Total Quality Management for Competitive Advantage in the UAE

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Abstract

Purpose: The study purposed to examine the influence of total quality management on the competitive advantage of businesses in the United Arab Emirates. TQM has been studied in the past but not in the context of competitive advantage, especially in business in the United Arab Emirates. The paper aimed to examine TQM practices and their influence on businesses’ competitive advantage in the United Arab Emirates.

Methodology: The study utilized a quantitative method aligned with a positivist philosophy and a deductive approach. A structured questionnaire was used to glean data from 54 participants. The sample was chosen through random sampling. The questionnaire was launched online and withdrawn after the allocated timeline was depleted. The response rate was 90% at the time of the withdrawal. Data were analyzed using descriptive statistics.

Findings: The results showed that different TQM practices such as customer focus, effective communication, continual improvement, fact-based decision making, strategic and systematic approach, integrated system, employee involvement, and process approach increased the business’s competitive advantage in the United Arab Emirates. Also, the results showed that businesses that adopt TQM practices get time-based, cost, first mover, product differentiation, and price advantages through increasing customer satisfaction, reducing costs and defects, customer attraction, product quality loyalty, and product differentiation. Lastly, the result showed that TQM positively affects UAE business by increasing overall competitiveness.

Unique Contribution to Theory, Practice and Policy: The study was anchored on customer focus theory which focuses on the customer, the modern market has arguably embraced this in the business environment where information systems development is considered. The findings of this study are insightful to business managers as they underpin the importance of implementing different TQM practices and leveraging them for competitive advantage.

Keywords: Total Quality Management, Competitive Advantage, Customer Focus, Effective Communication, Continuous Improvement, Fact-Based Decision-Making, System Integration, and Employee Involvement

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INTRODUCTION

Total quality management (TQM) is a cardinal concept necessary for business management, especially in managing the output and customer experience. According to Barman (2021), TQM is the effort to control the quality of the final products, services, and customer experience. Kemenade and Hardjono (2019) referred to TQM as quality assurance. Reviewing current perceptions of TQM reveals diverse views and understanding of the definition and components. TQM is essential for a business that needs to grow its sales while retaining its clientele. The contemporary business environment has a stiff cutthroat competition where businesses must engage diverse and crafty competitive approaches to survive in the market and continue growth.

Regarding competition, businesses invest heavily to compete in the market. However, most businesses emphasize marketing promotion approaches such as sales offers, discounts, advertisements, product giveaway, coupons, free shipping, loyalty points, and flash sale. Although the strategies above effectively increase sales and grow the customer base, the most crucial concept often overlooked in business management of customer retention and value chain creation is needed to spur growth. TQM is a crucial driver of value creation and customer retention to steward the business toward growth and competitiveness. Customer retention through offering high-quality goods and services increases competitiveness (Bakator et al., 2019; Watson, 2022). Although customer retention is considerably researched, most researchers disregarded the constitutions of TQM. In contrast, others do not recognize that TQM is the foundational practice underpinning all other competitiveness and growth approaches.

The complexity of TQM has contributed to mixed perceptions. Although TQM is one of the most valued components of TQM, the quality management concept transcends beyond output quality. The broadness of TQM made quality a multifaceted concept with the ultimate goal of optimizing customer experience and satisfaction (Deleryd & Fundin, 2020). Figure one illustrates the components and complexity of TQM.
Figure 1: Components of TQM

Source: (Sabijon et al., 2021; Ghodke, 2021)

Figure one shows that TQM is a complex, multifaceted concept with eight components that can be utilized to foster a company's growth. Although the value of TQM in business management is undeniable, most managers do not understand the connection between quality management and competitive advantage over other businesses. Also, TQM in UAE has been widely studied in research such as Al-Dhaafri and Alosani (2020), Ali-AlShehail et al. (2022), Gaikar and Cherian (2020), Alhamd and Yahya (2021) and Alzoubi and Ahmed (2019). However, the concept has not been explored previously in the context of competitive advantage. Therefore, it is crucial to explore how TQM can be utilized to improve competitive advantage for businesses in the UAE. The study aimed to examine TQM in the UAE and its influence on competitive advantage among businesses in the UAE. The research sought to achieve the following objectives.

1. How do total quality management practices enhance the competitive advantage of businesses in the UAE?
2. What are the benefits of total quality management to businesses in the UAE?

