TQM and Competitive Advantage: A Review and Research Agenda

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Abstract: The purpose of this paper is to develop a conceptual model that can be used in supporting the association between the many facets of total quality management (TQM) practices and its impact on competitive advantage. The theories of TQM and competitive advantage serve as the theoretical foundation to build up the conceptual model. This proposed conceptual framework could provide valuable knowledge to top management in the organizations to improve their quality management practices and subsequently achieving competitive advantage.

Keywords: Total quality management, competitive advantage, strategy, conceptual model

INTRODUCTION

Total Quality Management (TQM) is a management philosophy which focuses on continuous business improvement through company-wide employee participation and involvement with the fundamental objective of satisfying customers (Hill, 1991). This has led many researchers and academicians to focus their efforts on studying the quality progress, which is one of the most significant research topics in recent years (Filippini, 1997; Molina, Montes and Fuentes, 2004). In an institutionalized environment, good management practices are giving rise to organizations to emulate each other and resulting in emergence of common TQM practices over time (Westphal, Gulati and Shontell, 1997). Past empirical studies on the relationship between TQM practices and

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