

## Implementation of Total Quality Management (TQM) in Organizations and Business

Shabrina Ayu Hananta<sup>1</sup>, Jeni Susyanti<sup>2</sup>

<sup>1-2</sup>Postgraduate Management Study Program, Faculty of Economics and Business,  
Islamic University of Malang, Indonesia

Address: Jl. Major General Haryono No. 193 Malang 65144 East Java, Indonesia

Corresponding author: [shabrinaayuhan@gmail.com](mailto:shabrinaayuhan@gmail.com)<sup>1</sup>, [jenisusyanti@unisma.ac.id](mailto:jenisusyanti@unisma.ac.id)<sup>2</sup>

**Abstract .** This research aims to identify and analyze the application of Total Quality Management (TQM) and its relationship with businesses and organizations that contribute to the development of an organization's Business Process Management (BPM). The method used is a literature review of 30 research articles that can be accessed openly on Google Scholar with national and international indexes within the last 5 years. The conclusion was that TQM had a major influence on organizational and business practices in hospitals, educational institutions and companies. And has a positive effect on the dimensions of work motivation, innovation, employee performance, reward systems, organizational performance and other dimensions.

**Keywords :** Total Quality Management ; Business Process Management, Organization

### 1. BACKGROUND

In the last decade, global competition has made organizations increasingly understand the importance of effective management processes, smaller product turnover, and the importance of complete information analysis so that the decisions made are effective (Truong et al., 2023) . Increasingly fierce competition is marked by the development of industrial technology such as artificial intelligence and digitalization to make organizations more efficient and innovative performance is required (Broday, 2022) ; (Thekkoote, 2022) .

Utilization and reliance on technology and corporate information systems act as a way to organize and process large amounts of information, automate fixed tasks, and streamline business processes. This creates a huge workload on information systems, increasing requirements for evolutionary maintenance, and rapid depreciation of quality.

The market situation continues to experience drastic and complex changes ( (Permana et al., 2021) . Organizations continually face challenges in small to large levels regarding globalization, change, rapid technological development, competition, disruption, the arrival of new markets. Demands for Product quality, high service, increasingly express delivery and competitive prices are customer needs in this era so that businesses can survive and run. Business process management (BPM) is used by organizations as management for the redesign of a business process by providing services for various purposes and contexts with the capital of developing basic BPM capabilities, it becomes a source that plays a role in providing integration of systems with organizational business processes so that the potential for creating

great quality in operations and responsiveness to fluctuations in market situations. This is related to the awareness of instilling quality in all business processes and organizations so that many organizations use Total Quality Management (TQM) to face the challenges mentioned previously. TQM which relies on processes is closely related to BPM (Ibrahim & Rusdiana, 25: 2021). Organizations need TQM so that the products and services they produce are of high quality (Pabendon et al., 2023) . Sustainable quality from a framework and preparation of quality management tools is obtained from TQM (Arifin et al., 2022) . The benefits of using TQM by many organizations around the world provide significantly beneficial results. Where the TQM approach emphasizes how effective processes and responses to meet customer needs are part of the organization's success. This TQM management concept provides a new road map in terms of thinking so that customer satisfaction, innovation and good service occur sustainably.

This research aims to analyze the development and benefits of implementing TQM in organizations and businesses in research journals over the last 5 years and what contributions TQM has made to practitioners and researchers for the development of challenges to organizations and businesses in the future.

