

## The contribution of total quality management to improving the competitiveness of financial organizations.

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مساهمة إدارة الجودة الشاملة في تحسين القدرة التنافسية للمنظمات المالية.

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### Introduction:

Financial institutions are one of the most vital components in today's society, and as an open system, it consistently incorporates new and relevant developments in their surroundings. Among the things that these institutions deem crucial is the concept of "total quality management" (TQM). It's possible that this idea is similar to other administrative concepts that have been the subject of differing viewpoints and opinions. TQM is a contemporary management approach that aims to delight customers while also benefiting employees. All workers are involved in the continuous enhancement of products, processes, and services.

### The first section: the general framework of the research

**Research Problem:** The problem of the study is derived from the following inquiry:

•What is the impact of Total Quality Management (TQM) on enhancing the competitiveness of financial institutions?

- Sub-Questions: Additionally, some sub-questions arise, including:

A- Definition of TQM: A clear understanding of the concept of TQM is essential.

B- ISO and TQM: The relationship between TQM and the International Organization for Standardization (ISO) needs to be established.

C- Extent of TQM application: It is crucial to determine the degree to which the study institution implements TQM standards.

D- Concepts of Competitiveness: Various concepts of competitiveness need to be identified.

E- TQM and Competitiveness: The connection between TQM and competitiveness must be established.

### The importance of research:

The significance of research is evident in that the implementation of total quality management principles can lead to several advantages for the organization, including:

١- Increasing customer loyalty.

٢- Boosting individual productivity, resulting in enhanced overall organizational productivity.

٣- Growing market share.

٤- Lowering various costs.

### **Objective of the study:**

The objectives of this study have been divided into two parts: one is an objective, and the other is personal.

The objective aim is to highlight the relationship between total quality management and various present issues, the most important of which are the competitiveness of institutions, and the extent of their application of the foundations of total quality. And the possibility of using it for various ISO certificates.

The personal aim is to come out of this study with recommendations that serve, firstly, the institution under study, and secondly, subsequent studies of the topic.

### **The second section: The theoretical framework of the research**

- An Overview of Total Quality Management
- Definitions of Total Quality Management

Several definitions can be found that touch upon the concept of total quality management. Here are some examples: First, "Total Quality Management is an administrative philosophy aimed at achieving customer satisfaction, which means designing and delivering services and products that meet or exceed customers' expectations, with a focus on continuous improvement" (Al-Moussawi, 2001, p. 183).

From this definition, it can derive the following points:

- Total Quality Management is a management philosophy grounded in principles.
- Total Quality Management is centered on achieving customer satisfaction.
- It is essential to continuously improve and develop products.

Second: To define the company's philosophy for each employee is essential for total quality management. Moreover, it works to permanently attain customer satisfaction by integrating various tools, techniques, and training. This involves continuous improvement in internal processes of the company, resulting in high-quality products and services (Richard, 2004).

Some key points can be inferred:

١. Every individual should be aware of the organization's objectives.
٢. Tools and techniques should be used to achieve customer satisfaction.
٣. Continuous improvement of products and processes is necessary.

Third: Total Quality Management (TQM) is an administrative philosophy practiced by organizations worldwide to optimize human and material resources for the purpose of enhancing efficiency and effectiveness in accomplishing their objectives (Khudair, 2001).

The following points can be deduced from the above definition:

١. TQM is a management philosophy that seeks to improve efficiency and effectiveness.
٢. TQM has garnered global interest and adoption.
٣. All human and material resources are to be utilized to achieve optimal efficiency and effectiveness.

Fourth: "Total Quality Management is a management philosophy that seeks to transform an organization's culture, enabling it to be responsive, adaptable, and customer-focused. It promotes a healthy work environment and encourages broad employee participation in planning and implementing continuous improvement initiatives aimed at meeting customer needs."

From this definition, we can derive the following points:

- Total Quality Management encompasses a comprehensive approach to quality that permeates the entire organization.
- The aim of this approach is to enable organizations to respond quickly and effectively to changes in their environment.
- The focus is on meeting the needs of customers.
- Total Quality Management involves the participation of all employees in the improvement process.
- The goal is to continuously improve products and services to satisfy customers.

While there may be different perspectives on the concept of Total Quality Management, one thing that most people agree on is that it is a management philosophy that emphasizes continuous improvement with the aim of satisfying customers and involving all employees in the organization.

The current situation has brought about various changes in the work environment and within organizations, one of which is known as "strategic quality management." This concept is viewed as a comprehensive approach to total quality management that emphasizes competitiveness and the rapid pace of global change (Al-Omari, 2006: 4).

