

## The Role of Total Quality Management (TQM) on Organizational Development An applied study on Management and Real Estate Consultation Company (MRECC).

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### Abstract

The purpose of this paper is to help the Egyptian private sector businesses to understand the importance of applying Total Quality Management (TQM) and how would the TQM help the organizational growth at Management and Real Estate Consultancy Companies. This paper provides solutions for increasing business owners' and chief executive officers' awareness of the TQM application phases requirements and effects on organizational development. As aspects of TQM and organizational development, the implementation of the TQM technique and the realization of overall organizational excellence are strongly correlated with top management support, customer focus, continuous improvement, internal procedures, employee satisfaction, and supplier relationships.

**Aim and objectives:** This paper seeks to examine how TQM will improve organizational development in Management and Real Estate Consultancy Firms, give a conceptual analysis of TQM within the context of organizational theory, and identify TQM characteristics that can be utilized to improve organizational growth. This paper aims to illustrate that TQM is a technique for total quality management, which stands for comprehensive quality improvement, and to provide a TQM implementation plan and evaluation technique so MRECC may improve its overall performance. To analyse TQM awareness and application empirically. Find out how MRECC staff feel about the significance of the theoretical findings for the TQM developing organization through an empirical study. To determine MRECC's TQM implementation challenges.

**Hypotheses:** This paper has managed to examine the impact of TQM on OD. As a functional strategy would help MRECC in integrating Top Management Support, Customer Focus, Continuous Improvement, Internal Processes Development, Employees Satisfaction and Suppliers Relationship. When all these dimensions are coordinated, organizational performance will be improved.

**Design/Methodology/Approach:** The paper provides a research model based on extensive research and a detailed literature evaluation that simulates the paper variables and their interactions. On the basis of this model, research hypotheses will be developed that will be tested further via a survey incorporating primary data and analysis. This took place in one of the Egyptian Real Estate and Management organizations MRECC. The focus of this paper is on the activities of eight departments of MRECC and information was obtained from employees working in the various departments. The total number of MRECC employees is 1146 employees plus 23 Managers which result in 1169 total personnel, which represented our target audience who had an extensive knowledge of the topic. The sample size was determined by 289 individuals with a 95% confidence level and 5% margin of error would be required.

**Main result:** According to the results of the data analysis, respondents indicated that all of independent variables had a direct impact on Organizational Development., and the results demonstrated that the direct effects were supported, with the direct impact exhibiting a very significant effect.



## 1.Introduction

### 1.1. Total Quality Management and Organizational Development.

Total Quality Management (TQM) and Organizational Development (OD) and its application on Management and Real Estate Consultation Company (MRECC). In order to fully understand the relationship between TQM and OD and to achieve the research objectives. This chapter presents the available literature review regarding TQM: origin and evolution, dimensions, principles, importance, steps of application, main obstacles face managers in applying TQM, and how to overcome them. In addition, the next chapter will discuss OD historical background, importance, characteristics, steps of developing an organization.

Now-a-days customers are more quality conscious than the price for purchasing goods or services. Quality and reliability have become overriding factors for the customers in their buying decision. Meeting customers' specifications, dependability of service and speed of delivery are very distinguishing features for the success of an organization. The primary role of management is to lead an organization in its day-to-day operations as well as to maintain it as a viable entity in the future (Abedalfattah, A., 2013).

Quality has become an important factor to success in this strategic responsibility. Providing high quality was recognized as a key element for success. At the end of the twentieth century, business organizations were involved in what has become a quality revolution. It began in Japan and has spread to other parts of the world. It involves entirely new way of thinking about and dealing with quality that encompasses the entire organization. This new approach has gained the popularity with different names viz., "Six sigma" at Motorola, "Leadership through quality" at Xerox, "Perfect Design Quality at Intel and "Total Quality Control" at Hewlett-Packard, but more often referred to as "Total Quality Management". (Esin, 2014).

Total Quality Management (TQM) is a philosophy that involves everyone in an organization in a continual effort to improve quality and achieve customer satisfaction. There are two key philosophies in TQM, one is a never-ending push to improve (i.e. continuous improvement or Kaizen in Japanese) and the other is a goal of customer satisfaction which involves meeting or exceeding customer expectation. It will be relevant to mention at the outset that as TQMs' emphasis is on creating an organizational culture, which involves extensive participation, an emphasis on teams and teamwork, cooperation between units, generation of valid data and continuous learning, TQM is highly congruent with Organizational Development (OD) approaches and values. Most of the companies are interested to improve quality of their products and services through the TQM (Nilsson et.al, 2011).

The role of Total Quality Management (TQM) on organizational development, clearly describing the study variables while at the same time providing a funnel approach of the study, the statement of the problem has also been presented highlighting various gaps the study intends to address in line with the case study.

### 1.2. Research aims and objectives

Flowing from the problem statement, the aim of this paper is to determine how the application of TQM can improve organizational development in the Management and Real Estate Consultation Companies. In order to achieve the aim of the study, the objectives of the study may be structured as follows:

- To provide a conceptual analysis of TQM within the context of organizational theory and to identify TQM dimensions that can be applied to improve organizational development.
- To describe a TQM implementation model and evaluation methodology that can be used by Management and Real Estate Consultation Company (MRECC) to improve performance.
- To provide a conceptual analysis of organizational development.
- To determine empirically the extent of awareness and current application of TQM principles.
- To determine empirically the attitude of personnel at MRECC regarding theoretical findings towards TQM developing organization.
- To identify key obstacles to the application of TQM in MRECC.



