Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

# TOTAL QUALITY MANAGEMENT IN INDIA: A STUDY OF ITS EFFECT ON SERVICE INDUSTRY PERFORMANCE

# Dr.Manjinder Singh, Associate Professor

Department of Mechanical Engineering, Shaheed Bhagat Singh State Technical Campus, Ferozepur

## 1.1 Abstract

With the accelerated pace of change, organizations strive to deliver better products and services than their competitors to ensure survival and sustainability. In this era of rapid changes, acquisitions, mergers, evolving customer demand and global competition, organizations must continuously measure and monitor the quality of products and services delivered to end customers. The increasing complexity of customer expectations makes business operations more challenging, requiring industries to adopt structured quality management frameworks. While future trends in manufacturing can be forecasted with reasonable accuracy, the service sector faces unpredictability due to factors like perishability, heterogeneity, and intangibility. In such a dynamic environment, Total Quality Management (TQM) plays a crucial role in helping organizations manage both external pressures (customers, suppliers, and distributors) and internal operations (employees and management processes). India's economy is now dominated by the service sector, which contributes more to GDP than manufacturing (<u>www.indianbusiness.nic.in</u>). The accelerated growth in services is largely driven by liberalization and privatization, leading to expansion in key sectors such as education, fast food, retail, telecommunications, transportation, and banking. These sectors have grown substantially over the past decade, making TQM adoption critical for maintaining service excellence and competitive advantage. A literature review highlights a limited number of studies on TOM in India's service sector, despite its major contribution to the country's GDP. In a developing economy like India, where services dominate, quality management cannot be left to chance. Instead, a systematic approach is needed to enhance efficiency, customer satisfaction, and business sustainability. This study aims to identify the key drivers of TQM in Indian service industries and explore the challenges and opportunities in implementing quality management frameworks. This study's findings will benefit researchers and industry practitioners by offering insights into the future direction of service quality enhancement. Additionally, this research will help identify weaknesses in the service sector and suggest strategies for improvement, ensuring that Indian service industries remain globally competitive and customer-focused.

**Keywords:**Total Quality Management; Service Industry; Indian Economy; Quality Management Strategies; Research Agenda; Business Sustainability

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

#### 1.2 Introduction

The rapid changes during the 21st century resulting from technological advances coupled with world market liberalization innovation requirements and speed-based demands force all organizations, including manufacturing and service companies, to restructure their plans in order to stay competitive (Oakland, 2014). Modern organizations increasingly need to shift their focus toward customer needs because Deming (1986) declared that market orientation and knowledge management and external perspective are now essential. Total Quality Management (TQM) stands as the most important business tool for developing capabilities while enhancing customer satisfaction and securing competitive advantages, according to Juran (1992). Businesses implement strategic advantages through TQM, continuous improvement, and business process reengineering (Hammer & Champy, 1993) in the current vertical integration and merger and acquisition business environment.

Service industries control the world economy, including India as one of its main contributors. Services contribute a larger portion to the GDP of India as opposed to manufacturing, according to statistical data obtained from the Government of India (2013). Service growth has accelerated due to Indian government policies for liberalization, privatization, and foreign investment (Kumar & Sharma, 2010). Service industries like education and retail, along with telecommunications, banking, and transportation, have experienced major growth since the beginning of the last decade, according to the World Bank (2010). Emphasizing quality management enables growing industries to maintain their expansion together with satisfied customer interactions (Parasuraman, Zeithaml, & Berry, 1988). The education sector in India experienced a significant transformation because private educational institutions started along with distance learning through online platforms and acceptance of financial assistance from students at government-run schools and admissions from international schools (Naik, 2013). Institutions in this highly competitive sector need more than past performance success since they must constantly innovate and improve their practices to stay competitive (Harrington & Harrington, 1996).

The banking sector underwent radical changes because of globalization privatization, and digitization, which led banks to provide customers with digital banking services and financial products as well as worldwide transaction capabilities (KPMG, 2012). In order to compete in the fast-changing financial landscape, Indian banking institutions need to prioritize quality implementation combined with security enhancements and improved customer service experiences (Gupta & Jain, 2014).