## **2. THEORETICAL STUDY**

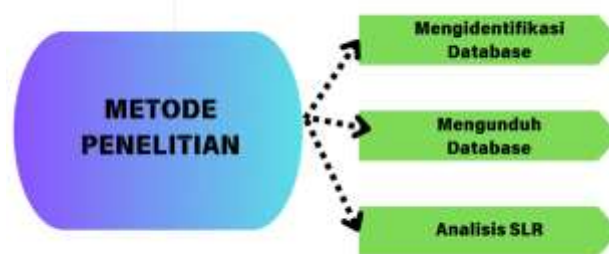
Total Quality Management (TQM) refers to a form of management that continuously makes improvements with capital values, specific techniques, and tools that encompass major activities to provide increased customer satisfaction with the quality of products and services increasing continuously and empowering as many resources as possible (Abbas & Kumari, 2021) . TQM is an approach to maximize competitive strength and continuously make improvements and changes to products, workforce, services, the environment and business processes. The basic idea of TQM actually lies in how an organization or company makes its workforce create products or services with the best results (zero defects) then learns from mistakes and improves them for the future.

There are several main values in TQM with various models, namely Business Excellence Models (BEMs). There are three types of BEMs that are commonly used, namely EFQM, SIQ, and MBNQA (ASQ, 2018). Competitive advantage means that many organizations gain valuable value from this quality model and continue to make improvements and changes to the management structure. From the latest research, researchers focus on the main stream of process management, customers, leadership, HRM, strategic planning, and analysis and information with the six MBNQA models. These six dimensions were examined

for their use regarding knowledge management, organizational performance, and TQM (Abbas, 2020) .

### 3. RESEARCH METHODS

The method used in this research is to use a literature review of themes or keywords regarding Total Quality Management (TQM) and its application in business and organizations. Analysis of literature reviews about Total Quality Management (TQM) comes from databases processed via Google Scholar as a research collection analysis site. This research was applied to identify articles published during the last 5 years, namely from 2020-2024. The articles taken were 30 research articles that had been indexed in national and international journals in both Indonesian and English.



**Figure 1. Research Method**

Source: Processed by Researchers, 2024

Researchers take advantage of open access to articles at no cost so that they can be accessed generally and the articles can be read in full. Furthermore, the downloaded article will be used as a reference by citing it. A total of 30 research articles were arranged sequentially based on the highest number of citations and then analyzed. Analysis of the relationship and application of TQM to various fields, especially for businesses and organizations.

### 4. RESULTS AND DISCUSSION

Analysis of 30 research articles that have been taken via Google Scholar which have been downloaded as PDFs and their citations are then extracted to explain how Total Quality Management (TQM) is implemented in various fields, namely business and organizations. The results explain the list of research articles taken from the 10 articles with the most citations which have become the most dominant mainstream research in the last 5 years. Then the discussion will explain all 30 research articles that have been downloaded to thoroughly understand important research regarding TQM. In the discussion, the 10 articles will be systematically discussed and their findings explained, then followed by 20 further research

articles so that a total analysis is carried out on all articles that have been used in this literature review research. The list of research articles is arranged based on: author and year, title, results, number of citations. The list of articles will be sorted as in table 1 as follows.

**Table 4.1 List of the 10 Most Cited Articles**

No.	Author and Year	Title	Results	Number of Citations
1.	Ilyas Yasin, 2021	Cultural Problems of Improving the Quality of Education in Indonesia: Total Quality Management Perspective	<ul style="list-style-type: none"> <li>TQM is the basis for achieving integrated education quality standards for education practitioners</li> </ul>	60
2.	Ella Anastasya Sinambela and Didit Darmawan, 2021	The Influence of Total Quality Management and Knowledge Management on Organizational Performance	<ul style="list-style-type: none"> <li>There is an influence between TQM on organizational performance</li> <li>There is an influence of knowledge management on organizational performance</li> </ul>	51
3.	Erlina Yuliyati, 2020	Human Resource Development Based on Total Quality Management at Muhammadiyah Prambanan Vocational School	<ul style="list-style-type: none"> <li>There is an application of human resource management, namely TQM, which makes continuous quality improvements so that Prambanan Muhammadiyah Vocational School becomes a superior school and is trusted by the public.</li> </ul>	48
4.	Raziki Waldan, 2020	Total Quality Management in an Islamic Perspective	<ul style="list-style-type: none"> <li>TQM plays an important role in organizational and individual awareness to improve performance in an Islamic perspective</li> </ul>	38
5.	Nanang Setiawan, 2021	Determination of Work Motivation and Employee Performance: Total Quality Management and Leadership Style (Literature Review of Human Resource Management)	<ul style="list-style-type: none"> <li>There is an influence of TQM on work motivation</li> <li>There is an effect of leadership style on work motivation</li> <li>There is an impact of TQM on employee performance</li> <li>There is an influence of</li> </ul>	37