The study hypothesized that TQM practices increase competitiveness. The study purposed to assess how the application of TQM practices influences competitive advantages among businesses in the UAE. The findings are significant to business managers and other practitioners because they provide insights into how they can leverage different TQM concepts to bolster the competitive advantage of their businesses. Also, the findings are significant to
future business management researchers, especially on TQM concepts and competitive advantage, because they provide a crucial foundation to underpinning their research.

LITERATURE REVIEW

The quality of management influences the competitive advantage of a business. TQM is achieved depending on the implementation strategy the company applied. The strategy selection is influenced by the company's corporate culture and the nature of the goods and services produced. According to Rabbani (2022), the Abu Dhabi National Oil Company and the AI Kabeer Group are leading in implementing the TQM. However, Awadallah et al. (2022) affirmed that Abu Dhabi National Oil is a monopoly. Businesses exist to meet customers' needs and requirements are to be satisfied. The company must ensure that its customer relationship is good for quality improvement. TQM ensures that a company consistently satisfies its customers with quality products and services (Tyagi et al., 2019). The quality of planning, assurance, control, and improvement does not only focus on the product and services given but also the road to achievement.

TQM ensures that a company's employee enhances work culture, systems, services, and procedures to achieve maximum success, lasting forever. According to Khashawneh et al. (2022), conducive work culture makes the leaders support the staff in expressing beliefs and values that help the company to give the vest to their customers. Further, Trung et al. (2021) argued that TQM requires the full participation of all organization members and works to achieve customer satisfaction. A company with quality management benefits employers, employees, and society. García-Alcaraz et al. (2021), the management detects, decreases, or eliminates faults encountered during manufacturing. Supply chains are also optimized, and the organization employs trained staff to help achieve the goal. The satisfied customers who enjoy the improved experiences give feedback that promotes the company's brand image, bringing in more referrals and resulting in increased profitability.

TQM improves customer satisfaction, and this is its primary focus. According to Nguyen et al. (2019), customer satisfaction is achieved by focusing more on the needs and requirements of the customer and ensuring that they are met consistently. Meeting a customer's expectations involves delivering what they want without problems and at affordable prices strengthens the customer relationship. Satisfied customers will always return and send referrals that help grow the company. Ansari (2022) states that TQM leads to an efficient and effective business. A company may run bankrupt while focusing on satisfying the customer. The company needs to understand the operations carried out and ensure profit is made. TQM helps to evaluate how the desired outcomes are achieved and the consistency. Effective production of desired outcomes minimizes wasting money, time, and other resources to maximize profit margin. Rossato et al. (2020) affirmed that TQM ensures a company's competitiveness is enhanced. The satisfaction of customers, the effectiveness, and the efficacy make a business get a top position in the market and work to maintain it there for a long. Different theories explain the various benefits of TQM to a business and how it enhances competitive advantage. The following paragraph describes one theory explaining the benefits.

The customer focus theory is constructed multi-dimensionally and originated from management and marketing disciplines. According to Gazzoli et al. (2022), the theory focuses on the customer, and they should be viewed as the main reason for the company's existence. Additionally, Dahlquist et al. (2023) affirmed that the modern market has arguably embraced the customer focus in the business environment where information systems development is
considered. The relationship, involvement, knowledge, and customer feedback are essential when implementing customer implementation. Effective customer focus requires all parties to coordinate, cooperate, and connect for optimum outcomes (Asamoah et al., 2020). The figure below shows the sub-constructs used in the formulation of the theory.

![Figure 2: Customer Focus Theory](source)

Figure two above summarises the main concepts of the customer focus theory and how it increases the competitive advantage of a business that applies the concepts.

**METHODOLOGY**

The researcher utilized a positivist philosophy. A positivist philosophy supports objectivity when examining phenomena through minimalizing or avoiding subjective interpretivism tendencies (Junjie & Yingxin, 2022). Positivist researchers view knowledge as singular based on verifiable facts or statistics. When interpreting the result, a deductive approach was used for theory formulation and reasoning. In line with the positive approach and quantitative design, the study used a structured questionnaire to collect data from 54 respondents chosen through random sampling. During the invitation, the researcher targeted 60 respondents from different businesses across the UAE. The questionnaire was launched online through Typeform software. The data were analyzed through descriptive statistics, central tendencies, and percentages. The following sections report the summarized data collected, analysis, and interpretations.
RESULTS AND DISCUSSIONS

The response rate was 90%. The questionnaire had two questions examining the contribution of TQM on competitiveness and the overall advantages. Figure two summarizes the data on the benefits of TQM.

