
Maximizing Potential: Total Quality Manamenet (TQM) Implementation in 'Aisyiyah Women Entrepreneurs' Small Medium Enterprises (SMEs)

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Abstract

The rapid growth of Small and Medium Enterprises (SMEs) in Indonesia, with 64.2 million businesses employing 97% of the workforce by 2021, has intensified competition, necessitating enhanced management strategies. This study focuses on the Bandung region, which boasts the highest number of SMEs in West Java. To maintain quality and competitiveness, SMEs are encouraged to adopt Total Quality Management (TQM). TQM is a commitment to delivering the best to customers, emphasizing continuous improvement and customer satisfaction. This community engagement project employed the Discovery Learning Model and Problem-Based Learning, using a digital module on Total Quality Management. The engagement involved 20 'Aisyiyah Women Entrepreneurs, primarily from Bandung. The sessions stimulated active discussion and highlighted the importance of TQM for SMEs. Challenges were identified, notably the adoption of digitalization among Generation X employees. The project emphasizes that TQM is vital for SME development, particularly in human resource management. Moreover, the learning model used encourages active participation and discussion, enabling participants to share real challenges faced by SMEs. Acknowledging the significance of TQM, this project aims to equip SMEs with the tools needed to thrive in the highly competitive landscape, setting the stage for their sustainable growth and success.

Keywords: *Total Quality Management, Business, MSMEs*

INTRODUCTION

The rapid growth of Small and Medium Enterprises (SMEs) in Indonesia is evident, with the number of SMEs reaching 64.2 million by 2021. These SMEs also provide employment for approximately 97% of the workforce (Ministry of Finance, 2021). The high number of SMEs has led to increased competition, requiring each SME to manage its business exceptionally well. According to the Cooperative and Small Business Agency of West Java, the Bandung area has the highest number of SMEs, totaling 1,152,301, which includes 476,954 in the Bandung Regency, 211,001 in the Bandung Barat Regency, and 464,346 in the City of Bandung. The proliferation of SMEs in the Bandung region has pushed entrepreneurs to be as creative as possible in producing attractive and high-quality products. One approach to maintaining product quality is through the implementation of Total Quality Management (TQM) (Putri et al., 2019). TQM is a commitment by a company to provide the best for its customers (Alzoubi & Ahmed, 2019). According to (Muttaqin & Dharmayanti, 2015), TQM is an effort by a company to enhance its competitiveness by continually improving quality through customer satisfaction. TQM is a management system that prioritizes quality as a business strategy and is customer-oriented, involving all members of the organization (Erdil & Erbiyik, 2019; Noviantoro et al., 2020).

According to Chan & Tay (2018) and Campos et al. (2022), TQM has become a managerial paradigm accepted by many organizations worldwide. Therefore, TQM should be implemented by companies or organizations, especially SMEs. The introduction of TQM

requires SMEs to adapt to change, which occurs gradually (Hutagalung et al., 2020; Sopa et al., 2020), who stress that change is a gradual process. Research conducted by Hidayah & Indarti (2016) indicates that TQM has a significant positive influence on the competitiveness of micro digital printing businesses in Pekanbaru. TQM is based on several key principles: 1) Customer satisfaction; 2) Respect for every individual; 3) Fact-based management; 4) Continuous improvement (Fachrurrozi & Yuswono, 2018).

The importance of TQM is essential for SMEs to excel in the highly competitive environment, especially in the Bandung region, which has the highest number of SMEs in West Java. TQM-related issues also pose a challenge for 'Aisyiyah Bandung Women Entrepreneurs, as they lack training in managing their businesses, have limited knowledge of maintaining good quality management for enhancing customer loyalty and the quality of their products, and are not exposed to the benefits of TQM training for the sustainability of their enterprises.

RESEARCH METHODS

This project was conducted in a face-to-face format using the Discovery Learning Model and Problem-Based Learning (PBL) with the assistance of a digital module on Total Quality Management. The aim was to enhance participants' problem-solving abilities. The PBL model is effective in improving knowledge, critical thinking skills, and the practical application of knowledge in daily life (Amir, 2016). In this activity, several SME owners brought their products, such as ice blocks, cookies, clothing, honey, and wool-based handicrafts, for discussion. The material was presented using a digital module, PowerPoint, and other media. After the event, 'Aisyiyah Women Entrepreneurs maintained contact through a WhatsApp group to follow up on the community engagement project. The project took place over 30 days, with the face-to-face component conducted on Saturday, July 23, 2022, with a total of 20 participants. The participants were predominantly 'Aisyiyah Women Entrepreneurs from Bandung. The project involved various stages, starting with needs analysis related to the development of SMEs, followed by stakeholder identification, which included 'Aisyiyah Women Entrepreneurs in West Java engaged in SMEs. After identifying needs and stakeholders, the next step was to establish a community engagement project team, consisting of a lecturer and a student. Subsequently, a digital module was developed for use in the community engagement project. The digital module allowed for easy distribution and access through gadgets, accessible via download from the WhatsApp group or the link provided at https://www.academia.edu/87712261/Total_Quality_Management_Digital_Modul. After module development, the team prepared for the engagement activity, including organizing equipment and media, taking attendance, and other logistical details.