### 1.3. Research Gap

Although TQM initiatives initially focused on reducing defects and errors in products and services through the use of measurement, statistics, and other problem-solving tools, organizations began to recognize that lasting improvement could not be accomplished without significant attention to the quality of management practices used on a daily basis. Managers began to realize that the approaches they use to deliver services as leaders are the true enablers of quality, customer satisfaction, and business results (Evans & Lindsay 2008:10). In other words, they recognize that quality management is as important as management of quality.

Implementation of TQM has not always been positive (Boyne, Goud-Williams, Law & Walker 2002:10). Failure is frequently identified as an implementation issue, rather than a failure of the concept and theory of TQM (Elshennawy & McCarthy 1992:37).

### 1.4. Research Question

In Egypt to date, little empirical work appears in the relevant literature that assesses the relationship between TQM and organizational development. Thus, firms have been implementing quality models without clear evidence on their effectiveness. Therefore, the main question which this paper will address is: **“How can the application of TQM improve organizational development in the Management and Real Estate Consultation Company?”**

## 2. Total Quality Management

Total Quality Management (TQM) is a management philosophy that engages all stakeholders of an organization in an ongoing endeavor to enhance quality and increase customer satisfaction. There are two key philosophies in TQM, one is a never-ending push to improve (i.e. continuous improvement or Kaizen in Japanese) and the other is a goal of customer satisfaction which involves meeting or exceeding customer expectation. It will be relevant to mention at the outset that as TQMs' emphasis is on creating an organizational culture, which involves extensive participation, an emphasis on teams and teamwork, cooperation between units, generation of valid data and continuous learning, TQM is highly congruent with Organizational Development (OD) approaches and values. Most of the companies are interested to improve quality of their products and services through the TQM (Nilsson et.al, 2011).

Bouhi defines it as “a set of characteristics or features that express the status of the inputs, processes and outputs, and the extent to which all workers contribute to achieving the goals as best as possible.” (Al-Bouhi, 2001: 376). It was also defined as "a constructive process that aims to improve the final product, and it cannot be considered an imaginary or complex process, as it is based on the general sense of judging things." (Ahmed, 2003: 17).

Despite the quality theory that Deming came up with, it faced some difficulties and challenges, especially in its origin in America, but it found a fertile place for application and then success in Japan, where that country worked to manage its institutions and factories to consolidate the principle of total quality management, especially after That came out defeated in World War II, and from here the interest in total quality management spread everywhere, in Japan, a neighborhood that actually carried out quality control, and then perfected and improved it, until the quality outputs appeared with the best product in the market, whether it was in the field of industry, education or Other fields. (Al-Attar, 2006, p. 79). Accordingly, Organizations that adopt the total quality management system achieve a wide range of gains that can be mentioned as follows (Qaida, 2012, p. 12)

- Strengthening the competitive position of the organization through regularity on the quality of products and services and continuing to improve them, and this leads to an increase in confidence in them.
- The ability of the organization to deal actively and proactively with the environment changes around it.
- Achieving high productivity and eliminating wastes by improving the production system, operations, problem solving methods, performance appraisal methods, improving time management and getting rid of routine in managing the organization.



- Enhancing customer confidence in the organization.
- Increasing the returns of investments and profitability of shareholders in the establishment of the organization.
- Expanding the opening of new branches and production departments as a result of the profits and returns achieved.
- Providing opportunities to discover and avoid errors to avoid incurring additional costs and make maximum use of equipment and machinery by reducing idle equipment and thus cost.

TQM is considered to be of great importance in organizations, and this importance were concluded by Sharaf, (2011, p. 7) as follows: (1) Increase productivity and reduce, cost. (2) Achieving customer satisfaction and providing the best products or services to the customer. (3) Improving the process of communication between different levels of the organization, developing a sense of group unity, and increasing confidence among employees. (4) An improvement in the reputation of the organization in the eyes of its customers. (5) A positive change in the behavior of individuals working in the organization towards it. (6) Empowering employees to carry out the process of reviewing and evaluating work activities on an ongoing basis. (7) A comprehensive approach for change and away from the traditional approaches and methods applied in the form of just procedures and regulations.

In the same context Deming has identified the principles of TQM, which are represented in the following principles: (Al-Nafar, 2016, p. 75) Adopting new ways and methods of change. Stability of goals towards change. Not to rely on inspection in developing work. Not to consider the offered product on the basis of its price. Comprehensive development of the organization. Comprehensive training of workers during the work. Provide effective leadership. Providing effective communication channels between different departments and sections. Removing fear among workers. Removal of management standards based on numbers. Not to deprive employees of pride in their achievements. Using educational programs for employees' improvement and development. Integrating employees in the organization in the process of development and improvement.

