

THE ROLE OF IMPLEMENTATION TOTAL QUALITY MANAGEMENT SYSTEM ON PERFORMANCE IN SAIPA GROUP COMPANIES

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Abstract

Now a days Many companies and organizations have realized the implementation of a comprehensive quality management strategy to achieve goals such as customer orientation, profitability, cost reduction and survival in the competition consideration. Although the amount of total quality management in companies is based on their particular circumstances and achievement for improving organizational performance requires the correct implementation is principles of Total Quality Management in this way these companies not only can control their products and services but also will improve their sale process. But Total Quality Management (TQM), is a set of concepts and management tools, with the aim of engaging managers and employees in the continuous improvement of performance. Therefore, in this study we have tried to the function of implementation value implement the Quality Management System in improving performance. Research that led to the research method is descriptive survey which has been studied in 30 firms Saipa Group. To analyze the collected data we used Pearson correlation test and for determining the distribution of the sample Kolmogorov-Smirnov was used.

The results indicate that it had a significant impact on the performance of Total Quality Management

Implementation of Total Quality Management principles have direct and significant impacts in most areas except in financial areas. Finally, according to these verity and impact of variables on each other; Proposals were presented to increase or improve the performance of Saipa Group which established on the principles of Total Quality Management.

Keywords: Quality, Total Quality Management, Performance, Organizational Performance

1) Introduction

In organizations, managers/leaders gain energy from satisfying customer needs and organizational survival that is the basic philosophy of Total Quality Management. TQM is a holistic approach for companies to qualify and improve performance these companies gain. Many benefits, including higher quality products, more satisfied customers, lower costs, improve financial performance,

further improvements in quality and innovation and employee satisfaction. In addition to ,If TQM is successfully implemented, it is competitive advantage. (Cemal;2012: 273)

However, this system presents a set of "procedures", "tools" and "training methods" to make able company managers, fast to attract customers, in today's world. (Shiba;2001: 13) This will be evident when the system works The organization with superior performance in a long-term period can find the ability to adapt well to changes and rapid responses to these changes, with a targeted and integrated management structure, improve key capabilities and suitable treatment with employees as the main property to gain better results in comparison to achieve surpassed par organizations. (Eysakhani;2008:25)Organizations for accessing to organizational excellence and certainly with high performance requires planning and operational for making structured programs. (Bayaz, 2009:50)The companies which focus on customer needs without systematic vision and performance methods, cannot be able to have continuous improvement, totalemployeeinvolvementandachieve lastingcollaboration networks. (Shiba;2001:13)

Corridor and Goni(2011) states that: Performance analysis is needed to measure the performance Some studiesonthe impact ofTQM on performanceingloballevel shareand profitareanalyzed on market and company's profit.Many otherstudies know the usage of non-financial performance as wellasfinancialone. Thecompany's performance is a combination of several complicated factors and doesn't depend onaspecificcriteria. In the fact The practical performance is a structure that coversthe different levels and meaning within an organization.Four features are analyze in a company's performance : profitability,production, ability toobtainlong-termcapitalresourcesandinvestmentforthe future.(Corredor; 2011: 832)

Soin today's world which on the one handNational, regional and internationalcompetitionand on the other hand extremeandintensive changesin technologyandmarket requirements are very fast, correct understandingand appropriateanalysisof topics such as Total Quality Management not only and can be helpful and subjects useful but also to cause company's performance in different areas to improve. Therefore, the present study attempts to investigate the effect of Total Quality Management on Corporate Performance Group, Saipa. After analyzing given data the results are explained. So, The main question in this research is whether the present system has effect on Saipa Group's performance?

2) The TheoreticalFramework ofthe Research

To consider to importanceof quality inorganizations and over- increasing attentionto it attitudes have been presented about the methods and means in achieving this idea. Now a days, Total Quality Management is a system which through organizations can monitor their products, servicestheprocess ofsellingproducts.