TQM has proven to be a vital management approach since it helps organizations tackle marketoriented challenges and operational efficiency needs in this evolving and competitive business

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com

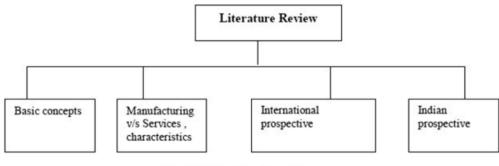
Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at:

Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

landscape (Goetsch & Davis, 2014). Organizations benefit from TQM by improving their productivity and customer service and establishing an ongoing enhancement process (Crosby, 1979). This research aims to study TQM practices in Indian service sectors alongside their impact on performance levels, competitive strength, and customer satisfaction rates.

#### 1.3 Literature Review

Total Quality Management (TQM) serves as a formal approach that dominates manufacturing alongside service industries for ongoing improvement and customer satisfaction and process effectiveness. The research on TQM splits into four main types of content, including Basic Concepts and Manufacturing compared to Services Characteristics alongside International perspectives and Indian research findings (Refer to Fig. 1.1: Classification of Literature.



The Basic Concepts of TQM focus on its core principles, methodologies, and implementation strategies. TQM's effects on quality enhancement and defect reduction and continuous improvement culture have been thoroughly researched by Deming (1986), Juran (1993), and Crosby (1979). The core fundamentals of TQM comprise alignment between customer needs, worker involvement, system optimization and outcome assessment. Several studies indicate that TQM implementation leads organizations to become more efficient along with improving brand recognition and achieving greater profitability.

Studies indicate that TQM implementation demonstrates different characteristics in manufacturing operations versus service operations. TQM in manufacturing helps companies achieve superior products while reducing faults and maximizing process performance through tools such as ISO certifications and Six Sigma plus Lean Manufacturing. Service businesses have to navigate complex implementation of TQM because they work with intangible outputs, dynamic quality aspects, and customer service interactions. Willis Parasuraman et al. (1988), together with Valarie Zeithaml et al. (1990), explained that TQM within services demands continuous customer surveys alongside standard operating procedures and trained personnel to uphold excellent service quality.

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: http://www.ijmra.us, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

The framework for analyzing different country success in implementing quality management methods is explored at the International Perspective on TQM level. Many industrial operations in Japan follow TQM principles through the use of Kaizen (Continuous Improvement) and Just-in-Time (JIT) methods, according to Imai (1986). Within the United States TQM integrates Six Sigma and Total Employee Involvement for error prevention alongside efficiency expansion (Crosby, 1979). Germany uses Total Productive Maintenance (TPM) together with ISO 9001 compliance to boost operational quality according to Dale (2003). China, alongside Brazil, has adopted TQM to reach greater competitiveness while their governments provide regulatory support and financial incentives (Yang, 2006).

Total Quality Management initiatives in India depend on governmental policies and sector-driven quality management efforts backed by the state. The Make in India program, together with the Zero Defect Zero Effect (ZED) certification along with the Quality Council of India (QCI) guidelines, serve as vital tools to promote TQM adoption among different industry sectors. The findings demonstrate that Indian manufacturing sectors have accomplished better implementation of TQM than their service sectors because they have well-organized procedures with quantifiable quality specifications (Mukherjee, 2012). The service sector faces difficulties with expensive implementation, poor awareness levels, and uneven regulatory enforcement that restrict TQM adoption, making it move at a slower pace.

The existing literature about TQM helps us understand the fundamental principles, sector-specific implementations, and international leadership models in quality management practices. Emerging economies such as India are building their TQM strategies through refinement to reach quality excellence across their industries although developed nations already cemented TQM in their business operations. The adoption of TQM in Indian industries can get stronger by removing financial obstacles, fixing regulatory flaws, and enhancing quality management awareness.

# 1.4 Basic Concept of Total Quality Management

After World War II, there was an American statistician named W. Edwards Deming, who pioneered an enterprise known as Total Quality Management (TQM), which acted as a production quality improvement for goods and services. Total Quality Management is a coherent system of managing the organization's processes with regard to their continuous improvement, increased efficiency, and customer satisfaction within organizational structures. Total Quality Management is yet another broad management strategy aimed at the continuous growth of business and improving the quality of implemented systems.

