

## **The Effects of Total Quality Management Practices on the Business Performance of Manufacturing Companies in Sri Lanka**

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Organizations in the world have been exploring ways of improving quality to increase business performance in order to gain competitive advantage (Ferdousi & Shabnam, 2013; Jha and Joshi, 2010). As a result of that many businesses in the world are practicing Total Quality Management (TQM) in order to increase business performance and gain competitive advantage (Ferdousi & Shabnam, 2013). Therefore, this study investigates that the effect of TQM practices on the business performance of manufacturing companies in Sri Lanka. The sample was selected by using random sampling method. Conceptual framework and hypothesis are tested by using questionnaire mail survey. The research is basically based on the primary data collected using a questionnaire. The findings suggest that TQM determinants have significant correlation with business performance. Moreover, results in multiple regression analysis revealed that top management commitment, supplier quality management and strategic quality planning are positively related with the business performance. Hence, result indicates that manufacturing companies should emphasize greater attention on top management commitment, supplier quality management and strategic quality planning. Therefore, this study has important impact for the top management. According to the major findings of the study, top management have to increase their commitment and effort on the day to day operations. Moreover, suppliers' input quality is essential in producing quality output. Further, strategic quality planning on quality decisions is also very much essential in enhancing business performance.

**Keywords:** Total Quality management (TQM) practices, Business performance, Manufacturing companies