

Evaluation of the TQM Dimensions of Customer Focus, Top Management Support and Employee Involvement on Organizational Performance: A Review

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In recent years, competition in the banking industry has been fierce. It is essential that banks are able to compete effectively in this highly competitive market. Good quality services should be available from all banks. Online shopping and e-commerce have emerged as competitive advantages as a result of growing competition, creating opportunities for banks in this arena. Therefore, banks must adopt competitive strategies to improve the quality of their services. Numerous dimensions of TQM and organisational performance have been studied, but no consensus has been reached on a set of fixed TQM dimensions that have a significant and positive impact on bank performance. This paper examines previous research to review Total Quality Management (TQM) popular dimensions and its impact on organisational performance, especially pertaining to banks. The dimensions reviewed here are customer focus, top management support and employee involvement. Malaysian banks' performance will be examined to determine how important these three dimensions are in achieving this goal. The implementation of TQM in service organisations has been shown to have a number of benefits, including an increase in employee motivation and commitment, improved resource efficiency due to effective process planning and management, and improvements in quality and cost reduction. TQM implementation has been hampered by obstacles such as lack of top management commitment and leadership, insufficient human resource planning, insufficient strategic planning, as well as insufficient resources. Organizations that adopt a customer-centric approach are more committed to competence and flexibility; they are also more responsive to market fluctuations. So, customer-centric initiatives that are successful can give the organization an edge over its competitors. Customer focus and satisfaction, according to data, are essential for excellent performance. In the pursuance of quality objectives, top management plays a very important role. This role includes setting up quality management strategies and goals, allocating sufficient resources, planning and implementing quality improvement practices, as well as evaluating and measuring the attainment of quality standards. Effective implementation of TQM practices requires the commitment of all levels of staff, and thus employee involvement and participation are essential to the success of all quality initiatives. Therefore, employees have to take on additional responsibilities, be better equipped with more information and better skilled, to take on more responsible positions in their respective organizations. By reviewing the literature on these dimensions and their impact on organisational performance, recommendations can be made on focus areas that banks need to concentrate on, in order to effectively manage quality issues. The study is conducted mainly by reviewing of literature and expression of opinion, therefore,

the empirical validation of the model presented is outside the scope of this paper. This review of literature is conducted on TQM, the three dimensions identified, i.e. customer focus, top management support and employee involvement, and their impact on organisational performance.

Keywords: *Customer Focus, Employee Involvement, Organizational Performance, Top Management Support, Total Quality Management*