In general, there are six dimensions of quality from the point of view of consumers, which are as follows: (Al-Serafi, 2006, p. 43) (1) **Performance** level: where individuals are concerned with the performance level of the product through its use period, its expected lifetime, the cost of maintenance and the possibilities of repair. (2) **Conformity**: that is, the extent of conformity between the declared specifications and the actual specifications of the product, and this can be measured by the failure rate of the product in meeting the specified standards. (3) **Appearance**: The external appearance reflects the extent to which individuals feel about a particular product or group of products. (4) **The possibility of providing service**: This dimension reflects the extent of speed, accuracy and good customer service when providing it. (5) **Durability**: This dimension reflects the possibility of failure of the product or its gradual consumption. It is noted that the higher the durability, the lower the chances of failure. (6) **Sensitivity**: some of the distinctive brands have a certain impression on the consumer about the level of quality of these goods.

Based on the researcher review of literature the following six dimensions were concluded to be the most important TQM pillars that impact organizational development.

## 2.1 Top management Support

Support from the top management is critical to the organization's quality performance and success. Commitment and good leadership are required for great programs to be successful. Organizations can facilitate quality management initiatives for effective performance with top management support. Furthermore, top management is liable for defining goals that guide the firm toward improved performance. (Mahmood, Qadeer, and Ahmed, 2014.) Top management support enables the firm to improve its performance. It is a wide approach to improving organizations' overall performance and quality.

According to Wang et al. (2010), leadership has a significant impact on company performance by establishing a clear path for achieving quality-related objectives. To emphasize, top management support or commitment can be defined as top management's involvement in the organization's functionality, which is seen as a critical component for assuring a successful TQM implementation. Moreover, it is seen as an





unenviable responsibility for management to describe quality objectives, quality policies, and quality strategies in order to achieve TQM. Such objectives and policies should be specified for the entire organization's personnel. (Sweis et al, 2019).

## 2.2 Customer Focus

Fundamental to Total Quality Management is an emphasis on customer value creation (Juran, 1988; Mele and Colurcio, 2006; Woodruff, 1997), which in turn fosters organisational growth. The TQM aspects, when properly implemented, lead to improved productivity. The importance of putting the customer first is a leading predictor of improved performance. Implementing TQM has been shown to boost organizational efficiency and customer satisfaction by several researchers. (Irani et al., 2004; Powell, 1995). When it comes to quality management, it's all about keeping an eye on what the customers want and making sure that the business is meeting those demands (Bullington et al., 2002; Deming, 1986; Hackman & Wageman, 1995). According to research by Asikhia (2010), an organization's success is boosted when it prioritizes its customers. It can be deduced that a firm's dedication to its customers is an important part of total quality management (TQM) and a reliable indicator of its success. Adding further detail to this connection would be the empirical research on customer focus and organizational success. (Mahmood, Qadeer, and Ahmed, 2014).

Without customers, there would be no sales, and without sales, there would be no money and profits. Customers are essential to the success of any firm. In the current environment of a highly competitive market, establishing a strong relationship with customers is essential to attaining both the customers' and the organization's objectives.

“There is only one boss, the customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else” – Sam Walton.

To successfully be customer-focused, organizations must maintain a high level of consensus and cohesion around the premise that their survival depends on meeting the requirements of their consumers. For a business to achieve true success, it must provide great customer experiences that bring continual value to customers. ( Madhani, 2018). Instead of optimizing performance as defined by financial indicators, the organization's objective should be to provide value and pleasure consumers, as financial success follows continual innovation to deliver distinctive value to customers (Denning, 2016).

The word "customer focus" refers to an organization's proactive efforts to learn about and meet the requirements, wants, and expectations of its customers over the long term (Bartley et al., 2007). Much earlier research have stressed the significance of customer focus for TQM. It could argue that this makes customer satisfaction the most crucial TQM concept, they argue that satisfying customers is TQM's primary objective, and that it may be achieved if businesses make an effort to create goods and services that meet consumers' wants and needs.

The developing and keeping an open relationship with the customer is crucial to the product design process since it promotes clarification of the customers' wants and desires. in spite of the fact that client expectations are always evolving. Therefore, it's important for a business to periodically evaluate customer expectations and make appropriate adjustments to its operations. It was proposed that in order for businesses to be customer-centric, they must dedicate resources to gathering market intelligence and come up with a company-wide strategy to react to that data. Therefore, focusing on the needs of the consumer may lead to a competitive edge. It was mentioned that popular TQM techniques include keeping tight relationships with consumers and frequently asking for input. TQM literature focuses most on customer satisfaction and customer focus.

in terms of putting the consumer first. ( Cai, S., 2009). Customer focus refers to an organization's commitment to meeting the demands of its clientele on an ongoing basis (Zhang, 2000). Successfully accomplishing the organization's long-term goals. It's a fundamental part of Total Quality Management (Bank, 2000).



### 2.3 Continuous improvement

Continuous improvement is a vital dimension for the total quality management (TQM). (Afrinet et al., 2019). TQM's fundamental objective is to maintain the continuous improvement of products and services; thus quality improvement is an ongoing process. Evans (2017) emphasized that management should develop and integrate continuous improvement throughout all systems and processes. Furthermore, continuous improvement is considered as the most effective method for enhancing competitiveness, efficiency, quality, and performance, hence accomplishing the ultimate objective of continuous organizational development due to its positive and substantial impact on performance. To elaborate. Continuous improvement is a set of management practices that aids a company in enhancing its performance (Maleti, Maleti, and Gomiek, B., 2012).

