The Quality Challenges of the 21st Century on Saudi Industries: Are We Ready for the Change?

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Abstract

We are living through an inspiring new era as we are starting the new century that is expected to change the way organizations are doing business. This era represents more focus and growth in areas such as technology, information, research and development, human resources and development, quality and much more. The imperative growth states that in order to succeed or even to survive, nations and industries have to cope with the anticipated advances of this era. Our dependence on industry in Saudi Arabia and to diversify from oil as a natural resource will continue to be a vital goal to be achieved successfully. However, The question to be asked: Are Saudi industries focused on producing high quality products and services? Do Saudi industries have clear understanding on the various quality approaches such as Total Quality Management (TQM), Business Process Re-Engineering (BPR), ISO 9000 or Six Sigma? This paper will shed some light on answering those mentioned questions. It will highlight the important measures Saudi industry needs to take to prepare itself for the challenges of the twenty-first century. Furthermore, it will provide an overall implementation plan based on various studies conducted in Saudi Arabia.

1. Introduction

The TQMization process, that is, introduction and implementation of Total Quality Management, is a never-ending process. However, once introduced properly, it lends itself for letting the organization prepare for ISO 9000 Certification, and go beyond that, to Re-engineering or Six Sigma as new approaches for quality.

With success some quality measures in leading industries around the world, we have seen countless accounts of cure-all theories and experiments in the management of today's organizations. Nobody questions anymore the pressing need of changing whatever management styles or organizational approaches that are used in the past half-century to keep up with the amazing pace with which technology is advancing, clients' demands are increasing and markets all over the world are expanding amid cut-throat competition.

Apparently, there is a risk involved in forsaking the way business industries in Saudi Arabia has to be conducted. The risks and fears are natural in having to adopt new quality approaches that require significant changes in many aspects including people, culture, management thinking and support, and more through the entire rank and file of those industries.

With all that in mind comes the need to answer a very important question: Which of the quality approaches would suit Saudi industries more? And does any approach such as TQM, reengineering, ISO 900 or others can be adopted to any organization anywhere?

2. What Is TQM Anyway?

The definition of TQM is basically a concept that will guide the organization to focus on meeting customer's expectations and needs whether we are considering internal or external customers.

Assuming that an organization is well structured through proper staffing, information systems, marketing and sales and a strong financials, the business picks up and sales rise. It is then recognized that customers are getting to be more demanding, and competition is becoming tougher. A quick approach that can be considered immediately is to explore various ways to sustain the growth of the industry. This would include considerations to: (a) improve quality and productivity. (b) Restructure/Reengineer the organization, (c) look for new product lines or diversify, (d) expand facilities, (e) enhance employee benefits to retain and attract best talents from the industry, (f) intensify R&D efforts to attain technological edge over competition, and so on.

An approach that can be taken into consideration is to consider implementing a quality approach such as TQM, which is expected to bring more focus on the quality of the products and in the services being provided. It is then that the importance of each employee having to satisfy internal customers will be recognized. This can be translated into the practical significance of the slogan "*customer satisfaction through employee satisfaction*".

3. Finding a Home for Quality in Saudi Industries

Brining quality into Saudi industries is quite a challenge. It is a process that is some how unique when it comes to its implementation in an environment like Saudi Arabia. It is processes that will lead to a long journey, require a cultural reform, participation and commitment from everyone, and will require unprecedented unique competence. Well, if quality approaches such as TQM or Six Sigma were easy to implement, most business organizations would be successful today and relieved of any pressures they experience. This is even much more challenging in Saudi industries that has foreign staff from different backgrounds and cultures required to join hands to achieve common quality goals.

In light of that and before choosing any quality approach, Saudi industries need to come–up with a plan that will guide them to provide high quality products and services meeting customer's needs and expectations. For generating the new quality culture, what needs to be imbibed among all employees is the right attitude toward work and coworkers, ownership and quality of work, and employee empowerment.

 Human Resources Management (HRM) has a very fundamental role to play in this regard. HRM's emphasis on developing, training, and managing people is reinforced with the quality outlook. *Continuous improvement* and *training/development* are both central to HRM and choosing an approach such as TQM, will make them natural partners.

HRM has always been a key staff function in any organization, being involved with people from their entry through exit. The line functions need HRM's support, and HRM needs inputs from them to help them in turn. This is a situation where the internal customer-supplier concept inherent in TQM application comes into play in a most profound way.

