

UNIT II

TQM THEORIES

Deming's 14 Points Theory

W. Edwards Deming's contributions to Total Quality Management (TQM) stand out as truly revolutionary. Deming, an American statistician and management consultant, played a pivotal role in Japan's economic revival post-World War II.

His philosophy, encapsulated in his 14 Points, forms the bedrock of TQM and continues to shape modern quality management practices.

Deming's approach to quality was holistic, emphasizing the importance of systems thinking and continuous improvement.

This philosophy aligns closely with methodologies like Six Sigma, where professionals often pursue Six Sigma certification to master data-driven problem-solving and process optimization.

Deming's 14 Points, The System of Profound Knowledge

Deming's 14 Points are an outgrowth of what Deming called the "**System of Profound Knowledge**".

This system comprises four interrelated components: appreciation for a system, knowledge about variation, theory of knowledge, and psychology.

1. **Appreciation for a system:** This involves understanding how different parts of an organization interact and affect each other.
2. **Knowledge about variation:** Recognizing the difference between common and special causes of variation in processes.
3. **Theory of knowledge:** Understanding how we learn and make decisions based on data.
4. **Psychology:** Recognizing human behavior and motivation in the workplace.

These components form the philosophical foundation for Deming's 14 Points, providing a framework for transforming management practices and organizational culture.

Deming's 14 Points Explained

Now, let's see the Deming's 14 Points. As we explore these principles.

1. Create Constancy of Purpose

This point emphasizes the importance of long-term planning and vision.

Clear, consistent purpose can drive innovation and improvement. It's about focusing on becoming competitive, staying in business, and providing jobs, rather than short-term profits.

2. Adopt the New Philosophy

This principle calls for a fundamental shift in thinking. It's about embracing quality as a core value, not just a department or initiative.

3. Cease Dependence on Inspection

Deming argued that quality should be built into the process, not inspected after the fact. This aligns closely with methodologies emphasized in six sigma certification programs, which focus on building quality into the process through improvement and statistical process control, rather than relying solely on inspection.

By focusing on prevention rather than detection, we can significantly reduce defects and improve overall quality, a skillset developed through root cause analysis training to identify and address process inefficiencies at their source.

4. End the Practice of Awarding Business on Price Alone

This point stresses the importance of building long-term relationships with suppliers based on quality and trust, not just price.

This approach can lead to more consistent quality and lower total costs in the long run.

5. Improve Constantly and Forever

Continuous improvement is at the heart of both Deming's philosophy and Six Sigma, and earning a six sigma green belt certification equips professionals with the tools to consistently enhance processes and products.

It's about never being satisfied with the status quo and always looking for ways to enhance processes and products.

6. Institute Training on the Job

Effective training is crucial for quality improvement. This can range from foundational awareness programs, like those covered in Six Sigma White Belt certification or a Lean Introduction, to more involved, job-specific training to ensure everyone understands their role in the quality system.

Well-designed, job-specific training can dramatically improve performance and reduce errors.

7. Institute Leadership

Deming emphasized that managers should be leaders, not just supervisors.

This involves understanding the work being done, providing support, and fostering an environment of continuous learning and improvement.

8. Drive Out Fear

Fear stifles innovation and honest communication.

Creating a culture where employees feel safe to speak up and take calculated risks is essential for true quality improvement.

9. Break Down Barriers Between Departments

Silos can be a major obstacle to quality improvement. In my work on cross-functional projects, breaking down these barriers can lead to better communication, more efficient processes, and higher quality outputs, principles that are central to the fundamentals of lean and support cross-functional collaboration.

10. Eliminate Slogans and Exhortations

Deming argued that slogans without substantive support can be demoralizing. Instead, focus on providing the tools and resources necessary for employees to do their best work.

11. Eliminate Numerical Quotas

Arbitrary quotas can lead to poor quality and low morale. Instead, focus on improving processes and providing the support necessary to achieve high-quality results.

12. Remove Barriers to Pride of Workmanship

Employees should be able to take pride in their work. This means removing obstacles that prevent them from doing their best, whether it's outdated equipment, poor training, or ineffective management practices.

13. Institute a Vigorous Program of Education and Self-improvement

Continuous learning is essential in this business environment. Ongoing education can drive innovation and improve quality.

14. Put Everybody in the Company to Work Accomplishing the Transformation

Quality improvement is everyone's responsibility.

This point emphasizes the need for a company-wide commitment to transformation and continuous improvement.

Impact of Deming's 14 Points on Business Management

Deming's 14 Points have had a profound impact on the development of Total Quality Management and continuous improvement methodologies like Six Sigma.

They've shifted focus from inspection to prevention, emphasized the importance of systems thinking, and highlighted the critical role of leadership in quality management.

Long-term Effects of Deming's 14 Points on Organizational Culture and Performance

Organizations that successfully implement Deming's 14 points often see significant improvements in quality, productivity, and employee satisfaction.

These principles can transform organizational culture, fostering innovation, collaboration, and a genuine commitment to quality.

The Enduring Relevance of Deming's 14 Points

Deming's 14 Points continue to be relevant today.

They provide a comprehensive framework for quality management that goes beyond mere tools and techniques, addressing fundamental issues of leadership, culture, and systems thinking.

Future of quality management in light of Deming's 14 Points

As we look to the future, Deming's principles will continue to shape quality management practices.

The emphasis on continuous improvement, data-driven decision making, and systems thinking aligns well with emerging trends in technology and management.

While the specific tools and techniques may evolve, the fundamental principles outlined in Deming's 14 Points will continue to guide organizations in their pursuit of excellence.

As quality professionals, it's our responsibility to understand, apply, and evolve these principles to meet the challenges of the future.