Hill (1991) explains that through TQM, organizations obtain these capabilities:

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com
Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at:
Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

- 1.The organization should innovate its products while developing new solutions and enhancing existing business processes to identify upcoming market opportunities.
- 2. The organization achieves better efficiency through cost-reduction measures that enhance quality standards.
- 3. The organization will adapt better to changes, which will lead to increased sustainability and market relevance in the long run.

Multiple scientific studies have proven Total Quality Management implementation to improve organizational performance outcomes directly. Total Quality Management practices link to organizational performance metrics using findings from Deming (1986) and Anderson et al. (1994) in addition to Deming (1986). Academic research by Juran (1988) and Crosby (1979) verifies TQM as an instrument for improving industrial processes, error reduction and operational efficiency enhancement. Academic research into TQM's manufacturing sector impact exceeds studies of its service industry adoption principles (Oakland, 2003). TQM has proven its increasing significance in banking, healthcare services, telecommunications, and education because service quality requirements and operational efficiency matter (Parasuraman, Zeithaml, & Berry, 1988).

India's modern business environment needs repeatable monitoring and control strategies to maintain competitive standing and guarantee quality stability (Chopra & Meindl, 2014). According to RBI (2012), organizations in India need to adopt TQM principles to adjust to worldwide quality standards and changing market needs. Implementing TQM becomes necessary for business operations because of the strategic importance demonstrated by the table below.

Table 1: Business Operations Because Of The Strategic Importance

Category	Past	Now	
Organization	Hierarchy	Network	
Focus	Profits and efficiency	Innovation & customer satisfaction	
Structure	Independent	Team work	
Worker			
Expectations	Security	Growth with self satisfaction	
Market	Domestic	Global	
Advantages	Cost	Time	
Culture	Compliance & Tradition	Commitment & Result	

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com
Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at:
Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

# 1.5 Total Quality Management In The Service Sector

Total Quality Management (TQM) started as a manufacturing strategic approach yet transformed into an extensive management philosophy that now serves service industry needs (Oakland, 2003). TQM preserves its essential elements of continuous development and customer-focused operations while serving services-based companies that measure quality through customer satisfaction levels and service-efficient delivery (Parasuraman, Zeithaml, & Berry, 1988). Service quality control systems depend on consistent processes and customer engagements alongside expert employees to reach high standards because they differ from manufacturing approaches (Gronroos, 1990).

The extensive nature of the service sector makes the identification process of its definition, together with its classification, very difficult. The service industry expands across consumer-oriented segments that provide direct individual service (Kotler & Keller, 2006), business-oriented segments that focus on corporate service delivery (Fitzsimmons & Fitzsimmons, 2011), and mixed-service sectors that offer services to both business and consumer customers (Lovelock & Wirtz, 2013). The tertiary sector, known as the service industry, stands as one of the three essential economic classes together with the secondary and primary sectors (Fisher, 1935). Most services qualify as intangible products, and their quality management challenges exceed those of manufactured items (Lovelock, 1983). The economist Sir Keith Joseph expressed through his 1979 writing "Monetarism is Not Enough" that manufacturing services wealth, but service activities tend to deplete wealth. Due to digital transformation, knowledge-based economies, and globalization, the service industry grew into a principal world economic growth factor (Drucker, 1993).

Industrialized countries made a major employment transition from manufacturing toward service industries since the 1960s, and India shows parallel progression (Singh, 2008). Modern economies showcase the service sector as their dominant force, encompassing banking, insurance agencies and government services, tourism and retail, and education establishments (RBI, 2010). Service-based industries operate differently from manufacturing ones because they need human expertise and collaboration alongside knowledge exchange (Berry, 1995). Service effectiveness depends on customer connections, immediate problem resolution, and tailored solutions due to which standardized service quality remains elusive (Parasuraman et al., 1985). Multiple service companies implemented Total Quality Management principles to boost operational effectiveness and deliver consistent service while building customer confidence despite their dissimilarities with manufacturing (Deming, 1986).

