

# Total Quality Management Analysis in It Industry With Reference To Job Satisfaction

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## ABSTRACT:

*TQM practices are important to provide customer satisfaction by improved product performance and sustained towards the organizational goal. The objective of this study was to analyse the relationship between TQM practices, process innovation and employee performance. This article presents the findings of a study which examined the relationship between people-related elements of total quality management (TQM) practices and employees' job satisfaction. Data were collected from 201 employees across 23 organisations in Victoria, Australia. Using Structural Equation Modelling (SEM), TQM was treated as a second-order latent variable measured by five first-order factors (top management commitment, empowerment, training, involvement, and teamwork) and job satisfaction was also treated as a second-order latent variable measured by two first order factors (internal work satisfaction and high growth satisfaction). The findings support the validity of modelling TQM as a hierarchical, second order latent construct and demonstrate its strong relationship with job satisfaction. This study demonstrates the importance of people-related aspects of TQM in predicting job satisfaction. From a managerial and human resource management perspective, TQM can be used for developing high performance work practices.*

**Keywords:** total quality management, job satisfaction, SEM

## INTRODUCTION:

Total quality management (TQM) has been regarded as one of the most predominant sources of competitive advantage in the last two decades. Numerous studies have shown a positive relationship between TQM and organisational performance. Most studies have been directed towards examining the effect of TQM on operational performance and business performance. Nevertheless, there is still need for rigorous studies in understanding the relationship between TQM and a broader set of organisational outcomes. This study attempts to contribute to this area by examining the relationship between TQM practices and employees' job satisfaction. Job satisfaction has been considered as one of the key determinants of firms' success and growth. Also, given the potentially long-time horizon necessary to study the effects of TQM, researchers and practitioners alike may well be advised to turn their attention to more immediate or proximal effects of TQM, such as job satisfaction (Morrow, 1997). This study contributes to the existing body of knowledge on the TQM-performance relationship by asking: is TQM related to employees' job satisfaction?.

Employee involvement or participation in quality improvement is central in the implementation of TQM. This involves developing both top down and bottom up communication channels, providing mechanisms for employees to voice their concerns or suggestion on quality issues, until participation in decision making processes. Further, increased participation in decision making by lower-level members of the organisation has been found to have a positive effect on the level of job satisfaction which then affects both organisational commitment and job performance.

Job satisfaction is an important dimension of employee well-being in its own right but is also a desired indicator of organizational success. In fact, independently of the measures that were used and the specific practices implemented, several studies of quality management in services found strong positive associations between customer satisfaction and employee job satisfaction. Job satisfaction is an important dimension of employee well-being in its own right but is also a desired indicator of organizational success. In fact, independently of the measures that were used and the specific practices implemented, several studies of quality management in services found strong positive associations between customer satisfaction and employee job satisfaction. Consequently, customer satisfaction, a goal of quality management, may be achieved via employee job satisfaction, argued in their review of the evolution of quality, the human issues involved in quality management are of increasing

interest to academics and practitioners in operations management.

#### **LITERATURE REVIEW:**

**Aimie Nadia Dedy et al (2016)** TQM is a management philosophy embracing all activities through which the needs and expectations of the customer and the community and the goals of the companies are satisfied in the most efficient and cost effective way by maximizing the potential of all workers in a continuing drive for total quality improvement.

**Kamil Erkan Kabak et al (2014)** The purpose of this study is to measure the impact of TQM activities on the job satisfaction for small and middle sized companies (SMEs) in the service sector of Turkey with an empirical analysis. Results show that employee training and education, and employee relations and teamwork are the most dominant factors on job satisfaction. However, there are some considerable factors such as facilities, job security, rewards and there is little impact of education and salary levels on job satisfaction.

**Esin Sadikoglu et al (2014)** This study investigated impacts of TQM practices on various performance measures as well as the reasons and the barriers of the TQM practices of firms in Turkey. Results revealed that primary obstacles that the firms in Turkey face were lack of employee involvement, awareness and commitment of the employees, inappropriate firm structure, and lack of the resources. It is recommended that firms should continue implement TQM with all variables to improve performance.

**Keng et al. (2005)** perform an empirical case analysis to study the employees' perceptions of TQM activities and analyze their effects on the job satisfaction for a

large Malaysian outsourced semiconductor assembly and test organization. Their results show that teamwork has the most dominant factor on job satisfaction.