			<p>leadership style on employee performance</p> <ul style="list-style-type: none"> <li>• There is an effect of work motivation on employee performance</li> </ul>	
6.	Lailatul Azizah and Silvia Witri, 2021	Improving the Quality of Education through the Implementation of Total Quality Management in the School Accreditation Program	<ul style="list-style-type: none"> <li>• Implementing TQM can improve the quality of education by setting quality standards, changing culture, and maintaining relationships with customers.</li> </ul>	33
7.	Nur Rahmi Sonia, 2021	Total Quality Management in Higher Education Institutions	<ul style="list-style-type: none"> <li>• TQM is able to become the basis of quality management and an alternative to make customers satisfied in service so that there is customer loyalty.</li> </ul>	28
8.	Farah Chalida Hanoum Tejanagara, Fajar Gumilang Kosasih, and Ratna Tri Hari Safariningsih, 2022	Implementation of Total Quality Management (TQM) in Improving the Quality of Hospital Services	<ul style="list-style-type: none"> <li>• TQM improves the quality of hospital services with the availability of medical equipment facilities and services with reliable medical personnel and there are partnerships with the government and foreign investors to make hospitals better with integrated quality management</li> </ul>	28
9.	Firazzahran Naila Badzaly, 2021	The Effect of Implementing Total Quality Management, Work Motivation and Organizational Commitment on Managerial Performance	<ul style="list-style-type: none"> <li>• There is an influence of the application of total quality management on managerial performance, there is an influence of work motivation on managerial performance, there is an influence of organizational commitment on managerial performance</li> </ul>	27
10.	Arif Rachman Putra and Rahayu Mardikaningsih, 2022	Study on Employee Performance Reviewing from Leadership, Innovative Behavior and Work Engagement	<ul style="list-style-type: none"> <li>• Accurate implementation of TQM can improve employee performance</li> </ul>	26

			<ul style="list-style-type: none"> <li>The effectiveness of the remuneration system can increase employee performance, but the influence of TQM is greater than the remuneration system</li> </ul>	
--	--	--	--	--

Source: Data Processed by Researchers, 2024

From the list of research shown in the table above, there are 10 research articles that have been quoted or cited the most. The results and discussion found in this research regarding TQM are that TQM is a source for achieving integrated education quality standards in Indonesia (Yasin, 2021) and helps teacher performance improve (Maksum, 2020) ; (Fahrudin, 2020) , although in other institutions TQM is very functional in improving quality, it is still difficult to implement as a whole because quality design still includes internal aspects (Syarifah, 2020) . Then determine quality standards and maintain relationships with customers (Azizah & Witri, 2021) . In the form of goods, product quality is also determined by the implementation of TQM (Dasmaela et al., 2020) . Not only schools, higher education institutions also benefit from TQM, especially in terms of improving quality (Sonia, 2021) .

On the other hand, in institutions such as hospitals, the availability of medical facilities and equipment where hospital services become more shared due to the impact of TQM can be an important concern (Tejanagara et al., 2022) . The application of TQM was also carried out on company employees in Sidoarjo, East Java, where there was an influence between TQM and knowledge management on the performance of company employees engaged in animal feed manufacturing (Sinambela & Darmawan, 2021) as well as the impact on the operational performance of other companies (Huda et al., 2022) . Customer satisfaction as a targeted part of the TQM implementation model is also positively related (Suyono et al., 2020) ; (Fiestasari, 2021) , as well as its impact on work quality (Suwono & Hasibuan, 2022) . The implementation of TQM has succeeded in making Muhammadiyah Prambanan Vocational School a school that has an orientation towards continuous quality improvement (Yuliyati, 2020) .