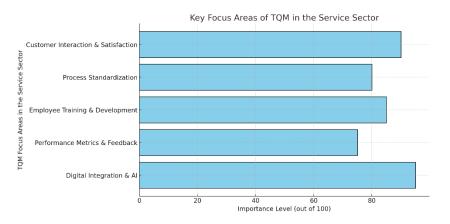
Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: http://www.ijmra.us, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

Fig 1.2: Key Focus Areas of TQM in the Service Sector



The service sector uses TQM to concentrate on multiple essential points. The quality of service heavily depends on direct customer interaction alongside satisfaction which demands high engagement and responsiveness from service providers. The centralized process standardization delivery system ensures that services delivered by different outlets match and that employees adhere to consistent protocols. Due to services being dependent on human resources TQM directs significant attention towards the training and development of employees. Service quality assessment relies on customer feedback, retention rates, and brand loyalty rather than physical defect rates while having essential performance metrics and continuous feedback methods. The quality enhancement process of traditional manufacturing operates through structured steps yet service quality demands swift accommodations derived from market conditions and customer requirements.

Businesses must adopt TQM methodologies Six Sigma and ISO 9001, because of competitive pressures and rising customer demands to boost operational efficiency and service quality standards. Quality management in the service industry is experiencing a new wave of transformation through digital tools and artificial intelligence-enabled service enhancements that process live customer data. TQM will remain essential for businesses to maintain service standards as they evolve toward a service economy since it helps businesses deliver enhanced efficiency and long-term customer connections in international service Industries.

# 1.6 Manufacturing Vs. Services: Tqm Implementation And Challenges

TQM delivers similar core concepts of man, material, and resource management for the manufacturing industry and service industry applications. Management practices and customer interactions are given superior importance in services, while manufacturing organizational systems

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com
Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at:
Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

primarily focus on their production processes. Installing TQM has a faster impact on services than on manufacturing since service delivery does not require gestation periods.

Different researchers have debated the distinctions between manufacturing and services, especially regarding product existence and their characteristics. Satisfying control standards becomes more challenging because services lack tangible qualities that exist in manufactured products. According to Zeithaml (1985), services possess four vital distinctions from products: intangibility and heterogeneity, inseparability and perishability, and the utilization of personnel.

- 1. **Intangibility** Services cannot be seen, touched, or stored like physical goods.
- 2. **Perishability** Services cannot be stockpiled for future use; they are consumed at the point of delivery.
- 3. **Heterogeneity** Service quality depends on provider performance and customer experience.
- 4. **Inseparability** Services are produced and consumed simultaneously, making quality control dependent on real-time customer interactions.

According to new findings from Parasuraman et al. (1988) and Mentzer et al. (2001), service quality perception is not constant. Because of this, service management is far from product quality management. The literature on the subject of TQM in manufacturing is vast; however, when one tries to include the booming field of service industries in today's economy, the number of available papers is considerably smaller.

The article under service management points out that differences exist between service and product, thus making TQM implementation. It was academics whose earliest work in defining characteristics of services started the first framework; Regan (1963), Rathmell (1966), Shostack (1977), and Zeithaml et al. (1985). The service characteristics are important in forming the research foundation of service buyer behaviour and quality control strategies, including intangibility and perishability, heterogeneity, and inseparability.

Present-day service marketers preserve these characteristics as essential elements because marketers, economists, and quality experts uphold their effectiveness in service and product differentiation (Zeithaml, 1981, 1985; Levitt, 1981). Yet, other scholars, including Regan (1963), Shostack (1977), and Onkvisit and Shaw (1991), have expressed doubts about their usefulness. The distinctive elements described by these characteristics affect contemporary strategies for marketing services while influencing research about consumers and quality management standards. A U.S.-based research project conducted by Hartman and Lindgren (1993) discovered that American consumers failed to exclusively base their product versus service discrimination on these four traditional characteristics. The geographical boundaries of this U.S. Midwestern-based research

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: http://www.ijmra.us, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

need additional validation through studies across European, Asian, and emerging markets, including India.

Industry type impacts TQM adoption because manufacturing operations differ from service operations in their products and their respective customer expectations. The core focus of manufacturing through TQM emphasizes defect reduction, process optimization, and efficiency; however, TQM in services concentrates on customer experience, training staff members, and standardizing processes. Additional studies need to continue because of service sector growth to enhance TQM approaches in service organizations by creating better quality measurement and customer retention practices.