The compatible or common aspects for partnership between TQM and HRM are: (1) Mutuality of people relations, (2) Creating corporate culture, (3) Training and development, (4) Company policies and functional procedures, (5) Attainment of quality through personal/personnel indulgence, (6) Continuous improvement in the company's products , processes, procedures and services, and (7) Customer satisfaction through employee satisfaction.

4. ISO Certification and TQM: The Relationship

The foundation for the international ISO 9000 certification movement rests on the Quality Assurance/Qualit y Control (QA/QC) approach, which advocates stringent technical specifications, and operating procedures, detailed documentation, qualifying training, and additional levels of inspection/review and approval. Whereas, TQM is an operational management philo sophy with client satisfaction in the center, surrounded by concerted, dedicated and continuous efforts for improvement in results.

ISO 9000 is a guideline for attaining an acceptable level of performance using the prescribed QA models for design, product, install, inspection, testing and servicing. ISO 9000 and TQM are not mutually exclusive but are rather complementary concepts.

Being initiated already into TQM, you find ISO 9000 certification much easier to acquire due to quality management being established as an ideology, a system and a function, operational policies/procedures being in place, and employees already being in proper quality fitness. The models for certification accepted as the highest international standard of Quality Assurance include :

1. ISO 9000, Basic definitions and concepts; guidelines for using the 9000 series.
2. ISO 9001, Model for QA In Design, Development, Production, Installation & Servicing.
3. ISO 9002, Model for QA In Production, Installation & Servicing.
4. ISO 9003, Model for QA in Final I& Test.
5. ISO 9004, Guidelines for Total Quality from initial identification of market needs to satisfaction of customer requirements.

ISO 9000 models, like TQM, is intended to inspire quality thinking among their users such that the y establish a suitable quality management system as a good business practice rather than a statutory requirement. QA requirements of these 9000s are complementary and not alternatives for technical specifications for a given product.

5 Action Items to Initiate TQM

For simplicity, let us enumerate various steps that

you go through after the indoctrination phase is over. This is what you accomplish with the help of you staff:

1) Establish a Vision and a Mission Statements, clearly delineating where you and your senior colleagues want the organization to be eventually, and what the overall business goals are.

2) Develop a 3-year business plan, rolled over each year with a 12-month operating plan, and specific objectives identified by each functional group in keeping with overall company goals.

3) Identify Conditions of Excellence (COEs) and Pulse Points (PPs) as critical success areas/processes and indicators of performance and improvements. Conduct a *quality fitness review* (QFR) by interviewing about 20% of the employees from across the organization to gather their views/suggestions about how the company is doing in each success area and in the TQMization process. Determine the strengths and weaknesses or areas of improvement.

4) Select those areas of improvement that otherwise do not fall within normal responsibilities of any functional unit, and require a multidiscipline resolution, and form *quality improvement teams* (QITs) to address them.

5) Formulate a yearly TQM Plan covering all the deliverables esulting from the above, and obtain commitment from those responsible.

6) Carry out the TQM Plan during the year, evaluate the accomplishments against its objectives and those of the QITs. Conduct TQM related in-house presentations periodically. Include the subject of TQM in the orientation sessions conducted for new employees.

7) Initiate another QFR and repeat the above steps with new status. Start an instructional publication, or expand your company newsletter, to cover TQM topics.

8) Consider a TQM campaign every other year with posters, awards for best suggestions, best QIT performance, etc. to rejuvenate the TQM spirit and maintain the tempo of ongoing implementation. Remember, TQM is not a destination, it is a journey!

6. Conclusion

There are major challenges, which will be facing Saudi industries as we are starting a new hectic and demanding century that is far different than previous ones. The business imperative for a focus on quality, productivity, and efficiency and on the workforce has emerged. This is mainly due to the ever-increasing complexity of the challenges facing organizations and the pace of change both signal the escalating pressure to change the way business is being conducted in Saudi industries.

In order to ensure that products are high in its quality, customer's demands are met, people are productive, and the workforce are highly satisfied, focusing on quality and adopting new quality approaches into the industries is a must.

The fierce competition in the global marketplace we are witnessing today will very soon hit our markets and industries. The quality challenge we may have faced in the 1990s is expected to increase significantly. Therefore, Saudi industries need to develop a commitment to change. It has to develop a culture where there is a genuine opportunity for continuous improvement in products and services. The future of our industry will be very bright once we have a clear focus on facing the challenges of competition from others.

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