# TABLE OF CONTENTS

Original Literary Work Declaration .......................................................... ii
Abstract .......................................................................................................... iii
Acknowledgement ........................................................................................ viii
Table of Contents ......................................................................................... xi
List of Figures .............................................................................................. xvi
List of Tables ................................................................................................. xviii
List of Symbols and Abbreviations .............................................................. xx
List of Appendices ........................................................................................ xxix

## Chapter 1: Introduction

1.1 Background of Study ................................................................. 1
1.2 Problem Statement ................................................................. 7
1.3 Research Question and Purposes ........................................... 10
1.4 Description of Research Methodology ..................................... 12
1.5 Significance of the Study .......................................................... 13
1.6 The Scope of the Study .............................................................. 14
1.7 Contribution of the Study .......................................................... 14
1.8 Organization of Thesis ................................................................. 15

## Chapter II: Literature Review

2.1 Introduction .................................................................................... 17
2.2 A Literature Map ............................................................................ 22
2.3 Quality Principles ........................................................................... 23
2.4 Deming’s Principles and Its Development ..................................... 32
   2.4.1 Deming’s Principles .............................................................. 32
   2.4.2 Quality Management Method ............................................. 36
   2.4.3 Total Quality Management (TQM) ...................................... 37
Chapter III  Research Methodology

3.1 Introduction  112
3.2 Overview of Research Paradigm  113
3.3 Research Design and Method  116
3.4 Research Flow  122
3.5 The Key Research Question  123
3.6 Hypotheses Development and Research Framework  124
3.6.1 Hypotheses Development  124
3.6.1a Critical Factors of Quality Management Practices  124
3.6.1b The Proposed Structural Relations Model  125
3.6.1c Mediation Relationships  126
3.6.2 Research Framework  130

3.7 Research Instrumentation  135
3.7.1 Measurement of Constructs  136
3.7.1a Independent Variables (Six QMPs)  136
3.7.1b Mediating Variables (World-Class Performance in Operations: WCC, OE, and CNFP)  136
3.7.1c Dependent Variable (Company Financial Performance)  139
3.7.2 Questionnaire  142

3.8 Sampling Method  144
3.8.1 Sample  144
3.8.2 Sample Size  144
3.8.3 Sampling Unit  145

3.9 Data Collection Process and Pilot Test  145
3.9.1 Data Collection Process for Quantitative Research  145
3.9.2 Pilot Test  146

3.10 Data Analysis Method Used  148
3.11 Quantitative Data Analysis Procedures  149
3.12 Summary of Research Methodology  159

Chapter IV  Results and Finding

4.1 Introduction  161
4.2 Descriptive Characteristics of Respondents  161
4.3 Scale Purification  163
4.3.1 Assessing Multivariate Normality  163
4.3.2 Assessing Multicollinearity  165
4.4 Assessment of Measurement Model Fit  167
4.5 Quantitative Data Analysis: Factor Analyses  
4.5.1 Factor Analysis for QMPs  
4.5.2 Factor Analysis (a Second-Order CFA) for WCC  
4.5.3 Factor Analysis (a First-Order CFA) for OE  
4.5.4 Factor Analysis (a First-Order CFA) for CFP  
4.5.5 Factor Analysis (a First-Order CFA) for CNFP  
4.5.6 Difference in Means  
4.6 Structural Relationships Model: SEM  
4.7 Decomposition of Effects in Path Analysis  
4.8 Summary  

Chapter V Discussion  
5.1 Summary of Research Findings  
5.1.1 Summary of Critical Factors of Quality Management Practices  
5.1.2 Summary of Research Findings  
5.2 The Main Findings from the Research Hypotheses  
5.2.1 Critical Factors of Quality Management Practices  
5.2.2 Structural Relations of TQM Implementation Model  
5.2.2a The Relationship between QMPs and WCC  
5.2.2b The Relationship between QMPs and OE  
5.2.2c The Relationship between WCC and CNFP  
5.2.2d The Relationship between OE and CNFP  
5.2.2e The Relationship between CNFP and CFP  
5.2.2f The Structural Relationships Model and Sustainability of TQM  
5.2.3 The Mediation of WCC, OE and CNFP  
5.3 Summary of Findings and Discussions  