Therefore in this part firstly we pay attention toTQM and its effect on performance. In order to understand the quality subject , we can investigate the quality direction in superior companies which lead the market. In present commercialcompetitivemarkets the quality subject is a meaningful term that ignoring it has not rationaljustification.Now a days, Quality is notonlyto winbutalsotopromotecompetingorganizations. (Shiba; 2001:25)

Therefore, for achieving to sustainablequalityinproductsandservicesis suitable to useoftools and methodssuchasTotal Quality Management.Inthisregard,someauthorsbelieve thatTQMisa unique insight for increasingorganizational effectiveness. This insight has strong theoretical base and is a strategy to improve organizational performance that will guide individual and organizational work.(faqih; 1999:29)

The organization that use of TQM will have many benefits, like higher quality products, more satisfied customers, lower costs, financial improvement, innovation employee satisfaction. (Cemal; 2012:274) Some studies indicate distinguished success of quality management system (Mohrman et al; 1995:109) and some of them show failures and indifferent organizations. Word analysis of Total Quality Management have to deal with the following three words:

1-*Total*: It is indicative of the epidemic.

2-*Quality*: Class of goods produced or provided services in accordance with customer's need.

3-*Management*: Technique or art of handling, controlling, directing, and so on (Jafari, 1383:203)

Okland believes that total quality management is generally a thought which for improving effectiveness, flexibility and competition is used in manufacturing and service organizations and all the units activities and employees in all the levels (Okland; 1991:17)

In other words, TQM is a philosophy that emphasizes on customers needs and a set of techniques to institute system and necessary leadership for protecting of organization performance for customer orientation philosophy. (Riahi; 2002: 163) For TQM different principles have presented that each of them according to organization conditions environment, customers, the types of organization and other features can be established and used. Some of these principles can name like the Fourteen - principles of Deming, The eight - principles Saraf et al, Seven Principles Flynn, Six principles Metvani (Kafashpor; 2009: 75) Considering that this research is done in Saipa Group companies and these companies are often productive we select the seven – principals (Sila; 2007) that include the following dimensions: Leadership, Strategic Planning, Customer Focus, a realistic approach to decision-making, human resource management, process management, supply chain management

☒ But what causes companies and organizations implement system such as Total Quality Management or superior Organization patterns ... is to transfer into a organization with better performance.

In today's world performance is a measurable results and organizational decisions and actions that shows the amounts of achievements and success. (Bayaz Tharabnd, 2009: 50)

On the other hand if we don't pay attention to performance we can't compare expected results with actual result and also we can't identify the performance deviate, evaluate individual's performance and the amount of progress in order to provide the desired long-term goals. (David, 2011: 454)

The literal meaning of performance is the mood or function of operation quality. So, organizational performance is a structure that refers to how organizations operate most of the functions. The most famous definition of performance has been presented by Neely et (2002) "the explaining of the quality effectiveness and past efforts efficiency" (Neely; 2002: 236)

One of the factors that can enhance the performance of the organization is implementing TQM systems the persons such as Corridor & Sack (2011) and Yu Yang Hong & Yahy (2011) and Kafashpor (2009) Mohagar (2010) believe, through total quality management can increase the performance assessment. While organizations need to analyze a company's performance. Integrated analysis of studies assessing the effect of TQM on performance and market value of such shares as profit. Several other studies on the impact of financial and non-financial performance that (Corridor; 2011:833) in this regard, the function of four variables in order to

measure the performance of the organization being considered include "employee satisfaction, customer satisfaction, organizational effectiveness, and financial results and the market".

But what is the relationship between Total Quality Management and Performance?

Despite increasing research from day to day on TQM, many questions have remained unanswered. For example, the various components of TQM should be examined and the impact of TQM on organizational performance should be analyzed (Mehra & Ranganathan; 2008: 918). Field of quality management is increasingly looking for new ways to improve organizational performance.

TQM literature suggests, TQM for effective implementation of the critical elements needed to be considered. Several authors have attempted to define various aspects of TQM, such as the Silla and Ebrahimpur also identified seven key factors that leadership and analysis information have the most direct influence.

One of the most complete empirical studies that examine the relationship between quality and organizational performance is a research that has been done by Aslvtty. This study has used of structural equation modeling for studying 184 manufacturing companies in New Zealand.

It has been found that the quality is related to organizational performance results interwoven and complex has the most direct measure of the relationship between quality and financial performance of the business. Significant results were not meaningful. However, the relationship between the quality and results of operations / production has been considerable. (Aslvtty; 1992: 39)

Anyway, total quality management, has found a prominent place in the modern world is faced with great acceptance. The thought of spending unnecessary, inappropriate use of resources create a lot of and to the pitfalls of the process and production of reliable products that consumers want.