Viewed from an Islamic perspective, TQM can be supported by playing a role in organizational performance and individual awareness of the organization (Waldan, 2020) . HRM variables are involved and also related to TQM, where the positive relationship of TQM to work motivation and employee performance is explained (Suwarno et al., 2020) ; (Setiawan, 2021) ; (Surveyandini & Achadi, 2021) ; (Rahmi et al., 2022) , managerial performance also has a relationship with the TQM model (Alansori et al., 2021) ; (Badzaly, 2021) as well as with financial performance (Kumala & Widyarti, 2020) , performance measurement systems and

reward systems mediate the role of TQM which has an impact on the company's managerial performance (Marpaung et al., 2022) . However, apart from TQM, the remuneration system plays an important role in influencing employee performance, although it is not more dominant than TQM (Putra, 2022) , therefore apart from employee performance, company performance is a variable that is influenced by TQM (Antari & Setiawan, 2022) . *Sustainability management* is a variable influenced by TQM in research conducted by (Wesly et al., 2021) . In research conducted by, TQM did not affect company profits but only had an impact on managerial performance in case studies in MSMEs (Chaerunisak & Aji, 2020) , in other MSMEs the influence of TQM on operational performance was positive (Khoviani & Izzaty, 2020) ; (Lestari & Sutrisna, 2021) . MSMEs in Bengkulu have good organizational performance due to TQM, but the mediating role of innovation cannot influence it (Yuniarti, 2021) .

## 5. CONCLUSIONS AND RECOMMENDATIONS

From the analysis discussed previously, it can be concluded that the application of TQM in various types of organizations and business activities has a very big impact. TQM , which has the principle of continuing to make continuous improvements in creating quality products, customer satisfaction, business processes and others, provides opportunities for organizations such as educational institutions, hospitals and companies to improve quality, integrated quality, and effectiveness and efficiency. Therefore, the relationship between TQM and so many dimensions or variables greatly influences business and organizational continuity, such as innovation variables, work motivation, employee and organizational performance, reward systems and performance measurement, sustainability management, financial performance, managerial performance and others. However, of all the research articles discussed, employee performance variables are the ones most researched by the authors. In this way, future research regarding TQM and its application in various dimensions, especially those that have not been widely researched, can be developed for the success of business processes and ongoing organizational progress.

Future research is expected to be able to develop research on TQM with broader dimensions and be able to use various sources and references. Selection and downloading of journals with higher indexes such as international journals such as Scopus and Web of Science can be used as research references. It is hoped that the literature review will be able to achieve objectivity and enrich the repertoire of research and literature in the future.