![Benefits of TQM](image)

**Figure 3: Benefits of TQM**

The data analyzed in the bar chart shows that the most selected benefit of TQM practices is increasing competitiveness, customer satisfaction, retention, and productivity and reducing costs, wastes, and defects. The results above concur with Rossato et al. (2020), who found that TQM practices increase business competitiveness. Most respondents supported the study's hypothesis that TQM practices increase competition. In question one, respondents were asked to rate their agreeableness with statements that examined the application of different TQM practices. The question had eight statements to be answered on a five-point Likert scale. The answers are summarized in figure four below.
Total quality management reduces overall business costs.

Technology-based total quality management practices increases competitive advantage.

Technology-based total quality management practices such as fact–based decision, demand planning, customer focus and integrated systems provides time-based advantage.

Total quality management improve product differentiation and competitiveness.

Total quality management can increase production thus giving economies of scale advantage.

Total quality management helps business to achieve product differentiation.

Total quality management practices such as fact–based decision, demand planning, customer focus and integrated systems provides time-based advantage.

Continuous improvement of process, design, service and overall products increases competitiveness.

Employee involvement increases satisfaction and competitiveness of the business in the UAE.

Figure 4: Role of TQM in Enhancing Competitive Advantage
A scrutiny of the responses to the five points Likert scale statements shows that most respondents strongly agreed with them. In the first statement, 85% of the respondents strongly agreed that employee involvement increases the satisfaction and competitiveness of the business in the UAE. In comparison, 80% strongly agreed that continuous improvement practices increased competitiveness. For example, improving products and services quality through additional features that attract customers can give a competitive advantage through differentiation and attractiveness because an improved product may be aesthetically appealing to customers. The data shows that businesses in the UAE that use TQM practices such as customer focus and effective communication attract and retain customers because clients prefer consuming products and services where they are made to feel they matter. Therefore, TQM practices increase a business's competitive advantage by enriching customer experiences and satisfaction. Therefore, a business can get a competitive advantage over its rival which does not treat customers well.

The data also shows that technology-based approaches of TQM increased competition, considering that the majority (94%) strongly agreed with the statement. Technology can help businesses in the UAE create innovative, attractive, high-quality, and affordable products, thus giving them a competitive advantage over businesses that have not embraced technologies to lower costs or improve quality. Customers are more attracted to high-quality, attractive, and affordable products. Thus they are likely to prefer products and services from a business that has adopted different TQM practices through leveraging technology. Additionally, 85% of respondents strongly agreed that TQM practices help businesses in the UAE achieve a competitive advantage by reducing costs, wastes, and defects over companies that do not control costs. Reducing overall costs can be advantageous to the business in the UAE because they reduce operational costs allowing them to sell their financial products at a lower price than most of the competitors, thus giving the business a price advantage.

Also, 50% of the respondents agreed that TQM practices such as facts-based decisions, demand planning, customer focus, and integrated systems increase competitiveness, while 39% strongly agreed. For example, fact-based decisions making and demand planning can help businesses in the UAE to plan their production and time specific season for the year when demand is high while scaling down production when the demand is low. Demand forecasting and planning can help businesses in the UAE to do speculative holding of stock awaiting season demand and deliver the product to the market before the competitors, giving the business a first mover advantage. Also, the data shows that the majority agreed that TQM helps businesses in the UAE achieve product differentiation, thus enhancing competitive advantage.

Conclusions and Recommendation

Conclusions

TQM Practices Improve Competitive Advantage of Business in the UAE

The data collected and analyzed led to the conclusion that TQM positively impacts businesses in the UAE by increasing their competitive advantage. The most cited were increased competitiveness and reduced cost, waste, and defections. The results suggested that implementing TQM practices for businesses in the UAE can enhance the competitive advantage of businesses in the UAE in the following ways. First, the results led to the conclusion that TQM practices improve customer satisfaction. TQM practices aim to meet or exceed customer expectations by delivering high-quality products or services, thus increasing customer loyalty and repeat business, giving businesses a competitive edge. Secondly, TQM
improves decision-making because it supports decisions based on real-time data and facts. TQM practices encourage data-driven decision-making based on performance metrics and customer feedback, which promote business decision-making and a competitive advantage in terms of faster response times to market changes and customer needs.