In the identical scenario Pambreni, (2019). Organization Performance is significantly influenced by Continuous Improvement. Where it would impact the establishment of an innovative atmosphere in organizations. To achieve continual improvement, the firm should frequently examine and assess its sustainability objectives. Internal and external reporting to stakeholders on the accomplishment of objectives is regarded as a strategic technique for ensuring systemic improvements. 2019 (Medne, A., and I. Lapina)

### 2.4 Internal Processes Development

Internal process development can be identified as a set of capabilities that allows an organization to fulfil its performance goals. This perspective pertains to the internal business processes of the organization; hence, managers are needed to give metrics that answer the question, "What business processes must we excel at to satisfy our consumers and shareholders?" This approach focuses on the outcomes of internal company operations that contribute to financial success, delighted customers, and organizational development. (Al-Najjar and Kalaf 2012),

Internal processes approach focuses on the internal business outcomes that result in financial success, satisfied customers and organizational developmental in order to accomplish organizational objectives and consumer expectations, firms must identify their most important business processes. Internal business processes are monitored and developed to guarantee that the results are always satisfactory (Kairu et al. 2013).

The internal processes viewpoint examines the effectiveness of internal processes and procedures. The foundation of this perspective is that customer-based metrics are significant, but they must be translated into measures of what the firm needs do internally to meet the expectations of customers (Kaplan & Norton, 1992). Internal process development is mainly based on the most efficient and effective means of creating goods and services. Cost of quality, cost of nonconformance, process innovation, and time savings are the main foundations for this perspective.

Etim and Agara (2011) identified, defect rate, reaction to customer complaints, quality of after-sales support, internal process bureaucracy, process completion time, employee quality and skill, and staff motivation as the main pillars for internal process development areas. Such areas should be identified by managers so that organizations must excel in order to accomplish their strategies.

Moreover, Critical procedures are required to meet the organization's customer and financial objectives should be recognised. Additionally, Kaplan and Norton (1992) established three process value-chains for determining who should use internal process viewpoints. These includes, (i) **Innovation Process**: In this phase, managers investigate the needs of customers and then design a product or service that meets those needs optimally. (ii) **Operational Process**: the short wave of value generation. It involves the production and distribution of current goods and services to clients. (iii) **Post-Sales Service Process**: It focuses on the organization's responsiveness to the customer after the product or service has been provided. After-sale services include warranty and repair activities, defect and return treatment, administration of client payments, and problem/complaint resolution. In planning any internal procedures, it is wise to consider the internal strengths and weaknesses of the company, as well as the possibilities and threats that



have been recognised to overcome them. A company's success will depend on its strengths, weaknesses, opportunities, and dangers, as well as its capacity to strategize at any time. Existing literature failed to include the SWOT analysis as an internal business process that may contribute to the success of every corporation.

## 2.5 Employee satisfaction

Employee satisfaction is the emotional state of happiness or fulfilment that results from an employee's positive opinion of their work experiences (Karatepe, 2012, Al-Refaie, 2015).

Employee satisfaction relates to a person's assessment of the overall worth of their current position. In addition, job satisfaction relates to evaluations of job performance, stress and work pressures, conflict and working conditions, and the quality of customer service. (Oakley, 2012, Jung and Yoon, 2015).

Variables such as the compensation structure, the working environment, the work group, the type of employment, and the Pay and supervision standards are the most significant determinants of employee satisfaction across industries and countries (Rogelberg et al., 2010). Additionally, work-life balance, training, and career growth all play key roles in employee satisfaction (Burke et al., 2005). In addition, Hsu and Wang (2008) highlight how supervisory support, fairness, autonomy, business image, affiliation, and employee advancement influence employee satisfaction.

According to Rodriguez-Antón and Alonso-Almeida (2011), in the same context, enhanced occupational health and safety conditions, employee learning, employee engagement, and compensation conditions including salary, wage incentives, and job stability all influence employee job satisfaction.

According to Chi and Gursoy (2009), training and a sense of security will have a significant impact on employee satisfaction. This is because training and a sense of security will encourage employees to feel safe and valued. Relationships with coworkers and supervisors are crucial factors in determining employee satisfaction (Rogelberg et al., 2010; Baldacchino, 1995). Consequently, worker satisfaction will increase if they believe these standards have been satisfied.

Motivated persons who are satisfied with their jobs are more inclined to remain with their employers because they perceive greater benefits from doing so (Arsi et al., 2012). According to Chi and Gursoy (2009), satisfied employees are more likely to provide superior service. In this way, contented employees would play a significant role in service delivery, and management should regard them as strategic partners in delivering high-quality services that keep consumers and employees satisfied.

This paper defines employee satisfaction as a person's evaluation of how well they believe their values coincide with those of the organization (Chi and Gursoy, 2009; Karatepe et al., 2006). Thus, employee satisfaction can be defined as the happy or good emotional state caused by the sense that one's job or experiences facilitate the accomplishment of one's employment goals.