## REFERENCE

- Abbas, J. (2020). Impact of total quality management on corporate green performance through the mediating role of corporate social responsibility. *Journal of Cleaner Production* , 242 , 118458. <https://doi.org/https://doi.org/10.1016/j.jclepro.2019.118458>
- Abbas, J., & Kumari, K. (2021). Examining the relationship between total quality management and knowledge management and their impact on organizational performance: a dimensional analysis. *Journal of Economic and Administrative Sciences* , 39 (2), 426–451.
- Alansori, A., Listyaningsih, E., Yuliansyah, Y., Lukman, I., & Sariningsih, E. (2021). The influence of Total Quality Management, technology and organizational culture on managerial performance. *Journal of Accounting, Finance, and Management* , 2 (2), 129–139.
- Antari, LPR, & Setiawan, PY (2022). The influence of total quality management on PT company performance. *Pos Indonesia (Persero) Denpasar 80000. Fair Value: Scientific Journal of Accounting and Finance* , 4 (9), 4058–4072.
- Arifin, S., Darmawan, D., Hartanto, CFB, & Rahman, A. (2022). Human resources based on total quality management. *Journal of Social Science Studies (JOS3)* , 2 (1), 17–20.
- Azizah, L., & Witri, S. (2021). Improving the quality of education through implementing total quality management in the school accreditation program. *Dawuh Guru: Journal of MI/SD Education* , 1 (1), 69–78.
- Badzaly, F.N. (2021). The influence of implementing total quality management, work motivation and organizational commitment on managerial performance. *Journal of Accounting Research* , 66–71.
- Broday, E.E. (2022). The evolution of quality: from inspection to quality 4.0. *International Journal of Quality and Service Sciences* , 14 (3), 368–382.
- Chaerunisak, UH, & Aji, AW (2020). Implementation of Total Quality Management on the Impact of Managerial Performance and Company Profits in Yogyakarta MSMEs. *Equatorial Journal of Informatics* , 7 (1), 10–14.
- Dasmasela, VM, Morasa, J., & Rondonuwu, S. (2020). Implementation of total quality management for defective products at PT. Sinar Pure Foods International in Bitung. *Indonesian Accounting Journal* , 2 (2), 97–102.
- Fahrudin, AA (2020). Implementation of Total Quality Management in Improving the Quality of Education at MA Mamba'ul Hisan Sidayu Gresik. *JIEMAN: Journal of Islamic Educational Management* , 2 (1), 1–12.
- Fiestasari, SPA (2021). THE INFLUENCE OF TOTAL QUALITY MANAGEMENT, SERVICE QUALITY, AND PRODUCT PRICES ON CUSTOMER SATISFACTION OF THE INDEPENDENT TEACHER LEARNING PROGRAM ON THE SCHOOL PLATFORM. *YOUR. Journal of Management and Business Economics* , 2 (2), 56–64.



- Huda, M., Hartati, N., & Safitri, W. (2022). Implementation of Total Quality Management through Quality Culture on the Operational Performance of Hyundai Area Manufacturing Companies. *JSMA (Journal of Management Science and Accounting)* , 14 (2), 108–118.
- Ibrahim, T. & Rusdiana, A. (2021). *Integrated quality management*. Bandung: Yrama Widya Publishers.
- Khoviani, FS, & Izzaty, KN (2020). Application of entrepreneurial orientation to MSME performance with total quality management as an intervening variable. *Magisma: Scientific Journal of Economics and Business* , 8 (2), 62–76.
- Kumala, NS, & Widyarti, MTH (2020). The effect of implementing total quality management on financial performance with a performance measurement system as a moderating variable at CV Mutiara Abadi Semarang. *Actual Journal of Applied Business Financial Accounting (ACUNBISNIS)* , 3 (1), 1–16.
- Lestari, SP, & Sutrisna, A. (2021). Analysis of Operational Performance During the Covid-19 Pandemic Using Total Quality Management (TQM) and Supply Chain Management (SCM) in Tasikmalaya City MSMEs. *Exist: Scientific Journal of Economics and Business* , 12 (2), 164–169.
- Maksum, M. (2020). Implementation of Total Quality Management (TQM) as an effort to improve teacher performance in learning. In *Jenius: Journal of Education Policy and Elementary Education Issues* , 1 (2), 63–73.
- Marpaung, SRN, Hizazi, A., & Wiralestari, W. (2022). The influence of total quality management on managerial performance with a performance measurement system and reward system as intervening variables (empirical study on state-owned companies in Jambi City). *Journal of Economic Paradigms* , 17 (1), 137–148.
- Pabendon, T., Mahfudnurnajamuddin, M., & Serang, S. (2023). The Effect of Implementing Total Quality Management (TQM) on Production Efficiency in the Food Industry in Indonesia: A Literature Review. *Management Studies and Entrepreneurship Journal (MSEJ)* , 4 (3), 3234–3241.
- Permana, A., Purba, HH, & Rizkiyah, ND (2021). A systematic literature review of Total Quality Management (TQM) implementation in the organization. *International Journal of Production Management and Engineering* , 9 (1), 25–36.
- Putra, AR (2022). Improving employee performance through the implementation of total quality management and the effectiveness of the remuneration system. *International Journal of Service Science, Management, Engineering, and Technology* , 2 (2), 1–5.
- Rahmi, R., Nelly, N., & Noraizza, N. (2022). The Influence of Education Level and Implementation of Total Quality Management on Employee Performance at the Pidie Jaya Regency Financial Management Agency. *Humanities Journal: Journal of Social, Economic and Legal Sciences* , 6 (1), 73–86.
- Setiawan, N. (2021). Determination of work motivation and employee performance: total quality management and leadership style (literature review of human resource management). *Journal of Law, Humanities and Politics* , 1 (3), 372–389.