With establishing this system in organization, we can recognize citizen's needs and all the people and with knowing indicators to evaluate functions in systems and organization and with running this new event, the organization go out from tradition from and led flexible structure and Monitoring (controls) the actions of the organization. The automotive industry is very important so it allocated also accounted for a significant portion of government's budget to itself; extraordinary quality management practices in order to empower them to continually meet the needs of applicants, increase employee participation and group working could lead to the profitability. This study investigates the role of the Quality Management System on Saipa Group companies, performance

The main cause for this research is to investigate of TQM's problems, such as low quality products in the industry, due to the working environment and labor costs, rework and ...

In this study, first to introduce total quality management practices and barriers in the way it deals with the implementation of strategies and approaches quality management system according to Silla model are stated.

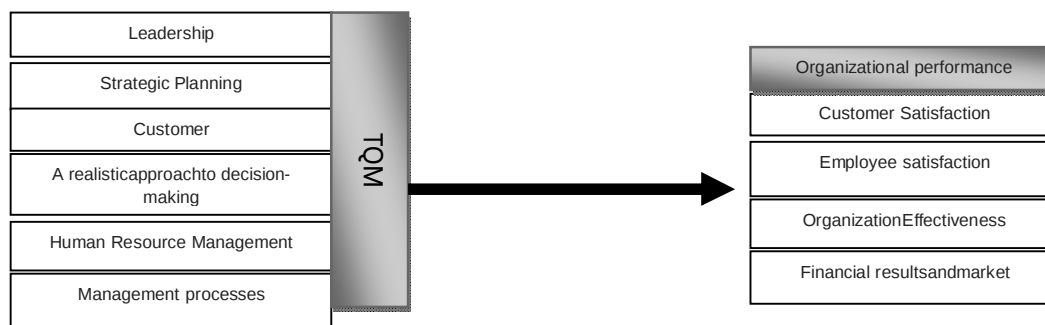


Figure1) Conceptual model: (Sila 2007)

3) The research hypotheses

According to the model Silla (2007) research hypothesis is as follows:

- 1) Quality Management System performance Saipa Group has a direct and significant impact
- 2) Quality Management System and has significant impact on employee satisfaction
- 3) Quality Management System has a direct and significant impact on customer satisfaction
- 4) Quality Management System has significant impact on organizational effectiveness
- 5) Quality Management System has significant impact on the financial results and market

4) The study method

This research is a kind of descriptive study and measurable based on the results, it can be used as a practical application so this research is applicable. In this study, the statistical population are the Saipa Groups, which from 95 Group companies, 71 companies that are ISO 9000 quality management system has been implemented as a statistical population. Its purpose is to collect information from directors, officers and experts in Saipa Group. Well, Cochran's formula was used to determine sample size. Pre-test for variance was a 30 pattern with 30 companies as a re-sample $n=30$ that in 30 companies. Saipa questionnaires were distributed and collected. In order to collect data from the questionnaire used in the present paper is to investigate Silla (2007) is consistent. A total of 400 questionnaires distributed, 222 questionnaires were collected, of which 217 questionnaires had to check the accuracy required. For validation of a questionnaire to consult the experts and professors of the validity of their measurements, the measured variables to ensure research.

And reliability of the questionnaire was measured using Cronbach's alpha coefficient and given that more than 0.67 percent of all variables, Cronbach's alpha was (ie quality management of alpha 4/98 and the performance of 8/93) The questionnaire has shown high reliability.

5) Analysis of Data

Describing and testing hypotheses through 18 SPSS software to analyze and process the data used in this study were converted. In the first stage of the analysis is descriptive, data collected and applied to the frequency tables and circle graphs, bar and histogram presented and

secondly, that the analysis is inferential, were examined using Pearson correlation coefficient and to verify the normal distribution of the Kolmogorov - Smirnov was used. ☒

In the present study, as mentioned earlier, the five hypothesized that the results are described in the following table:

Table 1) between the regression function and the Quality Management System

Result	Significant t	Beta	B	R ²	R Square		hypothesis
Confirm the hypothesis	0.000		2.121	0.454	0.674	Constant value	The first hypothesis
	0.000	0.674	0.501			Total Quality Management System	
Confirm the hypothesis	0.047		1.075	0.568	0.754	Constant value	The second hypothesis
	0.000	0.754	0.722			Total Quality Management System	
Confirm the hypothesis	0.021		1.605	0.440	0.663	Constant value	The third hypothesis
	0.000	0.663	0.709			Total Quality Management System	
Confirm the hypothesis	0.000		2.910	0.259	0.509	Constant value	The fourth hypothesis
	0.004	0.509	0.322			Total Quality Management System	
Reject the hypothesis	0.016		2.643	0.065	0.256	Constant value	The fifth hypothesis
	0.172	0.256	0.331			Total Quality Management System	

