are widely accepted and practiced by all employees of the company. To establish a quality culture, three essential actions need to be taken: define the company's quality-related values and create a quality statement, engage all employees in shaping the quality culture, and organize TQM training and workshops.

#### 1. Define the company's quality-related values and create a quality statement:

The company's values form the foundation of the quality culture. The TQM specialist should collaborate with the company's management to identify quality-related values that are most important for the organization. These may include punctuality, precision, innovation, or continuous process improvement. Then, a quality statement should be created to serve as a reference for all employees. The statement should clearly define quality-related goals, values, and expected behaviors within the organization.

#### 2. Engage all employees in shaping the quality culture:

Quality culture should not be solely an initiative of the management or quality department. To be effective, it must be fully embraced by all employees. You should create and maintain an atmosphere of openness and engagement within the company. Employees should feel that they are important members of the quality improvement process and have an influence on decision-making. Actions such as regular meetings with employees, conducting surveys, or creating workgroups can help in engaging all employees.

## **3.** Organize TQM training and workshops to increase employees' awareness and skills in quality:

For employees to actively contribute to the quality culture, they need to be properly trained and equipped with necessary skills. It is recommended to organize various trainings and workshops to increase employees' awareness of TQM and its methodologies. Trainings can cover topics such as quality management, process improvement, quality tools, or problem-solving techniques. It is also important to monitor and evaluate the effectiveness of these trainings in order to tailor programs to the employees' needs.

#### **Step 4: Creating Quality Teams**

These teams are responsible for identifying quality problems in production processes and developing preventive or corrective actions that will improve the quality and efficiency of the company's operations. In this chapter, we will discuss how to effectively create and manage quality teams.

#### 1. Create quality teams consisting of representatives from different departments:

• Select representatives from different departments who will represent various areas of the company's operations. It is important to have employees with different skills and experience in the team to provide diverse perspectives and ideas.

• Ensure that team members have the necessary competencies and knowledge in the field of quality to effectively analyze problems and propose solutions.

#### 2. The task of the teams will be to identify quality problems:

• Quality teams should regularly analyze production processes to identify potential quality problems. They may also collect data from various sources such as inspections, customer complaints, or control reports.

• Focus on identifying the root causes of quality problems, rather than just addressing their effects. Teams should investigate the root causes and propose preventive actions that minimize the risk of recurring incidents.



#### 3. Develop preventive or corrective actions:

• After identifying quality problems, quality teams should develop an action plan. This plan should include specific actions that will be taken to solve the problem.

• In the case of preventive actions, teams should focus on eliminating the causes of problems to prevent their occurrence in the future.

• In the case of corrective actions, teams should focus on quickly and effectively resolving problems and their consequences.

#### 4. Provide teams with sufficient resources and decision-making authority:

• Quality teams should have access to appropriate resources such as budget, equipment, and tools to effectively implement changes and resolve problems.

• Delegate decision-making authority to the teams so that they can make quick decisions regarding preventive or corrective actions.

#### Step 5: Implementation of Quality Management System

Implementing a Total Quality Management (TQM) system in a manufacturing company is an important step in striving for excellence and maintaining a high level of quality in production. This chapter presents the actions that need to be taken to implement TQM in the company.

### **1.** Develop a quality management system based on ISO 9001 standards or other applicable standards.

The first step is to develop a quality management system that is in line with ISO 9001 standards or other applicable standards. These standards provide the foundation for effective quality management and will help establish the structure of the TQM system. It is worth consulting with experts in quality management to get guidance on implementing these standards.

#### 2. Implement the quality management system

Implementing the quality management system should involve the development and implementation of procedures and documentation related to quality management. These procedures should be clear, easy to understand, and applicable to employees. The documentation should also include instructions available to all employees on how to perform processes according to planned quality standards.

#### 3. Audits and monitoring of results

Audits are an integral part of the quality management system and are essential tools for checking the effectiveness of the implemented TQM system. Audits should be conducted regularly to monitor whether procedures and documentation are being properly applied and whether the results meet established quality standards. Audit results should be analyzed and used to take corrective actions for continuous process improvement.

#### 4. Consult with experts in quality management if necessary

Implementing TQM may require support and advice from experts in quality management. If there are doubts or difficulties regarding the implementation of the system, it is worth consulting with experts

who have experience in this area. An expert can provide helpful tips and advice on best practices in quality management.

#### Step 6: Monitoring and analysis of results

Monitoring and analyzing results within the Total Quality Management (TQM) Quality Management System is a key step in ensuring continuous improvement of processes within a manufacturing company. This stage allows for the identification of areas requiring improvement and the implementation of corrective actions based on collected data. In this chapter, you will learn how to monitor and analyze quality and performance indicators in your company.