Improving employee satisfaction and participation in decisions on their career objectives can promote performance, commitment to quality, and commitment to continuous development. Staff abilities should be continuously enhanced through the organising of specialised training and the participation of employees in TQM activities. For instance, well-trained personnel will be more equipped for greater levels of employee empowerment and cooperation, which will boost employee happiness, organizational success and growth.

Also necessary is clear communication between high management and staff. In addition, Zelnik et al. (2012) argue that effective and ongoing quality management system improvement is dependent on communication, which would also significantly improve the relationship between employees and management.

TQM efforts will have an influence on organizational performance if they are well understood and implemented. To improve employee satisfaction and productivity, managers must provide a welcoming workplace, detailed plans, and strategic maps.

Lastly, management should consider TQM procedures into account as a tool for increased performance and employee satisfaction.



## 2.6 Suppliers Relationship

Supplier Relationship Management (SRM) is a systematic strategy to aligning and controlling the performance of suppliers with whom the business has a relationship in order to reduce risk, find cost and quality efficiencies, and secure supply of the products and services required by the buyer. SRM ensures that procurement is utilising the potential of its existing supplier relationships to serve the function's goals and the business's goals in general. (Mettler and Rohner, 2009)

Modern Supplier Relationship Management has been shown to save costs, improve operational efficiency, and consolidate the supply chain. A properly managed supplier relationship is more efficient, as well as nimbler and more robust during times of interruption. Despite the importance of SRM to not only the procurement function but also to the organization as a whole, many procurement teams frequently lack the knowledge and processes needed to make the most efficient, educated, and effective supplier relationship decisions. (Piercy, 2009)

It may be argued that the fundamental function of any SRM strategy is to build relationships with supply chain stakeholders in order to limit risk, discover new efficiencies, and become the customer of choice. In the same perspective, Park et al. (2010) proposed that SRM methods are critical to assisting firms in (1) developing highly aligned supplier relationships. It is critical to segment your supply chain in order to determine which of your suppliers are strategic to your organisation. You may then manage your suppliers differently based on their category based on this criterion to mitigate risk and produce mutual benefit. Once strategic suppliers have been identified, a supplier relationship manager must cultivate and maintain a mutually advantageous relationship for both sides in order to produce value and reduce supply chain disruption. (2) Cut costs when all is said and done, a supplier relationship manager is responsible with maximizing cost and quality. Improved supplier connections frequently eliminate the need for costly resourcing and result in cost reductions under the mutual benefit concept. (3) Anticipate hazards. Supplier Relationship Management is more comprehensive. However, it remains true that a critical element of SRM is its ability to anticipate and eliminate supply chain risks to the organisation. Supplier Relationship Managers must have complete visibility over interactions and activities with suppliers. This allows you to identify potential issues before they occur, make proactive course corrections to maintain good performance, and find the right person to contact immediately if something goes wrong. (4) Discover new efficiencies. An efficient Supplier Relationship Management role would strive to expedite procurement processes while also allowing for improved quality communication and the sharing of comments and ideas in order to optimise the relationship's functioning. Communication is essential for retaining visibility and building supplier relationships, which will lead to new ideas for increasing efficiencies in any organization's supply chain.

## 3. Organizational Development.

The concept of OD emerged as an administrative and organizational approach in the mid-fifties in private and governmental organizations as a result of the scientific management movement and its popularity continued in light of the decline in the level of performance and production in most organizations of all shapes and sizes, which in turn forced them to search for ways and methods to help them achieve the maximum benefit from all available resources, whether human, material, financial, or technological to reduce the problems that cause underperformance and thus raise the efficiency and effectiveness of organizations in light of the new changes and developments. (Al-Nims, 2020).

The process of Organizational Development (OD) is a vital strategy to improve and develop the organizations, specifically their human resources, by focusing on the main objectives of organizational development that are based on making transformations and changes to move organizations from the current situation to the desired future.

A study of Mulili and Wong (2011) stated that the success of the changes and transformations that organizational development seeks to implement is directly related to the conviction and acceptance of the supervisory authorities and the leadership administrative levels and their cooperation to consolidate and





implement organizational development and continuous improvement processes in the organization without resistance.

The success of the organizational development process and ensuring that it achieves its desired goals is based on following clear and specific steps. In this regard, the study of Al-Hawar and Suleiman (2015) dealt with the steps of the organizational development process, which are: (1) Knowing the sources of change. (2) Estimating the need for change. (3) Diagnose the organization's problems that it is facing. (4) Overcoming resistance to change. (5) Planning the necessary efforts for change. (6) Develop strategies for change. (7) Implementation plan during a time frame. (8) follow up the implementation of the plan and assess its strengths and weaknesses.

The following table shows the most prominent concepts of organizational development as mentioned by previous studies.