- Sinambela, EA, & Darmawan, D. (2021). The Influence of Total Quality Management and Knowledge Management on Organizational Performance. *Brilliant: Journal of Management and Business Economics* , 1 (4), 1–12.
- Sonia, N.R. (2021). Total Quality Management in Higher Education Institutions. *Southeast Asian Journal of Islamic Education Management* , 2 (1), 125–139.
- Surveyandini, M., & Achadi, A. (2021). The effect of implementing total quality management on employee performance at American English course and training institutions in Purwokerto. *Sebatik* , 25 (1), 241–247.
- Suwarno, S., Aprianto, R., & Suberthi, M. (2020). The Influence of Total Quality Management (TQM) and Organizational Culture on Employee Performance. *Journal of Management Science* , 9 (2), 165–176.
- Suwono, S., & Hasibuan, RR (2022). Total Quality Management (TQM) on Financial Performance with Work Quality as a Mediating Variable in Manufacturing Companies. *E-Bus Journal* , 6 (2), 606–619.
- Suyono, S., Purwati, AA, & Cutan, M. (2020). The Role of Service Quality, Total Quality Management and Promotion on Customer Satisfaction. *INVEST: Journal of Business Innovation And Accounting* , 1 (1), 45–56.
- Syarifah, LS (2020). Islamic boarding school quality design based on Total Quality Management (TQM). *NIZĀMULILMI: Journal of Islamic Education Management* , 5 (1), 68–82.
- Tejanagara, FCH, Kosasih, FG, & Safariningsih, RTH (2022). Implementation of Total Quality Management (TQM) in Improving the Quality of Hospital Services. *SIAM International Journal* , 1 (01).
- Thekkoote, R. (2022). Enabler toward successful implementation of Quality 4.0 in digital transformation era: a comprehensive review and future research agenda. *International Journal of Quality & Reliability Management* , 39 (6), 1368–1384.
- Truong, B.Q., Nguyen-Duc, A., & Van, N.T.C. (2023). A Quantitative Review of the Research on Business Process Management in Digital Transformation: A Bibliometric Approach. *Software* , 2 (3), 377–399.
- Waldan, R. (2020). Total Quality Management in an Islamic Perspective. *ICRHD: Journal of International Conference on Religion, Humanity and Development* , 1 (1), 259–268.
- Wesly, J., Kristiana, V., Bong, T., & Saputra, N. (2021). The influence of digital leadership, total quality management, and knowledge management on sustainability management in companies in DKI Jakarta. *Management and Organizational Studies* , 2 (2), 97–124.
- Yasin, I. (2021). Cultural Problems of Improving Education Quality in Indonesia: Total Quality Management Perspective. *Ainara Journal (Journal of Research and PKM in the Field of Education)* , 2 (3), 239–246.

- Yuliyati, E. (2020). Human Resource Development Based on Total Quality Management at Muhammadiyah Prambanan Vocational School. *Al-Tanzim: Journal of Islamic Education Management* , 4 (1), 24–35.
- Yuniarti, R. (2021). The Role of Innovation in Total Quality Management and Organizational Performance. *Pamator Journal: Trunojoyo University Scientific Journal* , 14 (2), 150–157.