Abstract

Total Quality Management (TQM) is a holistic management system which incorporates both the mechanistic as well as the organismic aspects of management. TQM takes into account the needs of customers, employees, and shareholders in order to achieve the goals and objectives of the organization. The proper implementation of TQM can result in a win-win relationship among the organization's stakeholders which can ultimately enhance an organization's competitive advantage. Achieving organizational competitiveness is but one of the many reasons why TQM and its impact on organizational members is worthy of investigation.

This study was designed to investigate TQM progression and TQM penetration, each of which was formulated into a research question. A manipulation check, utilizing a standard questionnaire to measure Perceived TQM, was conducted to determine whether the respondents' perceptions of the extent that TQM was being implemented corresponded to the stage of TQM. Proven standard questionnaires were used to measure Empowerment, Job Satisfaction, and Organizational Commitment. This research was done with the collaboration of seven Indonesian companies in various industries. Three companies were in the beginning stage of TQM, two companies were in the intermediate stage of TQM, and two companies were in the advanced stage of TQM. Managers, supervisors, and staff at each company completed the survey between March and July 1997. This time frame was prior to the Asian economic crisis and the major political reform that has occurred in Indonesia since June 1998.

TQM progression was investigated by comparing Empowerment, Job Satisfaction, and Organizational Commitment in the beginning, the intermediate, and the advanced stages
of TQM. The first research question asks "Is there a difference in the Empowerment, Job Satisfaction, and Organizational Commitment as the extent of TQM implementation increases?" This research found that the Empowerment for managers in the advanced stage was higher than the Empowerment for managers in the beginning stage of TQM. This research also found that TQM implementation seems to initiate high expectations at the beginning stage as reflected by Job Satisfaction and Organizational Commitment which is followed by a decline in expectations at the intermediate stage as the challenges of TQM implementation become a reality. This is reflected by lower Job Satisfaction and Organizational Commitment in the intermediate stage compared to the beginning stage. Finally, in the advanced stage, there seems to be a recovery as TQM becomes a "way of life" as Job Satisfaction and Organizational Commitment show an increase from the intermediate stage.

*TQM penetration* was investigated by comparing Empowerment, Job Satisfaction, and Organizational Commitment of managers, supervisors, and staff in each of the three stages of TQM. The second research question asks "Is there a difference in the Empowerment, Job Satisfaction, and Organizational Commitment of managers, supervisors, and staff in each stage of TQM?" This research found that the extent of TQM implementation seems to have an impact on the Empowerment of managers, supervisors, and staff in each stage of TQM. There were non-significant differences for Job Satisfaction and Organizational Commitment across job levels in the beginning stage and the intermediate stage of TQM. This finding implies that there seems to be a lag in attitudinal responses in the initial stages of TQM implementation. However, in the advanced stage of TQM, managers' and supervisors' responses were significantly higher than staff responses for Job Satisfaction and Organizational Commitment. This
finding supports suggestions that TQM is implemented from the top down, where managers and supervisors are the first levels of the organization to experience its benefits.

Implications for management are discussed, limitations of the study are presented, and items for future research are suggested. Because this research is one of the first examples of academic research of its kind to be conducted in Indonesia, it may provide a foundation for further investigations in quality management related areas.