**Table (1) the concept of OD**

The Author	Terminology
Bradford and Burke, 2005	A planned change process that includes a set of human values that take place at the organization level aimed at improving the overall effectiveness of the organization by achieving consistency, harmony, and congruence between the main organizational dimensions of the external environment, mission, strategy, leadership, culture, structure, information systems, rewards, and work policies and procedures.
Gallos, 2006	The OD process in knowledge and technology-based interventions for the behavioural sciences centres around processes such as individual motivation, authority, communication, cognition, cultural norms, problem solving, goal setting, interpersonal, intergroup relations, and conflict management.
Kondalkar, 2007	A long-term process based on the philosophy of collective commitment, vision, empowerment, problem solving and the well-being of its employees, where the latest technology and organizational processes are used to improve the quality of work in order to increase organizational effectiveness and transform it into a vibrant, competitive, and growth-oriented force to become a learning organization.
Al-Sairy, 2008	It is a response to change an extended educational strategy aimed at changing beliefs, attitudes, values, and the organizational structure so that the organization can adapt to accommodate technical challenges and rapid rates of change.
Qureshi and Afzal, 2008	A planned, organization-wide effort managed from the top levels of the organization aimed at increasing the effectiveness and health of the organization occurs through planned interventions in the organization's operations using knowledge of behavioural sciences.
Sakarna, 2009	A plan effort that aims to change and develop employees by developing their values, skills, and behavior patterns, changing technology, as well as the processes of organizational structures, in order to develop human and material resources and achieve organizational goals.
Cummings and Worley, 2009	Organizational development is a long-term effort aimed at improving the organization's ability to solve problems and how to deal with changes in its external environment with the help of external or internal consultants.
Balzac, 2011	A set of planned procedures and interventions to improve the performance of the organization and its employees. It also expresses the desired change in the organization in a pre-planned manner, and that organizational development includes the application of the theory of behaviour in the organization and is concerned with



## The Author

## Terminology

the growth and development of performance and effectiveness of both the individual and the organization.

**Source:** Prepared by the researcher 2022 based on previous studies related to the study variables.

From the previous definitions, the researcher concluded that the concept of organizational development can be defined as: a comprehensive and planned long-term organizational process that includes the organization as a whole, planned and managed by the senior management, with the aim of improving performance and increasing the effectiveness of the organization, by changing the behaviors of the individual, groups, the environment, technology, and the organizational system.

### 4. Main Hypothesis based on historical studies.

A hypothesis usually follows the formulation of the objectives. The hypothesis formulated for this study will now be described in detail.

Research hypothesis is a statement that is formulated as a possible solution or response to the problem question, without knowing whether there is any empirical evidence to accept it as true.

Mouton (1996:121) defines hypothesis as “a statement that makes a provisional or conjectural knowledge claim about the world”. Therefore, the aim of a research is to test, with a view to verify or falsify the hypothesis within the theoretical framework of the research project (Bak 2004:22). Established theory or previous research suggest that the greater the degree to which comprehensive dimensions of TQM practices are adopted by an organization, the greater the advantages achieved, and the higher the organizational development (Coff 1999:119). Therefore, the following hypothesis has been formulated for this paper:

#### The main hypotheses

**H1:** There is a relationship between the application of TQM and organizational development.

#### The sub hypotheses

**H1.1:** There is a relationship between Top management support and organizational development.

**H1.2:** There is a relationship between Customer focus and organizational development.

**H1.3:** There is a relationship between Continuous improvement and organizational development.

**H1.4:** There is a relationship between internal processes development and organizational development.

**H1.5:** There is a relationship between Employees satisfaction and organizational development.

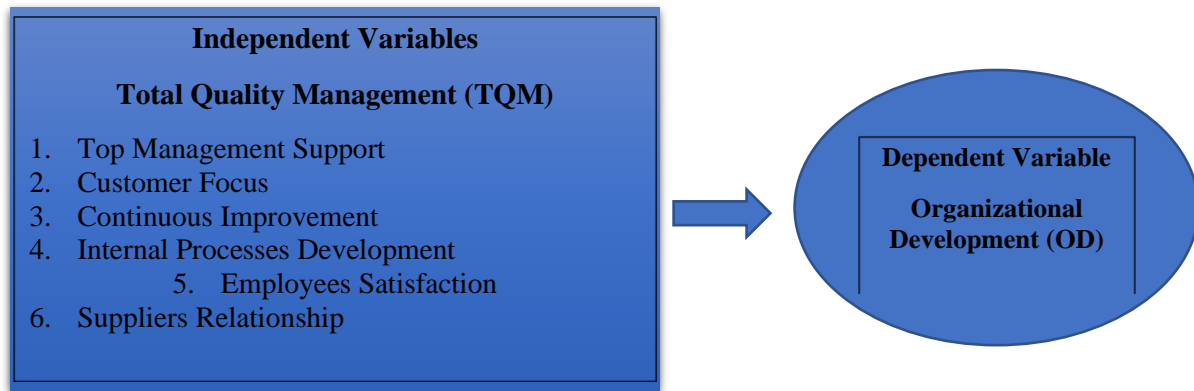
**H1.6:** There is a relationship between Suppliers relationship and organizational development.

### 5. Proposed Research Model.

Figure (1) shows the variables of this paper and the relationships between them. There is independent variable which is TQM factors (Top management support – Customer Satisfaction – Continuous



Improvement – Teamwork – Employees’ Involvement – and Suppliers’ Relationship) and dependent variable which is organizational Development (OD).