Third, TQM practices increase efficiency through continuous improvement of process, design, service, and overall products, thus increasing competitiveness. TQM practices focus on process improvement, waste reduction, and cost control. Businesses that implement these practices can streamline their operations and become more efficient, leading to cost savings and competitive advantage. Fourth, TQM practices increase the satisfaction and competitiveness of the business in the UAE. TQM fostered customer satisfaction at the core of every operation, where the goods and services produced to meet customer expectations by being appropriate, accessible, and affordable. TQM enhances a business's effectiveness and efficacy by ensuring that resources are saved. Saving time and materials used in production maximizes the profit margin.

Companies that applied TQM in product differentiation, time-based practices, increased production, improved processes and products, and reduced cost increased their profitability. Lastly, TQM practices promote a culture of continuous improvement and employee involvement in decision-making, thus improving employee morale and motivation, resulting in higher productivity and competitive advantage. With TQM, customer retention increases when customers return and send referrals. The study has outlined the various benefits of practicing TQM, thus increasing competitiveness or giving an organization an advantage. Therefore, companies should ensure that their operations are customer focused since it leads to customer satisfaction. A satisfied customer will always use the company's products and services and speak well of the company, which builds its image and reputation.

**TQM Practices Have Numerous Benefits to Businesses in the UAE**

First, TQM practices focus on process improvement, waste reduction, and cost control. By implementing these practices, businesses can streamline operations, reduce costs, and improve efficiency. Secondly, it increases TQM practices to foster customer satisfaction. TQM practices aim to meet or exceed customer expectations by delivering high-quality products or services, thus increasing customer loyalty and repeat business, leading to higher revenue and profitability for UAE businesses. Third, it improves decision-making. TQM practices encourage data-driven decision-making based on performance metrics and customer feedback, thus improving decision-making and a competitive advantage in terms of faster response times to market changes and customer needs. Fourth, TQM practices improve customer satisfaction by promoting a culture of continuous improvement and employee involvement in decision-making among businesses in the UAE. The benefits can improve employee morale and motivation, resulting in higher productivity and a better work environment.

Fifth, it reduces waste and defective products, thus supporting circular practices among businesses adopting them. TQM practices aim to eliminate defects and waste from processes, resulting in improved quality, reduced costs, and increased efficiency. Sixth, TQM practices are advantageous because it improves brand identity and reputation. Implementing TQM practices and delivering high-quality products or services help businesses enhance their reputation and brand image, thus increasing customer loyalty and improving competitiveness. Seventh, adopting TQM practices increase product offering by supporting various products and reducing shipping costs and efficiency. Lastly, it improves the adaptability and resilience of
businesses in the UAE that adopt the concept. In a nutshell, implementing TQM practices for UAE businesses can significantly benefit businesses in the UAE.

The Implications of the Findings

The findings impact customer focus practices in UAE businesses. TQM practices emphasize the importance of meeting or exceeding customer expectations, and the findings suggest that this is critical for gaining a competitive advantage. UAE businesses prioritizing the customer experience and using customer feedback to drive process improvement are likely to see higher levels of customer satisfaction and loyalty, leading to increased competitiveness. Secondly, the findings implicate process improvement. TQM practices emphasize continuous improvement and waste reduction, and the findings suggest that this is critical for achieving a competitive advantage. Therefore, UAE businesses that focus on streamlining their operations, reducing costs, and improving efficiency are likely to be more competitive than those that do not.

Third, the findings implicate the TQM practices by emphasizing employee involvement and empowerment. The findings suggest that this is critical for achieving a competitive advantage. Therefore, UAE organizations that encourage employee involvement in decision-making and provide resources and support for employees to develop and implement new ideas will likely see higher employee morale and motivation levels, leading to increased competitiveness. Also, the findings imply organizational decision-making by supporting data-driven decision-making. TQM practices encourage data-driven decision-making based on performance metrics and customer feedback, and the findings suggest that this is critical for achieving a competitive advantage. Thus, UAE businesses that use data analytics and other technologies to inform decision-making will likely be more competitive than those that rely on intuition or guesswork. Lastly, the findings have implications for brand image, identity, and reputation-building practices. TQM practices emphasize delivering high-quality products and services, and the findings suggest that this is critical for building a strong reputation and brand image. Organizations with a strong reputation and brand image are likely to be more competitive than those without.