Figure 1. Digital Module Total Quality Managementandung

RESULTS AND DISCUSSION

The implementation of Total Quality Management (TQM) for Small and Medium Enterprises (SMEs) was a significant and enthusiastic endeavor that garnered the participation of 20 dedicated individuals. In this initiative, the 'Aisyiyah Women Entrepreneurs in West Java' played a pivotal role by expressing their appreciation and wholehearted support for the project. The context in which this initiative unfolded was characterized by a multitude of challenges that extended beyond the realm of marketing and were primarily centered on enhancing the managerial practices within these SMEs. One of the central challenges that became glaringly apparent was the formidable task of adopting technology and embracing digitalization. For many of the SMEs involved, this journey towards technological integration proved to be quite daunting. Prior to the actual commencement of the project, the team responsible for its execution engaged in meticulous planning to ensure that all aspects were comprehensively considered. However, as the project unfolded, it became increasingly evident that a common concern among the participants was the intricate nature of managing their businesses. This concern was especially pronounced for SMEs that had a substantial number of employees. It is noteworthy that a significant proportion of these employees belonged to the early Generation X cohort. Although Generation X is generally characterized as being tech-savvy, the implementation of advanced technologies, particularly in the realm of digitalization, posed a substantial challenge for many of the SMEs involved in this initiative. This challenge was underscored by previous research Almeida et al. (2020) and Figini et al. (2018) which highlighted the need for training and guidance to effectively integrate technology-based solutions into SME activities.

The primary goal of this comprehensive effort was to empower these small and medium-sized enterprises with the necessary knowledge and tools to successfully navigate the

complexities of modern technology. By doing so, these businesses were not only able to enhance their overall competitiveness but also to adapt and thrive in their respective markets. In essence, the implementation of Total Quality Management (TQM) represented a pivotal step towards the long-term sustainability and growth of these SMEs in an increasingly digitized and competitive business landscape.



Figure 2. SME Participant's Product

This project underscores the profound significance of Total Quality Management (TQM) in the context of Small and Medium Enterprises (SMEs), with a particular emphasis on the pivotal role played by human resources. According to Taylor & Taylor (2014) in this context likely highlights the valuable insights and findings from their research, which have contributed to the project's understanding of the importance of TQM within the SME sector. TQM, as a systematic approach to enhancing the quality and efficiency of business operations, has proven to be a vital element in the growth and development of SMEs. The project's methodology employed a collaborative learning model, which proved to be instrumental during the engagement phase. This model encouraged active participation from the stakeholders and fostered in-depth discussions. Through these interactions, the project was able to shed light on the genuine and multifaceted challenges confronted by SMEs in their day-to-day operations. According to Davidson & Major (2014) in this context likely indicates that their work provided valuable insights into the benefits of collaborative learning and its potential to yield a deeper understanding of the real challenges faced by SMEs. The project's approach, thus, was rooted in empirical observations and practical insights, making it more attuned to the authentic needs and concerns of the SMEs it aimed to assist. Recognizing the paramount importance of TQM, the overarching objective of the project was to empower SMEs with the requisite knowledge and skills necessary to not only survive but thrive in today's increasingly competitive business landscape. In essence, this initiative sought to equip SMEs with the tools and strategies they needed to maintain a competitive edge and to adapt to the ever-evolving market dynamics. By doing so, the project aimed to set the stage for the sustainable growth and long-term success of these SMEs. The emphasis here is on creating a foundation upon which these enterprises can build and flourish, ensuring their viability in the long run.



Figure 3. Counseling and Focus Group Discussion

CONCLUSION

The findings derived from this project yield valuable insights for the enhancement of Small and Medium Enterprises (SMEs). First and foremost, the project underscores the indispensable role of Total Quality Management (TQM) as a critical component in the multifaceted development of SMEs. Particularly, when it comes to managing human resources, TQM emerges as a pivotal tool (García-Alcaraz et al., 2019). Human resources are the lifeblood of these enterprises and are rightly considered a cornerstone asset. By effectively implementing TQM principles, SMEs can harness the full potential of their workforce (Syduzzaman et al., 2016). This, in turn, enables them to not only progress but also accomplish their strategic objectives, making the most of their existing talent pool. Moreover, the engagement model employed in this project, characterized by a combination of discovery learning and problem-based learning, has proven to be highly effective. By immersing participants in real-life case studies and practical challenges related to TQM, the project has succeeded in igniting their active engagement. This dynamic learning approach has encouraged SME owners to share their perspectives and insights. Most notably, it has provided them with a platform to articulate the specific hurdles and intricacies they face within their own SMEs. This open dialogue fosters a deeper understanding of the challenges, equipping participants with the knowledge and practical skills they need to navigate the complexities of the modern business landscape effectively.



Figure 5. Photo Session

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