Chapter VI Conclusion  
6.1 Summary of the Study
6.2 Conclusion: The Significance of Findings and Contribution of the Study 222
   6.2.2 Infrastructure Practices: Supervisor Leadership, Supplier Involvement, Training to Improve Products/Services, Cross Functional among SBUs 225
   6.2.3 Core (Value Creation) Practices: Quality Improvement Program and Top Management Commitment 227
6.3 Recommendation: Policy Reflections 231
6.4 Limitation of the Study 233
6.5 Delimitation of the Study 235
6.6 Suggestion for Future Research 236
6.7 Summary of Conclusions 238

Reference 240
<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>A Literature Map</td>
<td>23</td>
</tr>
<tr>
<td>2.2</td>
<td>Deming’s Chain Reaction Theory</td>
<td>36</td>
</tr>
<tr>
<td>2.3</td>
<td>The Link between Culture, Structure, and Implementation Success</td>
<td>61</td>
</tr>
<tr>
<td>2.4</td>
<td>Suggestions about Organization Design of Lawrence and Lorsch</td>
<td>63</td>
</tr>
<tr>
<td>2.5</td>
<td>The Mechanistic Approach</td>
<td>64</td>
</tr>
<tr>
<td>2.6</td>
<td>The Organic Approach</td>
<td>65</td>
</tr>
<tr>
<td>2.7</td>
<td>New Paradigm Organizations</td>
<td>92</td>
</tr>
<tr>
<td>2.8</td>
<td>Value Discipline</td>
<td>104</td>
</tr>
<tr>
<td>2.9</td>
<td>Six Pillars of World-Class Organization</td>
<td>106</td>
</tr>
<tr>
<td>3.1</td>
<td>Illustration of Research Scenario for Mixed Method Study</td>
<td>115</td>
</tr>
<tr>
<td>3.2</td>
<td>Direction of Research Method and Design of the Study</td>
<td>120</td>
</tr>
<tr>
<td>3.3</td>
<td>Research Flow</td>
<td>123</td>
</tr>
<tr>
<td>3.4</td>
<td>The Proposed Structural Relations Model</td>
<td>133</td>
</tr>
<tr>
<td>3.5</td>
<td>The Effect of Quality Performance on Both Customer</td>
<td>134</td>
</tr>
<tr>
<td></td>
<td>Satisfaction and Financial Performance</td>
<td></td>
</tr>
<tr>
<td>3.6</td>
<td>The Structural Relations between TQM Practices and Financial Performance</td>
<td>135</td>
</tr>
<tr>
<td></td>
<td>with a Mediation of Non Financial Performance</td>
<td></td>
</tr>
<tr>
<td>3.7</td>
<td>The Flow of Data Analysis</td>
<td>148</td>
</tr>
<tr>
<td>4.1</td>
<td>CFA Model of QMPs</td>
<td>176</td>
</tr>
<tr>
<td>4.2</td>
<td>The Measurement Model of WCC</td>
<td>179</td>
</tr>
<tr>
<td>Figure</td>
<td>Description</td>
<td>Page</td>
</tr>
<tr>
<td>--------</td>
<td>-------------</td>
<td>------</td>
</tr>
<tr>
<td>4.3</td>
<td>The Measurement Model of OE</td>
<td>182</td>
</tr>
<tr>
<td>4.4</td>
<td>The Measurement Model of CFP</td>
<td>184</td>
</tr>
<tr>
<td>4.5</td>
<td>The Measurement Model of CNFP</td>
<td>186</td>
</tr>
<tr>
<td>4.6</td>
<td>Initial Model of the Structural Relations of TQM Implementation</td>
<td>191</td>
</tr>
<tr>
<td>4.7</td>
<td>The Revised (Final) Model of the Structural Relations of TQM Implementation</td>
<td>194</td>
</tr>
<tr>
<td>5.1</td>
<td>The Research Findings</td>
<td>204</td>
</tr>
</tbody>
</table>