#### Step 6.1: Ensuring access to appropriate data

Before starting the monitoring and analysis of results, it is important to ensure that you have access to appropriate data. Set up a system that will collect information about quality and performance indicators in your company. It is important to focus on measures and metrics that align with the goals and values of your organization. Involve all departments and team members in collecting data and providing relevant information.

#### Step 6.2: Regular monitoring of quality and performance indicators

Monitoring of quality and performance indicators should be carried out on a regular basis. Determine a monitoring schedule, such as daily, weekly, or monthly, depending on the needs of your company. Collect information about indicators such as production cycle time, percentage of defective production, or quality measurement results. Ensure that those responsible for data collection have clear instructions on how to gather and report information.

#### Step 6.3: Analyze the obtained results

After collecting data, proceed to analyze the obtained results. Compare actual indicator values with previously established objectives and standards. Identify areas where the results are below expectations or do not meet quality requirements. Conduct a detailed analysis of the causes of these problems. Use tools such as cause-and-effect diagrams, Five Whys analysis, or Pareto analysis to identify the main causes of the issues.

#### Step 6.4: Identify areas requiring improvement

Based on the analysis of the results, identify areas of activity that require improvement. Focus on key areas that have the greatest impact on the quality and performance of your company. Define goals and objectives that you want to achieve in these areas. At this stage, it is valuable to involve all team members in gathering and sharing their improvement ideas.

#### **Step 6.5: Take corrective actions**

Based on the collected data and identification of areas requiring improvement, take corrective actions. Develop an action plan that includes specific steps to be taken, individuals responsible for their implementation, and deadlines for completion. Monitor the progress of implementing corrective



actions and check if they yield the desired results. Regularly update the action plan and adjust it to changing conditions.

#### Step 6.6: Continue the cycle of monitoring and analysis

Monitoring and analysis of results should be continued as an ongoing process. The cycle of monitoring and analysis should include data collection, result analysis, identification of areas requiring improvement, and implementation of corrective actions. Remember to regularly report the results and communicate progress to the team and stakeholders.

#### **Step 7: Continuous Improvement**

In this step of the TQM guide, we will focus on ways to encourage all employees to participate in the process of continuous improvement.

#### 1. Encourage all employees to participate

The team is a key element in implementing continuous improvement. All employees should feel engaged and responsible for improving the quality of their work. Create a culture of openness where everyone is encouraged to report problems, suggestions, and ideas for quality improvement. For this purpose, we encourage the use of the <u>Cluer platform</u>, which is an innovative and convenient tool for this purpose.

#### 2. Organize regular meetings

Organizing regular meetings is an important tool for exchanging ideas and suggestions for quality improvement. Meetings should be pressure-free and promote creative discussion. Encourage employees to share their experiences, successes, and problems, as well as to jointly seek solutions.

#### 3. Implement innovation and new methods

To achieve continuous improvement in quality, it is necessary to introduce innovation and new methods. Stay up-to-date with the latest industry trends and technologies. Encourage the team to keep track of changes and search for new ways to solve problems. Remember that innovation can come from both employees and business partners.

#### 4. Support skills development

Continuous improvement requires the right skills. Offer training and development programs that will help employees acquire new skills and knowledge. Combine theoretical training with practical case studies to increase engagement and learning effectiveness. For effective competence management, we recommend the innovative solution, <u>Signalo SkillsMatrix</u>.

#### 5. Monitor results and reward successes

Monitoring results is a key element of continuous improvement. Regularly analyze data and quality indicators to identify areas for improvement. Reward employees for their contribution to continuous improvement and achieving specific goals.

#### 6. Provide management support



Implementing continuous improvement requires full support from management. Convince management of the benefits of TQM and explain the specific goals you want to achieve. Provide the necessary financial and human resources to enable continuous improvement within the company.

#### **Step 8: Rewarding and Recognizing Achievements**

Rewarding and recognizing achievements are not only motivating for employees, but also an essential element of company culture that promotes engagement and a commitment to excellence. In this chapter, we will discuss how to implement a system for rewarding and recognizing achievements in quality within your manufacturing company.

#### 1. Develop a coherent strategy for rewarding and recognizing achievements

Before implementing a system for rewarding and recognizing achievements, it is important to define the goals and values that it should promote. Examine your business strategy and identify key areas that you want to focus on in terms of quality. Then develop reward mechanisms that will serve as incentives for achieving those goals. Ensure that they are appropriate for all levels of the organization and consider various aspects of quality work.

#### 2. Establish clear evaluation criteria

To ensure fairness and transparency in the rewarding process, it is necessary to establish clear evaluation criteria that will serve as the basis for awarding prizes. These criteria should be based on the organization's goals and TQM values. Strive to make them measurable and assessable, so that employees have clarity about what is expected of them.