Table 2: Select the suggested Measurement of TDM

Author /(year)	Saraph et al., (1989)	Flynn <i>et al.,</i> (1994)	Powell (1995)	Ahire et al., (1996)	Black & Porter (1996)	Dow et al., (1999)	Rahman (2000)
Suggested	Top management Leadership	Top management support	Committed leadership	Top management commitment		Workforce commitment	Leadership
Dimensions	Role of quality department	Quality information	Adoption & communication of TOM	Supplier quality management	Strategic quality management	Shared vision	Information and analysis
	Training	Process management	Closer Customer relationships	Supplier performance	Quality improvement measurement systems	Customer focus	Strategy and planning
	Product/service design	Product design	Closer supplier relationship	Customer focus	People & customer management	Use of teams	Employee empowerment & involvement
	Supply quality management	Workforce management	Benchmarking	SPC usage	Operational quality	Personnel training	Employee training & development
	Process management	Supplier involvement	Increased training	Benchmarking	management	Cooperative supplier relations	Customer management
	Quality data &	Customer	Open	Internal quality		Use of	Customer
	reporting Employee relations	involvement Employee empowerment	organization Employee involvement	information usage Teamwork structures	Use of advanced	benchmarking Design quality management	satisfaction Process control
			Zero-defects mentality	Employee training		Use of JIT principle	
			Flexible manufacturing	Design quality management	Communication of improvement information		
			Process improvement measurement	Employee empowerment			

# 1.7 Indian Perspective on Total Quality Management (TQM)

As India is a developing economy, particularly, it has undergone tremendous industrial growth in service industries accounting for more than ½ of the national GDP. The service sector alone accounted for the largest share of 55.1% in India's GDP within the year 2006-2007 (Government of India, Economic Survey, 2007). This is because of structural change that the Indian economy is gradually adopting the post-industrial economy characteristic of most developed countries whereby services are the highest contributing sector in the economy. They need a well-organized management to cope with the fast pace of growth of services. Thus, TQM is key to improving the sector's effectiveness, offering better services, and ensuring its survival. Total Indian services can

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com
Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at:
Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

be divided into trade and banking services, hospitality and telecommunications services, real estate and transportation services, and Health care and educational and consultant services.

India leads the global market in software services and business process outsourcing (BPO) and knowledge process outsourcing (KPO) sectors while contributing major exports to NASSCOM (NASSCOM, 2010). The financial sector, including banking services along with insurance, expanded because of liberalization policies, foreign investment, and technological improvements (Reserve Bank of India, 2006). It has rapidly grown because India has liberalized mobile technology through FDI and internet services (TRAI 2007).

Both the healthcare industry and the Educational sector in India grow because various private healthcare facilities along with medical facilities delivering international standard treatments make the country a medical tourist destination, and the need for higher education and professional courses is increasing globally (FICCI, 2008). Global competition in businesses makes it mandatory to apply Total Quality Management principles because it aims to enhance customer focus through constant improvement of services or products and efficiency of processes (Dale, 1999).

The growth of the Indian service sector was highly vibrant throughout the nineteen eighties and the nineteen nineties but its highest pace was in the nineties. The analysis of the resultant figure revealed that the Indian GDP services rose 21% from 1950 to 2000, which showed about 40% expansion happened during the 1990s (World Bank, 2002). These changes in structural adjustment, deregulation, and economic liberalization led to high foreign investments, and privatization brought about this trend (Bhagwati, 2004). The fastest expansion rate in the 1990s was noticeable in the communication, banking, housekeeping, community, and trade industries. Laxity in regulations used allowed them to enable innovation formation, FDI acquisition, and constant growth in service exports concurrently (Economic Survey of India 1999).

The increased provision of services in the economy has failed to contribute to increased employment opportunities. Though forward integration is important, the advanced leader service industries such as IT telecommunications and finance demand a well-specialized knowledge hence not employing numerous workers, which hinders labour absorption (Gordon & Gupta, 2004). Going further on this notion, Kuznets (1971) was of the opinion that sustained economic development involves industrial space, and these places could provide massive employment for citizens. However, economists are concerned with the current economic environment. The sustainability risks for service-led growth expansion result from failing to foster the industrial sector development because it leads to economic insecurity and high consumption of imported products (Ahluwalia, 2000).

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: http://www.ijmra.us, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

The establishment of Indian service centres across the world can be viewed as a justification for the fact that the growth of the service sector will remain progressive in the near future, as revealed in the study by NASSCOM (2010). Total Quality Management (TQM) should be adopted by organizations for the following reasons because the trend in an organization requires such a system to be able to handle challenges in the market, as well as be able to enhance and sort out customer satisfaction and organizational performance as pointed by Oakland (2003). Total Quality Management emerged as a tool to enable India to sustain the status of a servicing economy by cutting down operations and adhering to global benchmarks. Dale (1999) provided that the banking sector, health care services, and information technology organizations use TQM principles to improve organizational and sustainable customer satisfaction and business growth in overall functional progress.