### **CHALLENGES FOR DERIVING JOB SATISFACTION IN IT SECTOR**

1. Support of Boss- A boss can provide positive motivation or he can demotivate an employee depending on his/her personality and behaviour towards the individual. Bosses who are true leaders takes more responsibility for his/her subordinates mistakes and takes less credit for the success of the team.
2. Some of the leaders commonly we find in the organizations who do not work but blame his team for a failure and credit self when there is an award for team achievement.
3. Stress in the minds of Software Engineers.
4. Today in the IT Sector, the software engineers are overburdened with the jobs they have been assigned. They find no time for their relatives and friends, and for entertainment.
5. There is lot of competition in the IT field. There is an increasing demand for the high IQ engineers. Attrition levels are very high. This itself is a parameter which indicates us that the Job Satisfaction is low for those engineers who are looking for a change.
6. Retaining talent and skill is a herculean task for the HR Manager due to the attitude of leaving the organisation for betterment and for want of satisfaction by the IT Engineers. In the software field if we lose talent, it is very difficult to proceed further with task left by escaping software engineers and at the same time it is difficult to again fill that vacancy for the

HR Managers. Today in the IT sector focus is on how to retain talent and how to reduce attrition rate.

7. Job satisfaction is an attitude and not behaviour.

8. Negative attitude of Bosses. Normally no boss likes his/her subordinate to be smarter than him/her. If it happens to someone then to work with this type of boss, it is very difficult and at some instances the boss may demotivate and be claiming the innovation or creative discovery of his/her own. One has to be careful not to be over enthusiastic and trying to overtake boss.

### **TOTAL QUALITY MANAGEMENT AND JOB SATISFACTION**

TQM does have significant impact on personnel attitudes towards their job and the organization. The development of TQM practices should provide useful measures for investigating the relationship between TQM practices and job satisfaction particularly in relation to the Indian software organizations.

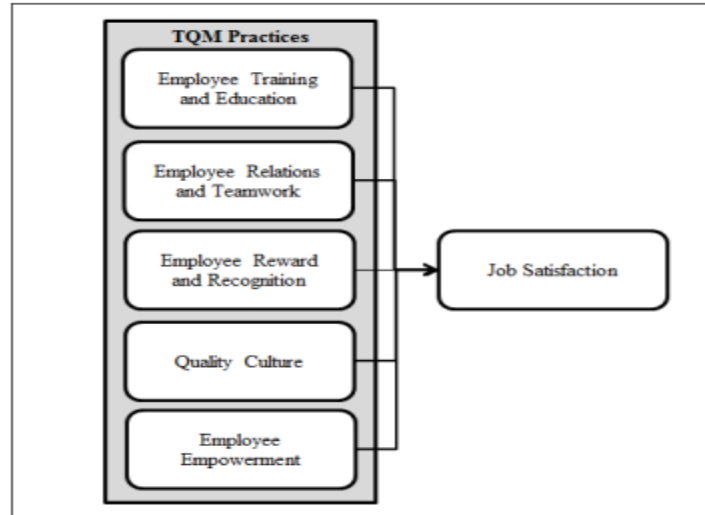
### **EMPLOYEES' PERFORMANCE: AN IMPORTANT FACTOR OF JOB SATISFACTION:**

It has been observed that well performing workers have high morale, high self-confidence and higher rate of creativity, resulting to high productivity in their works. Performance appraisal has become a continuous process by which an employee's understanding of a company's goals and his or her progress toward contributing to them are measured. Performance measurement is an ongoing activity for all managers and their subordinates.

### **Conceptual Research Framework**

Conceptual research framework is developed in this study similar to the framework given. The theoretical TQM

model for the SMEs in the service sector of Turkey is given in Figure 1.



**Figure 1: Conceptual research framework.**

The model has five independent variables and one dependent variable. The independent variables are critical TQM practices that are given. The employee job satisfaction is modelled as a dependent variable. Among the independent variables, teamwork, rewards and recognition are also used in previous studies for investigating the impact of TQM practices on employee job satisfaction. However, the other critical TQM practices like employee training and education, employee relations, quality culture and employee empowerment are not evaluated on the impact of job satisfaction in the literature. Therefore, one of the purposes of this study is to bridge these less studied TQM factors with the job satisfaction. For this reason, the following hypothesis is proposed: H1: The implementation of TQM practices such as employee training and education, employee relations and teamwork, employee reward and recognition, quality

culture and employee empowerment are positively associated with job satisfaction within organizations in Turkish service sector.