**Figure (1): Research Model**

**Source: developed by the researcher based on the previous studies**

## 6. Research Methodology.

A development of research methodology follows logically from the research problem (Mouton 2001:107). Against the background of the problem set out in the preceding paragraphs, the research is conducted in the following phases.:

**The first phase;** Identifying and defining the problems and establishment objective of the paper and development research plan. **The second phase;** Included a summary of the comprehensive literature review. Literatures on quality management was reviewed. **The Third phase;** Included a field survey which aims to identify The Role of Total Quality Management (TQM) on organizational development (OD); An applied study on Management and Real Estate Consultation Company (MRECC). **The fourth phase;** Focusing on the modification of the questionnaire design, through a revision of the questionnaire design and content with the supervisor to test and prove that the questionnaire questions are clear to be answered in a way that help to achieve the target of the paper. The questionnaire was modified. **The fifth phase;** Focusing on distributing questionnaire. This questionnaire was used to collect the required data in order to achieve the research objective. **The sixth phase;** Data analysis and discussion. Statistical Package for the Social Sciences, (SPSS) was used to perform the required analysis. **The final phase;** Includes the conclusions and recommendations.



## 6.1. Population and Sample:

The focus of this paper is on the activities of eight departments of MRECC and information obtained from employees working in the various departments. The total number of MRECC employees is 1146 employee plus 23 Managers which result in 1169. Hence, a survey is developed and will be distributed randomly through emails and hard copies for the purposes of capturing the views of a large number of Managers and employees in MRECC. The sample size is about 289 according to the next equation from different managerial levels, i.e. from high level President to Directors and Line Managers for specific teams.

$$n = \frac{pq}{\left[\frac{E}{Z\alpha/2}\right]^2 + \frac{pq}{N}} =$$

Where: N is total population size = (1169)

n is sample size

Z is confidence interval at 95% (from normal distribution curve)

P percentage sets to 50% to get a maximum sample size

q Complementary percentage sets to 50%

Zα Allowed error set to 0.05.

$$n = \frac{0.50 * 0.50}{\left[\frac{0.05}{1.96}\right]^2 + \frac{0.50 * 0.50}{1169}} =$$

$$n = \frac{0.25}{[0.000651] + \frac{0.25}{1169}} =$$

$$n = \frac{0.25}{0.000651 + 0.00021} =$$

$$n = \frac{0.25}{0.000865} = 289$$

## 7. Statistical analysis results (findings)

By Investigating the total quality management (TQM) approach and their role in organizational development (OD) of Real Estate projects and encouraging recommended strategies. A good literature review was conducted to achieve the objective of the paper. The purpose of the research was to demonstrate the importance of TQM and OD in the success of Real Estate projects and to achieve the maximum possible quality and excellence and the recommended strategies to improve them.

The results of 289 questionnaires were analysed in quantitative form and then presented using an “interpretive-descriptive” method for analysing qualitative data. Finally, recommendations were made to maximize the quality of Real Estate projects in Egypt.

In achieving the objective of the research, three basic objectives were identified and reached through the results of the questionnaires collected and analysed. Results found as follows:

- There is a positive relationship between Top Management Support as a dimension of TQM and Organizational Development.





- There is a positive relationship between Customer Focus as a dimension of TQM and Organizational Development.
- There is a positive relationship between Continuous Improvement as a dimension of TQM and Organizational Development.
- There is a positive relationship between Internal Processes Development as a dimension of TQM and Organizational Development.
- There is a positive relationship between Employees Satisfaction as a dimension of TQM and Organizational Development.
- There is a positive relationship between Suppliers Relationship as a dimension of TQM and Organizational Development.
- The analysis of the Top Management Support variables shows that statement " Top management is fully convinced of the importance of applying the total quality " gets the highest mean (4.19) with (83.85%) and 0.65 standard deviation.
- While statement " Top management reconciles between the company's vision and mission and the requirements of total quality" gets the lowest mean (2.90) with (58.08%) and 1.24 standard deviation.
- The overall Top Management Support variable has (3.9) mean, 78.13%, and (0.43) standard deviation, the T-test value is equal to 65.88 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of Top Management Support variable.
- The analysis of the Customer Focus variables shows that statement "The company ensures customer satisfaction in comparison to the competitors" gets the highest mean (4.77) with (95.38%) and 0.55 standard deviation.
- While statement "The company is committed to quality level demanded by customers" gets the lowest mean (3.04) with (60.77%) and 1.19 standard deviation.
- The overall of the Customer Focus variable has (3.74) mean, 74.71%, and (0.763) standard deviation, the T-test value is equal to 38.07 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of the Customer Focus variable.
- The analysis of the Continuous Improvement variables shows that statement "The company continuously traces updates in the field of service delivery" gets the highest mean (4.21) with (84.23%) and 0.64 standard deviation.
- While statement "Different administrative levels are involved in assessing the needs of continuous improvement programs" gets the lowest mean (3.0) with (60.0%) and 1.12 standard deviation.
- The overall Continuous Improvement variable has (3.5) mean, 69.97%, and (0.75) standard deviation, the T-test value is equal to 33.44 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of Continuous Improvement variable.
- The analysis of the Internal Processes Development variables shows that statement "The company includes a specialized quality assurance and quality control team in its structure" gets the highest mean (4.17) with (83.46%) and 0.55 standard deviation.
- While statement "The performance of the employees is periodically evaluated based on the criteria previously set by the concerned department" gets the lowest mean (2.88) with (57.69%) and 1.10 standard deviation.