#### 3. Create diverse forms of rewarding and recognizing

Rewarding and recognizing achievements should be tailored to the individual needs of employees and take into account the diversity of their contributions and efforts. Introduce different forms of rewards, such as promotions, salary increases, financial bonuses, commemorative gifts, certificates, or recommendations for further training. Diversifying rewards will help motivate different groups of employees and highlight practices of excellence in quality.

#### 4. Foster a culture of appreciation

Employee engagement in quality improvement is an integral part of TQM. Therefore, it is important to foster a culture of appreciating efforts in the field of quality. Publicly acknowledge employee achievements, for example, through meetings or company events. Remember that recognition does not always have to be linked to material rewards. Often, expressing words of appreciation, thanking for efforts, and emphasizing the importance of teamwork is enough.

#### 5. Provide development and advancement opportunities

One of the key aspects of rewarding and recognizing achievements in the field of quality is providing employees with opportunities for development and advancement. Observe employees who stand out in terms of quality and offer them training, mentoring, or involvement in strategic projects. Implement development programs that will help employees reach their full potential and grow in terms of quality.

#### 6. Monitor and adjust the reward and recognition system

Implementing a system for rewarding and recognizing achievements is a dynamic process. It is important to continually monitor the effectiveness of the system and adjust it to the changing needs of the organization. Regularly gather feedback from employees and conduct assessments to know if the system is meeting its goals and providing adequate incentives for quality improvement.

By following these steps, you can implement a system for rewarding and recognizing achievements in quality within your manufacturing company. Remember that rewarding and appreciating employees is a key element of TQM that impacts engagement, motivation, and continuous improvement of quality in the organization.

#### Step 9: Monitoring and Evaluation of TQM Implementation

This step allows us to track progress, compare results with the goals defined at the beginning, and adjust the strategy if necessary. Below are some guidelines for monitoring and evaluating the effects of TQM implementation.

#### **Regular evaluation of results**

Plan regular periodic reviews to assess the results of TQM implementation. Periodically analyze data on quality, performance, and customer satisfaction. Compare these results with the goals that were defined at the beginning of the implementation. This will give you a better understanding of whether you are achieving the intended goals and where you can take further action.

#### **Measuring achievements**

Use appropriate metrics and indicators to measure achievements in terms of quality and efficiency. Look at data such as deviation rates, defective product ratios, or return rates. Collect this information regularly and track their changes over time. Measuring achievements will allow us to assess whether the implementation is yielding the intended results.

#### Adjusting the strategy

Based on the results of monitoring and evaluation, adjust your strategy if necessary. If there are any discrepancies or shortcomings in achieving the goals, identify the causes and make appropriate corrections. This may involve changes in processes and procedures, as well as taking actions to increase employee engagement. It is important to be flexible and ready for changes in order for our quality efforts to be effective.

#### **Continuous improvement**

Introduce a cycle of continuous improvement as an integral part of monitoring and evaluating the effects of TQM implementation. Regardless of how well the implementation is going, there is always room for improvement. Encourage employees to submit suggestions and ideas for process improvement and involve them in the process of continuous improvement. Introducing a culture of continuous improvement as a regular practice in the company will help us maintain a high level of quality and efficiency.

#### Step 10: Maintaining a culture of quality

In this chapter, we will discuss several important steps that need to be taken in order to maintain high quality and ensure continuous improvement.

#### 1. Provide regular training and communication.

Continuing education for employees is extremely important in maintaining a culture of quality within the company. Organize regular training sessions to discuss TQM principles and procedures, as well as quality standards. Ensure that all employees have access to updated training materials and documentation. Additionally, promote open communication among employees to enable information exchange and suggestions that can contribute to continuous improvement.

#### 2. Update procedures and standards.

Customer requirements and industry quality norms may change, so it is important to regularly review and update quality procedures and standards. Conduct regular internal audits to identify areas that need improvement or changes. Allowing employees to suggest improvements to procedures is also important, as it can lead to better quality and process efficiency.

#### 3. Continuously pursue the cycle of improvement.

TQM is based on the principle of continuous improvement. This means that the company should constantly strive to improve its processes, products, and services. Implement a performance and quality monitoring system that enables identification of areas where improvements can be made. You can use various quality tools and techniques such as benchmarking, Ishikawa diagrams, and cause-effect analysis to identify problems and find effective solutions.

#### 4. Implement a culture of quality throughout the organization.

Strive to maintain a culture of quality in all areas of the company's operations. All employees, regardless of their position, should be aware of the importance of quality and its impact on the company's success. Integrate TQM principles into daily tasks and decisions to ensure that quality is a priority for everyone.

Remember that implementing TQM is a long-term process that requires ongoing commitment and collaboration from all employees. Monitor progress and adjust the strategy as needed.

#### We wish you great success!

The Signalo Team