In this chapter, three major areas of interest are covered. Firstly, the concept of quality and the definition of TQM are discussed leading to a suggested framework for TQM. Secondly, ISO 9000 certification as a TQM implementation issue is presented. Finally, the impact of TQM on firm performance is reviewed. The chapter aims to serve as a comprehensive literature review of quality and TQM for the reader.

Quality and TQM

Total quality management

This section firstly provides the concept of quality. Then, several definitions of TQM are reviewed and their essentials extracted. Finally, the framework for TQM used in the present study is explained.

The concept of quality

Defining quality is a difficult task because there exist many different interpretations. Quality can be understood as continuous improvement. Quality can mean excellence. Quality can mean meeting customer requirements. Hansen (2001: 209) lamented that it is unfortunate that until today the concept of quality appears fragmented and ambiguous in literature as well as in practice. A literature search conducted by him has identified five major definitions namely, quality as an excellent product, quality as value, quality as the consumers perceive it, quality as adaptation to expectations, and quality as adaptation to technical specifications. Assessing the perceptions from the producers’ and the consumers’ criteria and over different industries, his empirical investigation revealed little consensus on the five definitions. Although it has been pointed out earlier that unanimity of the concept may have led to many failed TQM efforts, it is time for both companies and consumers
to make a paradigm shift on how to understand the meaning of quality. Hansen urged for a clearer definition of quality but more importantly, the specific context surrounding the definition must be clearly understood. Arguing for standardization of the concept or one single interpretation is indeed unrealistic. Similarly, treating quality or TQM as a discrete phenomenon does not lead to conclusive evidence in the literature (Westphal et al., 1997; Douglas and Judge, 2001). Knights and McCabe (1997) have vividly illustrated this by a case study of a retail bank. When the strategic intentions of the bank were to improve customer services and to render its culture more consistent with that aim, a ‘conformance to requirements’ (Crosby, 1979) approach to quality is ill-suited to either ends because of its neglect of both customers and culture (Knights and McCabe, 1997: 381). Thus, the definition of quality is not only geared towards the surrounding context, the multiple users, but also the intention of the organization.

For the purpose of the present study, quality has to be approached from a human and cultural perspective. A general or first-order definition is more suitable than specific ones which are for specific contexts. A fundamental concept of quality is Garvin’s transcendent view on quality. Under this view, quality is defined as ‘innate excellence, both absolute and universally recognizable, a mark of uncompromising standards and high achievement’ (Garvin, 1988: 41). Although such a definition is clearly abstract and too vague for practical purposes, the transcendent view acts as an ultimate guiding principle under which pragmatic definitions of quality based on product (e.g. minimization of product variability), manufacturing (e.g. engineering and manufacturing practices), user (e.g. customer orientation), and value (e.g. cost and price) can be devised (pp. 39–48).

In any organization, based on the transcendent view on quality, quality is created by a quality culture. Goetsch and Davis (1994: 122) defined a quality culture as ‘an organizational value system which results in an environment that is conducive to the establishment and continual improvement of quality and it consists of values, traditions, procedures, and expectations that promote quality’. Any specific quality processes, quality management tools, and quality results or outcomes should be viewed as subsets of the broad guiding principle. The transcendent view on quality as a cultural variable coincides with the nature of management theory which is contingent rather than imperative. Just as Cameron and Sine (1999: 10) have argued, treating quality as a cultural variable has the advantage of diminishing the ambiguity and inconsistency associated with the multiple definitions and dimensions of quality.