- The overall Internal Processes Development variable has (3.79) mean, 75.87%, and (0.55) standard deviation, the T-test value is equal to 49.64 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of Internal Processes Development variable.
- The analysis of the Employees Satisfaction variables shows that statement "Managers always develop clear indicators to measure employee satisfaction" gets the highest mean (4.22) with (84.4%) and 1.23 standard deviation.
- While statement "Managers encourage employees to participate effectively in decision making process" gets the lowest mean (3.37) with (67.4%) and 0.74 standard deviation.
- The overall Employees Satisfaction variable has (3.68) mean, 73.5%, and (0.97) standard deviation, the T-test value is equal to 13.44 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of Employees Satisfaction variable.
- The analysis of the Suppliers Relationship variables shows that statement "The organization value sourcing for companies and suppliers" gets the highest mean (4.27) with (85.4%) and 1.11 standard deviation.
- While statement "There is optimization of number of suppliers and customers hence increasing value of the organization" gets the lowest mean (3.41) with (68.2%) and 0.74 standard deviation.
- The overall Suppliers Relationship variable has (3.82) mean, 76.4%, and (0.96) standard deviation, the T-test value is equal to 15.64 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of Internal Processes Development variable.
- The analysis of the organizational development variables shows that statement "The organization uses a clear strategy in accordance with its internal and external environment" gets the highest mean (4.77) with (95.38%) and 1.15 standard deviation.
- While statement "The organization is keen to identify the developmental needs of its employees on a regular basis" gets the lowest mean (3.04) with (60.77%) and 1.19 standard deviation.
- The overall of the organizational development variable has (3.66) mean, 73.2%, and (0.76) standard deviation, the T-test value is equal to 34.17 and it is statistically significant at ( $\alpha = 0.01$ ); which mean that there is a common agreement among respondents about the importance and effect of the organizational development variable.

## 8. Conclusions and Recommendations.

Based on the objectives achieved in this research as mentioned above, the recommendations were made below because of the research findings discussed. The following recommendations are made to identify the importance of TQM approach in organization development in the Real Estate industry, the recommendations below were drawn as a result of the research findings. The recommendations are as follow:

- The philosophy of Total Quality management is an appropriate administrative approach to coordinate efforts in all aspects of work in MRECC and thus contribute to the effect of positive changes that raise the level of efficiency of companies.



- It is important to adopt the Total Quality management in Real MRECC because it will represent a radical shift in management from the traditional trend to modern trends.
- It is necessary to increase the interest and commitment to all the elements of excellence management which were according to the average rate of the study to a medium degree in order to strengthen or unavailable (low) to achieve.
- The researcher recommends that work be done to provide the material and human resources that support the implementation of the criteria (elements) management excellence in general, especially in the light of the European model of excellence EFQM.
- The importance of building companies to adopt the philosophy of TQM in order to improve their level of performance and raise the level of productivity and improve the quality and excellence of their outputs through qualified graduates scientifically and practically and technically for the service of society and achieve its objectives and thus the development of society so that the Management and Real Estate Consultations Companies exercise their role in the modernization and development of society through Outputs.
- Leadership is one of the most important elements that affect quality management.
- Preparing training programs in respect of TQM and obliging employees of to follow it which will result in the creation of caring and finding the necessary expertise to improve the function and reduce the causes and manifestations of corruption in addition to increasing the quality of the products or services provided.
- Providing technical, financial and administrative advice, for projects with credibility and honesty.
- The major projects should be subject to quality requirements to get competitive outputs for projects in the developed countries based on quality and price.
- Companies are supposed to follow scientific and objective recruiting and Selection Process for its considerable relationship with TQM.
- Companies are supposed to have the highest considerable effort in improving and keeping up Training and Development programs for T&D which had the strongest link between TQM and OD Practices.
- Companies are supposed to follow scientific and objective Employee Career Planning process for its considerable relationship with TQM.
- HRM Practices must be integrated and followed for its considerable efforts in effective implementation.
- Personal characteristics (academic degree and years of experience) must be considered to contribute to better implementation and utilization of TQM.
- The recruitment and selection process must be considered as a continuous process of development and acquiring new knowledge for the organization.



- Keep training staff to equip them with the needed skills and knowledge can significantly contribute to the implementation and delivery of TQM.
- Employee career planning must be considered for its role in retaining staff that are spent considerable time operating in the organization and contribute to compiling skill and knowledge which significantly contribute to the implementation and delivery of TQM.

## 9. Limitations

- **The objective limit:** The paper will be limited to knowledge of the current reality and the role of Total Quality Management (TQM) on organizational development (OD). **Sample Limit:** The paper will be limited to Management and Real Estate Consultation Company (MRECC). **Human Limit:** This paper will focus on the heads of departments, managers and employees of MRECC company. **The spatial limit:** This study will be limited to one of the Real Estate Consultation firms (MRECC). **Time limit:** Data on the study will be collected during the academic year (2021-2022).

**Finally**, the researcher has used a confidence level of 95% in testing the hypotheses and generalizing the results, which is the most accepted level in case studies in general.

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