

**THE FAILURE FACTORS OF IMPLEMENTING
TQM AT CONSTRUCTION ORGANIZATION AT
KUANTAN**

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**BACHELOR OF PROJECT MANAGEMENT WITH HONORS
UNIVERSITI MALAYSIA PAHANG**

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SUPERVISOR'S DECLARATION

I hereby declare that I have checked this project and in my opinion, this project is adequate in terms of scope and quality for the award of the degree of Bachelor of Project Management.

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ABSTRACT

Total quality management (TQM) is a systematic and comprehensive approach in organizational management. The aim of TQM is to improve the current quality of products and services in organization production. Successful implementing TQM can improve a company profitability and also can achieve customer satisfaction. TQM always famous at manufacturing industries and not more familiar in construction organization. Implemented TQM in construction organizations are not necessarily successful on the whole activities. This may be caused by poor management in the implementation of these activities. This research was identified the factors that contribute to failure. For this study quantitative research has been use to collect the data. There are 77 respondents from Construction organization G6 and G7 are involve in this research. This research aim to identify the failure factor and effect the organization performance. SPSS as a tool that use to analyse the data from respondents answered. From the result, Poor management in communication is a main failure factor in implementing TQM. Besides that, all the failure factors was effected the construction organization performance in term of scope, cost and time.

ABSTRAK

Pengurusan kualiti menyeluruh (TQM) adalah satu pendekatan yang sistematik dan menyeluruh dalam pengurusan organisasi. Matlamat TQM adalah untuk meningkatkan kualiti semasa produk dan perkhidmatan dalam pengeluaran organisasi. Pelaksanaan TQM yang berjaya boleh memperbaiki keuntungan syarikat dan juga boleh mencapai kepuasan pelanggan. TQM sentiasa terkenal di industri pembuatan dan tidak popular dalam organisasi pembinaan. TQM dilaksanakan dalam organisasi pembinaan tidak semestinya berjaya mengenai aktiviti-aktiviti keseluruhan. Ini mungkin disebabkan oleh pengurusan yang lemah dalam pelaksanaan aktiviti-aktiviti ini. Kajian ini akan mengenal pasti faktor-faktor yang menyumbang kepada kegagalan. Untuk kajian ini kajian kuantitatif telah digunakan untuk mengumpul data. Terdapat 77 responden yang terdiri daripada organisasi Pembinaan G6 dan G7 yang terlibat dalam kajian ini. Kajian ini bertujuan untuk mengenal pasti faktor kegagalan dan menjejaskan prestasi organisasi. SPSS sebagai alat yang digunakan untuk menganalisis data daripada responden menjawab. Daripada hasil analisis, pengurusan lemah dalam komunikasi adalah faktor kegagalan utama dalam melaksanakan TQM. Di samping itu, semua faktor-faktor kegagalan telah memberi kesan kepada prestasi organisasi pembinaan dari segi skop, kos dan masa.

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

Quality Management is a management approach that views quality to be a result of integrating all organization or company activities such as engineering, manufacturing, administration work and others. It aims to maintaining and improving quality standard that customer satisfaction.

Total Quality Management (TQM) is considered as an important catalyst in the context of management and performance in an organization. This is why the concept of TQM, which has attracted the attention of all parties including the commercial and industrial sectors, as well that of politician and academics. A large number of articles published in this field is an evidence that a high level of interest in quality issues.

Quality improvement has become one of the organization current strategies to achieve competitive advantage with other competitors. Improve the quality with which the organization can provide and services are essential to compete in the growing global market. TQM started with one another to achieve quality for customer's needs. One can achieve quality disabilities and to create a quality management within the organization.

TQM focuses on continuous process improvement within the planning, organize and control to provide the customers satisfaction and better meet customers need. TQM is an effort that involves all of the organization in this industry in order to improve performance.

It permeates every aspect of the company and makes the quality of the strategic objective. According to Ittner and Larcker (1997), they pointed out the importance of both technical and managerial aspect and identified the three basic function of the quality management process are planning, organize and control as a stages for quality improvement.

TQM will be achieved through a concerted effort among staff at all levels to increase customer satisfaction through improved organization performance. TQM focuses on process improvement, customer and supplier involvement in manufacturing activity and also others industry to get defect free work. TQM provide a culture and climate is important for innovation and technological in organization management.

This study will focus on the construction organization that implementing the TQM effort. However, without a deep understanding and proper planning may cause failure in implementation TQM in organization.

1.2 PROBLEM BACKGROUND

Failure in the implementation of Total Quality Management (TQM) in the manufacturing organization is a result that can cause affecting performance. This failure may be due to several factors during implementation it. The probability factor that leads failure is the failure implementing it includes the deficient leadership, poor management, lack of top management commitment, lack of quality structure, and lack of justification for TQM thing that will support to failure in this activity. All these factors can contribute to decreasing a performance in organizational management.

Decreasing organization performance happen when poor commitment among employee in working. Due to the failure of implementing TQM, employees are not committed to work because they cannot accept the failure. Employees assume that the failure of the implementation of TQM is caused by poor management. Poor in the manage TQM can affect expectation of employee to organization ability in management the project.

In the others hand, affected of organization reputation also contribute performance problem happen. This effect may happen because of failure leadership in control quality activities. Leadership is important in implementing TQM project in order to success. When leadership fail to lead a team that involve in TQM project, that can lead the failure in achieve objective project. This way can affect the organization reputation because loss respect from employee, and other stakeholders. Therefore, this factor can lead to decreasing performance in organization.

1.3 PROBLEM STATEMENT

Total Quality Management (TQM) as a management strategy that focus to improve customer satisfaction and organization performance in providing a high quality of product and services. TQM also is an improvement management to organization to improve the quality of product and services through on going refinement in response to continuous feedback. Several studies reported only 20 percent improvement in productivity due to implementation of TQM programme (Elmuti et al., 1996). The successful implementation of TQM will give a positive feedback to the organization.

Implementation of TQM programs or activities is not necessarily successful in the entire organization when planning bland. Based on Burrows (1992) reported a 95 per cent failure for initiated TQM programme that given fail for this project .Most of industry are facing many challenges during implementing it especially construction organization. This is because TQM is familiar with manufacturing industry. From this truth the construction has many barriers that causing failure in TQM program.

So, this research will help to explore the organization that implementing TQM and failure implementing it. This research also to find the factors that given failure to organization that implementing TQM and affect organization performance.