## METHODOLOGY

**Sample and procedures:** A sample of 201 software developers with more than 2 years of experience were taken from the 20 software organizations (source: NASSCOM) in 6 major cities where government has developed software parks. The organizations chosen would have following the TQM practices. The survey was conducted between the months of February till June 2008. The questionnaire survey was the main form of data collection. The questionnaire was on 5 point Likert scale with strongly disagree (1) to strongly agree (5) range. Out of the 300 questionnaires distributed to employees in this organization, yielding a response rate of 76.67 percent, which is considered acceptable. The age range of

the sample was from ages 23 to 45 years with a mean of age 34 years

## RESULTS:

### ANALYSIS OF DATA

#### Multiple Regression Analysis

Independent variable (s)	Beta	Employees' job satisfaction			Co linearity statistic	
		t- value	Sig.	Result	Tolerance	VIF
(Constant)		2.391	0.02			
Teamwork & cooperation	0.338	5.146	0.00 *	Accept	0.598	1.671
Employee empowerment	0.162	2.373	0.02 *	Accept	0.564	1.775
communication	0.163	1.985	0.04 *	Accept	0.381	2.625
Reward and recognition	0.039	0.608	0.54	Reject	0.639	1.567
Organizational culture	0.096	1.313	0.02 *	Accept	0.482	2.076
Overall model F $\frac{1}{4}$ 32:28; p , 0.01; R <sup>2</sup> $\frac{1}{4}$ 0:419; Adjusted R <sup>2</sup> $\frac{1}{4}$ 0:406; Durbin-Watson test $\frac{1}{4}$ 1:923						
Notes: n $\frac{1}{4}$ 230; *Significant at p , 0.05 level (2-tailed); * *Significant at p , 0.01 level (2-tailed)						

**Table I- Regression analysis of TQM practices on employees' job satisfaction**

As noted in Table I, H1 states that employees exposed to high levels of TQM practices will experience high levels of job satisfaction. The F-statistics produced (F  $\frac{1}{4}$  32:28) which was significance at 1 percent level (Sig. F  $\frac{1}{4}$  0:000), thus confirming the fitness for the model. The Durbin Watson of falls between the acceptable range (1.5, D, 2.5) indicating no autocorrelation problem in the data. Therefore, it indicates that the error term is independent. The results indicate no multi co-linearity problems. This indicates that there is a statistically significant relationship between TQM practices and employees' job satisfaction. The coefficient of determination, R<sup>2</sup> was 41.9 percent. This expresses that TQM can significantly account for 41.9 percent in employees' job

TQM practices were regressed against job satisfaction. The multiple regression analyses confirmed the significance of the independent and dependent variables.

satisfaction. Thus, H1 was partially supported.

The results also indicated that there were four elements of TQM; namely, teamwork, employee empowerment, organizational culture and communication, which are positively, associated with employees', job satisfaction. Moreover, the findings also indicate that the most important TQM practice that explains the variance in employees' job satisfaction was teamwork and were significant at the 1 percent levels (p, 0.01). The other element of TQM, namely, reward and recognition are not significantly associated with employees' job satisfaction. However, reward and recognition have provided longer term, infrastructural benefits necessary for the continued improvement over time, but



with an indirect association towards employees' job satisfaction.

### **CONCLUSION:**

The analyses conclude that there is a strong relationship between job satisfaction and some of the TQM activities including employee training and education, employee relations and teamwork. Most of the employees indicate that management of organization should have asked their opinion for important organizational decisions. Their inclusion to overall activities is not good enough and their inclusion to management activities has to be increased. The measure of job satisfaction comprise of limited number of TQM practices may not represent overall view of job satisfaction. It is suggested that the future research should be undertaken to include more TQM practices and their impacts on the organizational outcomes. Furthermore, a wider range of employees' reactions to task characteristics, career satisfaction, management styles, and leadership commitment should be incorporated into a more comprehensive study. Finally, while the measure of job satisfaction comprises of only a small number of items, which tapped different aspects of job satisfaction behavior, and does not represent an overall view of job satisfaction, therefore this is a considerable biased view for this study. Future research may be beneficial, if more items and better measures are developed, in relation to this outcome variable. It is also proposed that future research be conducted in other types of organizations such as manufacturing and service using a similar approach.

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