THE EFFECTS OF TOTAL QUALITY MANAGEMENT PRACTICES ON THE BUSINESS PERFORMANCE AND THE REASONS AND THE BARRIERS TO TQM PRACTICES OF MANUFACTURING COMPANIES IN SRI LANKA

S.A.L.N.Kumari <u>lakshi.nayana@gmail.com</u>

Department of Accountancy, University of Kelaniya **Abstract**

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 TQM in order to increase business performance and gain competitive advantage (Ferdousi & Shabnam, 2013). TQM is a business philosophy that would results in performance improvement (Lanarolle, Perera, & Yapa, 2014). Previous research on Total Quality Management (TQM) investigated that the relationship between TQM practices on business performance (Sadikoglu & Olcay, 2014; Joiner, 2006; Jaafreh & Al-abedallat, 2013; Ardestani & Amirzadeh, 2014). This study investigated that effect of TQM practices on various levels of business performance as well as the reasons and barriers of TQM practices of manufacturing firms in Sri Lanka.

The primary objective of this research is to find out the effects of Total Quality Management (TQM) practices on various levels of business performance. The secondary objectives are investigating the reasons and barriers in implementing Total Quality Management (TQM) practices of manufacturing firms in Sri Lanka. For investigating that expected to use appropriate analytical techniques and statistical analysis methods such as exploratory factor analysis, tests for reliability and validity of the constructs, correlation and multiple regression analysis. The sample was selected from the members of Sri Lanka Standards Institution and manufacturing firms in Sri Lanka. Conceptual framework and hypothesis are tested by using cross-sectional mail survey via questionnaire. Further these data collected through manufacturing firms operate in Sri Lanka. The research is basically based on the primary data by collected information such as questionnaire survey, email, fax or face- to-face meeting. Additionally, this expected to use secondary data also i.e. prior research articles, Conference proceedings, Books and annual reports. The test of schematic diagram supports the proposed hypotheses. This study expected to investigate the effect of TQM index on business performance. By analyzing these data using SPSS software supports to build strong positive relationship between total quality management practices and business performance in manufacturing companies in Sri Lanka. And this support to identify reasons and barriers to TQM practices in manufacturing companies in Sri Lanka.

Key words: Total Quality management (TQM) practices, Business Performance, Reasons to TQM practices, Barriers to TQM practices, manufacturing companies