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**Article**

## Total quality management: A way to manage organizations centred on quality

Amfiteatru Economic Journal

**Provided in Cooperation with:**

The Bucharest University of Economic Studies

*Suggested Citation:* Dinu, Vasile (2017) : Total quality management: A way to manage organizations centred on quality, Amfiteatru Economic Journal, ISSN 2247-9104, The Bucharest University of Economic Studies, Bucharest, Vol. 19, Iss. Special Issue No. 11, pp. 936-938

This Version is available at:

<https://hdl.handle.net/10419/196401>

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## Total Quality Management – A Way to Manage Organizations Centred on Quality

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### Please cite this article as:

Dinu, V., 2017. Total Quality Management – A Way to Manage Organizations Centred on Quality. *Amfiteatru Economic*, 19(Special Issue No. 11), pp. 936-938.

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Following the consolidation and maturation of quality management, the evolution of this concept has demonstrated that its most advanced form has become Total Quality Management (TQM). Total Quality Management is a way of leading quality-centred organizations, as this is the main driving force that can direct the organization on the way to excellence in business. At the same time, it is based on the participation of all members, pursuing the efficiency of the long-term activity, leading to the effective satisfaction of the client, as well as to the benefits for all members of organization and for society.

Total Quality Management is an approach that aims to continuously improve quality and performance to meet or exceed customer expectations. This can be accomplished by integrating all the functions and performance-related processes in a company. TQM targets all the quality improvement measures used by a company, including quality design and development, control, management, continuous improvement and quality assurance. In other words, TQM considers all quality measures at all levels and compartments that involve all employees in order to obtain long-term benefits.

In Total Quality Management, in general, all companies share a common concern about: meeting the needs and wishes of customers at the best cost, now and in the future, to ensure their loyalty; focusing more on processes than on products; the ability of suppliers to provide good quality raw materials and components; continuous improvement that requires process optimization, flexibility, adaptation, innovation, clear delineation of authority and responsibility, and encouragement for zero defects; educating, training and raising the culture of employees; quality measurement; the participation of all employees; the prominent role of management and proactive commitment.

In this issue of the journal there are articles whose topics deal with a series of elements listed above, as follows:

- In order to ensure the satisfaction of customers and stakeholders and also sustainable development, most large companies have implemented either a quality management system or an integrated management system. Article „*The effect of sustainable investments to the economic objectives of the company in relation to the total quality management*” aims to identify how sustainable investment influences the business objectives in terms of total quality management. In this regard, the paper presents the results of the research conducted at the level of the German corporations listed in the DAX 30 index, highlighting the fact that there are detectable correlations between sustainable investments and economic objectives related to TQM. Also, the work „*The contribution to the integration of management systems oriented to the sustainable and TQM*” presents a pilot study on the new aspects of integrating management systems by interconnecting knowledge on quality, environment, work and information

security, corporate social responsibility and performance, aiming at sustainable development. Based on the TQM principles there are presented recommendations and a streamlined simplified EFQM model.

- One of the main tools used in Total Quality Management is the Balanced Scorecard - a tool that enables organizations to clarify their vision and strategy and put them into practice by agreeing to the long-term strategy with short-term actions that will need to be taken to ensure success, from four perspectives: financial, customer, process, and innovation. In this sense, the article *„Developing a project scorecard to measure the performance of project management in relation to EFQM excellence model”* brings to the forefront a Project Scorecard derived from the Balanced Scorecard and EFQM. It is used to connect the strategic decision-making process at the operational level of a project in terms of objectives and expectations by setting an appropriate set of parameters to measure the impact of each element on the overall success of the project. Also the article *„Performance measurement of management system standards using the Balanced Scorecard”* highlights that Balanced Scorecard is a possible solution for measuring performance at strategic and operational levels and therefore useful for determining the influence of quality management standards within organizations.

- The relationship between quality management and financial performance of companies has been widely explored, but with contradictory results. The latest studies have introduced intermediate factors between quality management and financial performance. Objective of the paper *„Long-term financial effects of Quality Management System maturity based on ISO 9001 principles”* is to determine the effect of the maturity of the company's quality management system on its long-term financial performance. Another work *„Risk management model from the perspective of the implementation of the 9001:2015 standard within financial services companies”* refers to the new requirements of the ISO 9001:2015 standard which, in its new form, activates and uses risk-based thinking along with the implementation of the quality management system. It is specified that by implementing the requirements of the new version of ISO 9001: 2015, the organization must determine all processes necessary for the quality management system and identify those processes that include risk and opportunity activities. Finally, the authors propose a model of financial risk management for financial services companies.

- The effects of the application of Total Quality Management on the performance of organizations are set out in the works *„The impact of applying the total quality management model on the performance of the Telecom organizations in Romania”* which presents a case study in the field of mobile telecommunication in Romania; *„The impact of quality culture and leadership on customer relationship in organizations from the Romanian metal construction industry”* whose objective is to analyse the elements of the TQM system, leadership and quality culture, in the Romanian metal construction industry and their influence on the customer relationship; *„The European Foundation for Quality Management Excellence model in a in a low voltage switchgear company”* in which a case study is presented at a low-voltage electrical appliance company in Turkey in the assessment of which EFQM performance criteria are applied.

- The importance of applying the TQM principles in the liberal professions is highlighted in two papers: a) *„The role of total quality management in developing the concept of social responsibility to protect public interest in associations of liberal professions”* which highlights the results of research carried out at the level of associations

of liberal professions part of Romanian Union of Liberal Professions. Following the evaluation of the state of implementing TQM principles among the 14 associations of liberal professions, the most important success factors of TQM that can contribute to increasing social responsibility for defending the public interest of members of liberal professions have been identified. b) „*From conformity to excellence - study on quality of services in accounting profession in Romania*” analyses the evolution of the quality classes obtained within each professional body (CECCAR, CAFR, CCF and ANEVAR) by ranking the performances of entities subject to quality audit. The authors conclude that the requirements of competition in the accounting profession in the digital age and the standardization of financial communication at regional and world level require from professional accountant more than compliance with existing standards. In this respect, they have identified a compatibility of professional standards with the requirements of a quality management system based on the PEVA cycle, and that the decisive step from conforming to excellence can be achieved by associating professional accountants in small and medium-sized entities and by assuming a culture of quality at the level of accounting service companies.

- The paper „*Excellence model for sustainable convergence in the UE higher education*” focuses on the idea of convergence of the European Higher Education system in the context of the Bologna process. Starting from Systems Theory and using causality diagrams, a model of excellence is advanced, the implementation of which facilitates the achievement of sustainable convergence, through which implementation the possibility of personalizing the strategic measures as well as the freedom of concentration on the constituent element of its own competitive advantage, is given to each higher education institution.

In the current economic context marked by globalization, it is increasingly recognized that each business process contributes to the organization's goals and influences and, to a certain extent, its ability to ensure a high level of customer satisfaction and other stakeholders. As a result, a cross-functional approach to processes is required, taking into account quality, cost and time requirements. For these reasons, in recent years, a particular emphasis has been placed on integrating the principles of total quality management into business approach, facilitated by the development of national and regional business excellence models.

**Editor in chief,  
Vasile Dinu**