The strategy of implementing quality management by these corporations has provided "Total Quality Management deployment "to many companies in India. There are numerous manufacturing cluster firms that are based in India, and they have good practices in quality improvement frameworks. Awards for top-quality management and the Deming Prize are becoming obtainable to TQM programs at these companies, as noted by Ishikawa (1985). Total Quality Management forms long-term results because it is not confined to certain manufacturing sectors but is a part of numerous business enterprises (Juran, 1992).

## 1.8 Challenges in TQM Implementation in Indian Industries

TQM adaptation within Indian organizations happens quickly, although various barriers remains that influence their implementation process. European and Japanese firms achieve operational efficiency above Indian businesses since their cultural patterns differ from the Indian methods of defining organizational responsibility. Japanese corporations use collective responsibility to ensure their employees find and execute proper remedies when mistakes occur (Deming, 1986). Indian organizations face operational barriers to TQM implementation because their employees are unwilling to accept responsibility (Oakland, 2003).

Various Indian organizations work to convert cultural mindsets into workplaces where personnel concentrate on quality advancements while adopting accountability measures. The contemporary philosophy of ownership, along with active improvement, must be adopted by Indian businesses to reach complete quality enhancement through employee participation. A cultural transition represents the essential necessity for TQM to deliver its highest impact within the Indian marketplace (Feigenbaum, 1991).

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: http://www.ijmra.us, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A

#### 1.9 Conclusion

The architectural transformation of India's economy now depends on service sector contribution which has transformed quality management into an essential element for business success. The Indian industries have successfully introduced TQM but need universal adoption across multiple business sectors for the system to create long-term effects. A positive relationship exists between Indian businesses and TQM, although obstacles to workplace performance enhancement and operational efficiency persist alongside challenges to changing the managerial approach. When Indian businesses succeed in resolving their quality management challenges, they will receive global recognition and establish long-term market competitiveness and sustainability globally.

## References

- 1. **Ahluwalia, M. S.** (2000). Economic performance of states in post-reforms period. *Economic and Political Weekly*.
- 2. **Anderson, J. C., Rungtusanatham, M., & Schroeder, R. G.** (1994). A theory of quality management underlying the Deming management method. *Academy of Management Review*.
- 3. **Berry, L. L.** (1995). Relationship marketing of services—growing interest, emerging perspectives. *Journal of the Academy of Marketing Science*.
- 4. **Bhagwati, J.** (2004). In defense of globalization. Oxford University Press.
- 5. **Chopra, S., & Meindl, P.** (2013). Supply chain management: Strategy, planning, and operation. *Pearson*.
- 6. Crosby, P. B. (1979). Quality is free: The art of making quality certain. *McGraw-Hill*.
- 7. **Dale, B. G.** (1999). Managing quality. *Blackwell Publishers*.
- 8. **Dale, B. G.** (2003). Managing quality. Wiley-Blackwell.
- 9. **Deming, W. E.** (1986). Out of the crisis. MIT Press.
- 10. **Drucker, P. F.** (1993). Post-capitalist society. *Harper Business*.
- 11. Economic Survey of India (1999). Ministry of Finance, Government of India.
- 12. **Feigenbaum, A. V.** (1991). Total quality control. *McGraw-Hill*.
- 13. **FICCI** (2008). The Indian healthcare sector. *Federation of Indian Chambers of Commerce and Industry*.
- 14. **Fisher, A. G. B.** (1935). The clash of progress and security. *Macmillan*.
- 15. **Fitzsimmons, J. A., & Fitzsimmons, M. J.** (2011). Service management: Operations, strategy, and information technology. *McGraw-Hill*.
- 16. **Goetsch, D. L., & Davis, S. B.** (2014). Quality management for organizational excellence. *Pearson*.
- 17. Gordon, J., & Gupta, P. (2004). Understanding India's services revolution. *IMF Working Paper*.
- 18. **Grönroos**, C. (1990). Service management and marketing: Managing the moments of truth in service competition. *Lexington Books*.