Consistent with the hypothesis of a table and four achieved significant regression the summary results are shown in the table above. The level of significance can be seen in the table above they are much smaller than the five hundredths as a result of comprehensive quality management systems on organizational performance, employee satisfaction, customer satisfaction is a significant effect of the as it can be seen that the first hypothesis regarding, the value of R Impact on the organization's Quality Management System is 67.4 percent vs. However, the ratio of 0.454, which indicates that the Quality Management System for about 37.8 of the can predict performance.

The beta sign (positive) direction of the impact is therefore safe to assume that 95 percent reject H_0 and H_1 hypothesis is confirmed, The Quality Management System has a direct and significant impact on organizational performance. Also write the regression model as follows;

$$Y = 0.501X + 2.121$$

Hypotheses on the second, third and fourth as the first assumption of the above table assumes a 95% reject H_0 and H_1 hypothesis is confirmed. The fifth hypothesis, given that the level of significance in the above table is greater than 0.05 Quality management system on changing the impact of financial results is not meaningful market. And assuming a 95% approval H_0 and H_1

hypothesis is rejected, therefore, a comprehensive quality management system has a significant impact on the financial results of the market.

6) Conclusion

As mentioned in the previous section In the present study, we sought to examine the performance of the Quality Management The purpose of the journey purposeful and structured, fitness model has significant because it provided the following results were obtained.

The first hypothesis, results showed the implementation of TQM in Saipa Group companies and similar companies that focus on different areas such as leadership, quality management systems, according to customer requirements ...It can provide the necessary fields to improve organizational performance. The general results of research and Silla (2007) and Christos (2010) and Val-Mohammadi (2011) also indicate that the correct implementation of comprehensive quality control measures can be effective in improving organizational performance.

The results of the second hypotheses direct and significant impact on employee satisfaction indicates comprehensive quality management system, Because of the emphasis on the creation of appropriate staff to create effective communication channels in necessary fields in order to reduce the mobility of employees in order to improve organizational performance and increase their offers as. Also results obtained for the field research Silla (2007) and Val-Mohammadi (2011) is also consistent.

The results of the third hypotheses suggests Quality Management System that focuses on customer satisfaction and received his spectacles on a product, service, organization, customer loyalty and ... Appropriate corrective action within a specified period and also to increase customer satisfaction canhave a significant impact on organizational performance To achieve such a result is not unexpected. research results Silla (2007) and Val-Mohammadi (2011) also focuses on this topic.

The fourth hypotheses, the results show The effectiveness of the Quality Management functional area, job procedures, methods of communication with suppliers to reduce the cost of goods that can be brought to emphasize finished products And ultimately to improve organizational performance.

Research results Silla (2007) also suggests that TQM on organizational effectiveness is positively influenced.

The fifth hypotheses, the results of direct and significant impact, financial results and market a comprehensive quality management system shows and makes it possible to reduce the market share organizational performance in the areas of financial decline because the results of the quality of a long-term period and may be costly in the short term with in this regard, the results of Silla (2007), similar results are obtained.

It should say that there were some limitations in the present study, the main limitation of the study is that the questionnaire data collection ,types of data that are collected through a questionnaire .

Questionnaire respondents generally their attitude towards the questions do not despite the fact that the investigation is ongoing and additional benefits of a university project is not expected and the respondents are asked to provide their real opinions (Of course, this limitation to be overcome by careful selection of sample members) however, the uncertainty is less accurate and realistic responses.

Also the customer satisfaction survey the questionnaire was distributed to staff after-sales service is more appropriate conceptual framework for a more detailed examination of the clients referred to the service after the sale will be distributed. And if the variable impact of Total Quality Management on the performance variables to be individually may be able to achieve better results.

According to the results of research scholars who are interested and eager to study in the field of study is recommended to the following address:

- For example, terms of the effectiveness of the Quality Management System activities in Iranian organizations
- A study on the relationship between quality management systems and comprehensive financial and market results
- Role of Total Quality Management and Performance in support of the organization and employees
- A study on the relationship between the company's Quality Management System implementation and the impact on customer satisfaction in after-sales service

Resources

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