

## **Impact of Total Quality Management on Organizational Performance: with reference to Apparel Industry, Sri Lanka**

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Total Quality Management (TQM) is an art of managing the whole to achieve excellence. TQM is defined as both a philosophy and a set of guiding principles that represent the foundation of a continuously improving organization. TQM integrates fundamental management techniques, existing improvement efforts, and technical tools under a disciplined approach. The aim of this research paper is to analyse the impact of Total Quality Management applications on performance of the Apparel industry in Sri Lanka. For the study there are eight coherent concepts of TQM were identified amongst the literature. Those are Customer focus and Communication, Training & Education, Work environment and Culture, Continuous improvement, Leadership, Supplier Quality management, Resource management and Process and system improvement. These variables selected to determine organizational performances after application of TQM practices. The awareness of each one of these items was investigated among 120 respondents which include operational/ Middle and Top level management in Apparel industry. The hypothesis testing was carried using the results of Person's Product Movement correlation analysis and the results of regression analysis through SPSS. On the basis research results and analysis, Customer focus and Communication, Training & Education, Work environment and Culture, Continuous improvement, Leadership, Supplier Quality management, Resource management & Process and system improvement have a significant relationship with performance of the organizations. That prove the application of TQM has positive relationship with the Performance of the apparel industry. According to the results of Pearson's Product Movement correlation analysis between Person Correlation between total average of variables and total average of Determination of the performance is 0.901. It shows that there is a strong positive relationship between Correlation

between total average of variables and total average of Determination of the performance. Then, it was found relationship is statistically significant as correlation is significant at 0.000 level (2-tailed) whereas, Correlation is significant  $p < 0.05$  level. Furthermore as per the regression analysis 'R' is 0.901 and 'R<sup>2</sup>' is 0.812 which is expected range. So it is further proven that 90.10% of the variance performance is the selected independent variable. That proves the application of TQM has positive relationship with the Performance of the apparel industry. Other external factors that would be influence the organizational performance other than the TQM. Study used artificial names for companies such as ABC, LMN, PQR and XYZ for identification as an ethical consideration. The findings and outcome of this research demonstrated the benefits that accrue from the implementation of TQM which adequately deployed, the principle brings about added value to an organization in terms of efficiency in operation, employee satisfaction, customer satisfaction and ultimately to financial benefits to the companies. On the basis research results and analysis that is proven that applications of TQM has positive relationship with the Performance of the apparel industry.

*Key Words: - Total Quality Management, Organizational Performance, Apparel industry.*

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