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at: Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

- 19. **Gupta, S., & Jain, R.** (2014). Digital banking transformation in India. *Journal of Banking & Financial Technology*.
- 20. **Hammer, M., & Champy, J.** (1993). Reengineering the corporation: A manifesto for business revolution. *Harper Business*.
- 21. **Harrington, H. J., & Harrington, J. S.** (1996). High-performance benchmarking: 20 steps to success. *McGraw-Hill*.
- 22. **Hill, S.** (1991). Why quality circles failed but total quality management might succeed. *British Journal of Industrial Relations*.
- 23. Imai, M. (1986). Kaizen: The key to Japan's competitive success. McGraw-Hill.
- 24. Ishikawa, K. (1985). What is total quality control? The Japanese way. Prentice-Hall.
- 25. Juran, J. M. (1988). Juran on planning for quality. Free Press.
- 26. **Juran, J. M.** (1992). Juran on quality by design: The new steps for planning quality into goods and services. *Free Press*.
- 27. Kotler, P., & Keller, K. L. (2006). Marketing management. *Prentice-Hall*.
- 28. **Kuznets, S.** (1971). Economic growth of nations: Total output and production structure. *Harvard University Press*.
- 29. **Levitt, T.** (1981). Marketing intangible products and product intangibles. *Harvard Business Review*.
- 30. **Lovelock, C. H.** (1983). Classifying services to gain strategic marketing insights. *Journal of Marketing*.
- 31. Lovelock, C., & Wirtz, J. (2014). Services marketing: People, technology, strategy. *Pearson*.
- 32. **Mentzer, J. T., Flint, D. J., & Hult, G. T. M.** (2001). Logistics service quality as a segment-customized process. *Journal of Marketing*.
- 33. Ministry of Tourism, Government of India (2007). Incredible India campaign.
- 34. **Mukherjee**, **A.** (2012). Implementation of TQM in Indian industries. *Journal of Business Research*.
- 35. **NASSCOM** (2010). The IT-BPO sector in India: Strategic review.
- 36. **Oakland, J. S.** (2003). Total quality management: Text with cases. *Butterworth-Heinemann*.
- 37. Oakland, J. S. (2014). Total quality management and operational excellence. *Routledge*.
- 38. **Onkvisit**, **S.**, & **Shaw**, **J. J.** (1991). Service marketing: Image, branding, and competition. *Business Horizons*.
- 39. **Parasuraman, A., Zeithaml, V. A., & Berry, L. L.** (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*.
- 40. **Rathmell, J. M.** (1966). What is meant by services? *Journal of Marketing*.
- 41. **Regan, W. J.** (1963). The service revolution. *Journal of Marketing*.
- 42. **Reserve Bank of India** (2006). Report on banking and financial sector performance.
- 43. **Shostack, G. L.** (1977). Breaking free from product marketing. *Journal of Marketing*.
- 44. **Singh, N.** (2008). The service sector in India's growth. *Stanford Center for International Development*.

Vol. 7 Issue 3, March 2017,

ISSN: 2249-0558

Impact Factor: 7.119Journal Homepage: <a href="http://www.ijmra.us">http://www.ijmra.us</a>, Email: editorijmie@gmail.com

Double-Blind Peer Reviewed Refereed Open Access International Journal - Included in the International Serial Directories Indexed & Listed at:

Ulrich's Periodicals Directory ©, U.S.A., Open J-Gate as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

- 45. Telecom Regulatory Authority of India (TRAI) (2007). Mobile telecommunications in India.
- 46. World Bank (2002). India's economic growth: Trends and issues.
- 47. World Bank (2012). The role of services in India's economic growth.
- 48. **Yang, C. C.** (2006). The impact of quality management practices on business performance. *Total Quality Management & Business Excellence*.
- 49. **Zeithaml, V. A.** (1981). How consumer evaluation processes differ between goods and services. *Marketing of Services*.
- 50. **Zeithaml, V. A., Berry, L. L., & Parasuraman, A.** (1985). Problems and strategies in services marketing. *Journal of Marketing*.
- 51. **Zeithaml, V. A., Parasuraman, A., & Berry, L. L.** (1990). Delivering quality service: Balancing customer perceptions and expectations. *Free Press*.