Research Gaps in Total Quality Management for Competitive Advantage in the UAE

The topic has limited empirical research and focuses on the service industry. Although TQM is recognized as an essential tool for achieving competitive advantage in the UAE, there is limited empirical research that investigates the impact of TQM on firm performance. There is a need for more studies that investigate the connection between TQM practices and outcomes such as customer satisfaction, employee morale, and financial performance. While TQM has been extensively studied in the manufacturing sector, there is a lack of research on its implementation in the service industry in the UAE. Future research could focus on how TQM practices can be tailored to the unique needs and characteristics of service industries in the UAE. Also, the UAE is a multicultural country with a diverse workforce.

However, the cultural factors that influence the implementation and effectiveness of TQM practices have received limited attention in the literature. Future research could explore how cultural values and beliefs impact adoption and implementation of TQM practices in the UAE. While TQM has been widely adopted in the UAE, there is a lack of research on its long-term impact on firm performance. Future research could examine the sustainability of TQM practices and their impact on organizational outcomes over time. Lastly, technology integration has become increasingly crucial for achieving competitive advantage in many industries. However, there insufficient research on how technology can be integrated into TQM practices.
in the UAE context. Future research could explore how technology can improve the implementation and effectiveness of TQM practices in the UAE.

**Recommendations for Adopting TQM Practices in the UAE**

The first recommendation for UAE businesses is to ensure that TQM is implemented as it increases the company's competitive advantage. Business managers should be trained to ensure they are conversant with the operations leading to high-quality products. Secondly, UAE businesses should improve customer experiences by adopting TQM practices. In the future, it will be important for UAE businesses to focus more on the customer experience and tailor their TQM practices to meet changing customer needs and expectations. Adopting TQM practices may require UAE businesses to incorporate new technologies and methods to enhance the customer experience and use customer feedback to improve processes. Third, UAE businesses should embrace digital transformation to change how they operate and interact with customers. In the future, businesses will need to embrace digital technologies and integrate them into their TQM practices to stay competitive, which may involve using data analytics, artificial intelligence, and automation to improve quality, efficiency, and decision-making. Fourth, businesses should embrace a culture of innovation in adopting TQM practices for competitive advantage. TQM is about continuous improvement, and innovation is key to driving that improvement. Businesses in the UAE should encourage and reward innovative thinking and experimentation and provide resources and support for employees to develop and implement new ideas. Fifth, UAE businesses should collaborate with suppliers and partners by extending beyond the organization's boundaries, and businesses can achieve greater quality and efficiency by collaborating with suppliers and partners. In the future, UAE businesses should focus on building strong relationships with suppliers and partners, sharing data and knowledge, and working together to drive process improvement. Lastly, UAE businesses should adopt TQM practices for sustainability. Sustainability is becoming increasingly important for businesses, and TQM practices can play a key role in promoting business sustainability in the UAE in line with the country's goals to achieve zero emissions by 2050. In the future, businesses should focus on integrating sustainability into their TQM practices, including reducing waste, conserving resources, and promoting environmentally friendly practices.

**Recommendations for Future Research on Total Quality Management for Competitive Advantage**

First, future researchers should consider conducting more longitudinal studies on the subject. More longitudinal studies that track the impact of TQM practices on competitive advantage over an extended period are needed because of a shortage. The findings from such studies can help determine the long-term sustainability of TQM practices and their impact on organizational performance. Secondly, future researchers on TQM should consider cross-industry studies. There is a need for more cross-industry studies that compare TQM practices and their impact on competitive advantage across different industries. Cross-industry comparisons can help identify best practices and provide insights on adapting TQM practices to different industries. Third, more international studies examine the impact of TQM practices on competitive advantage in different cultural contexts. Fourth, the conclusions drawn in the preceding section showed the importance of technologies in adopting TQM practices. Future studies should consider the integration of new technologies in the adoption of TQM practices in the UAE. More research on how new technologies, such as artificial intelligence and blockchain, can be integrated into TQM practices to enhance
competitive advantage is needed. Such studies can help identify best practices for integrating these technologies and their impact on organizational performance. Lastly, more studies on the interrelation of TQM adoption among businesses in the UAE and sustainability are needed. Extensive studies on how TQM practices can promote sustainability and their impact on competitive advantage should be conducted to help identify best practices for integrating sustainability into TQM practices and their impact on organizational performance.
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