Individual Project 1

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Total Quality Management is defined as a process for managing quality; it must be a continuous way of life; a philosophy of perpetual improvement in everything we do. Businessknowledge.com defines TQM as another approach to improving effectiveness, competitiveness, efficiency, and flexibility in order to best suit the customer's needs. This definition better helps me understand the concept of TQM in a simpler manner. TQM has its positives and negatives in every company, where it works sometimes and sometimes doesn’t.

 An example of a success Total Quality Management based company is Ford. In the late 90s Ford’s customer satisfaction was taking a huge hit in the industry. The company was at its all time low even though they were still the number two auto company to their rival GM. Ford decided to make the bold leap and implement to sis-sigma program at a costly rate. Ford spent $6 million in training programs for their employees. Even though the company had a rocky start with their first car in 1999 which resulted in a recall of all of the products. Ford decided to continue with the program, and in 2001-2002 the program made the company $52 million and a 2 point increase in customer satisfaction.

An example of a failed company using TQM is Firestone and Ford together. Six Sigma takes time to implement, but Firestone and Ford where moving too fast. In result, approximately 6.5 million tires where recalled off the Ford Explores. The SUV and fire where involved in more than 170 deaths and 700 injuries. Both companies lost hundred millions of dollars in these recall. In the end Ford continued with the TQM program and has been pretty successful with it, but firestone dismissed the program.

TQM is a very difficult program to implement in any business. It almost seems as if the company is not a major company at a financial stand point. It is pretty expensive in a lot of cases, but it could also be a very effective program for a company if use properly. I would say the only negative in TQM is time and money, other than that it is very effective.

Works Cited

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