Although this term is relatively new, it has become a crucial necessity for any organization, seen as a complementary system for strategic planning.

To achieve success, this system requires managers who are intellectually diverse and inclined towards creativity. The process of establishing long-term quality objectives is crucial.

Finally, it is an ongoing, evolving process managed by senior management.

The significance of total quality management within an organization depends on its adherence to specific principles that ensure its strength. These principles, as summarized by Mustafa (2006: 9), include:

1. Customer focus - This entails meeting customer needs and desires to maximize benefits.
2. Leadership - It is essential to recognize and engage informal leaders, as they play a crucial role in promoting comprehensive quality awareness.
3. Worker participation - This involves encouraging and involving workers in the improvement and utilization of their skills and abilities.
4. Process focus - Comprehensive quality gives great importance to the process of production.
5. Decision-making based on facts - Data-driven decisions should be made, rather than relying on intuition.
6. Continuous improvement - There should be a constant effort to renew, develop, and improve products and processes.

Moreover, Khudair (2000: 100) adds the following principles:

1. System approach - This entails addressing the organization as a whole, rather than individual components.
2. Fact-based decision making - Decisions should be based on data and facts, rather than assumptions or personal opinions.
3. Mutually beneficial supplier relationships - The organization should work collaboratively with its suppliers to enhance overall quality.
4. Employee involvement and empowerment - Workers should be encouraged to participate in and contribute to quality improvement initiatives.
5. Leadership - Leaders should set the tone for quality by modeling behaviors and prioritizing quality initiatives.
6. Communication - Open and honest communication should be promoted throughout the organization to ensure that everyone is working towards the same goals.

- Motivation, which encourages employees to generate ideas for improvement, whether in terms of product or process enhancements.

- Dependence on the information system and feedback, meaning provision of necessary and relevant data and information required for the improvement process. Additionally, giving proper attention to verifying information via various channels.

- Both the supplier and the customer are key pillars adopted in total quality management.

- Quality assurance, which signifies adherence to specifications and conformity with design during operational performance.

- Senior management's commitment, which aligns with strategies and strategic decisions related to comprehensive quality.

- Product design is considered one of the most crucial processes aimed at enhancing the product, and this process is considered one of the most important processes leading to comprehensive quality.

- Focus on the human resources function, as it is the origin of quality individuals before quality products.

- Continuous improvement.

- Decision-making based on facts.

- Strategic quality management, which entails working to improve products and processes in the long term.

The pioneer of quality, W. Deming, introduced the idea of total quality management (TQM) which included fourteen principles that aimed to achieve a competitive advantage. The principles focused on a new philosophy of vigilance and challenge, building quality into the product, reducing costs, and permanently improving the production system. The principles also emphasized on-the-job training, leadership, efficient and effective work, breaking down departmental barriers, and following international standards. Additionally, the principles advocated for zero-defect productivity, empowering workers by breaking work restrictions, and establishing a strong program for learning, development, and self-improvement. Finally, TQM emphasized the importance of placing individuals in the right positions based on their skills and abilities.

**Goals of total quality management and significance:**

١. The main reason for the interest of experts in total quality management is to achieve goals in the short or long term, such as:
٢. Satisfying the final customer with the product or service offered.
٣. Implementing policies and strategies that contribute to achieving the principles of total quality management at the lowest cost.
٤. Implementing incentives, rewards, and employment systems for workers to increase their productivity and thus raise the quality of their performance.
٥. Providing a work environment that helps employees innovate and improve.
٦. Implementing quality programs within the organization.
٧. Increasing organizational effectiveness in line with the requirements of total quality management.

The significance of total quality management lies in its distinction by various aspects. According to Al-Moussawi (2001:196), some of the most important characteristics of TQM are:

١. TQM is a holistic approach to change that goes beyond implementing written procedures and decisions.
٢. Commitment to this approach means transforming the behavior of individuals within and outside the organization.
٣. TQM emphasizes the organization's focus on its overall activities.
٤. It improves relations between suppliers, producers, and consumers.
٥. It enhances employee morale, fosters team spirit, and promotes a positive organizational culture.
٦. It improves the process of monitoring, evaluating, and controlling operations.
٧. TQM enhances an organization's competitive position in its environment.

Total quality management consists of the following elements:

١. Carrying out market research to identify and categorize consumer desires and preferences based on specific criteria.
٢. Converting these desires and preferences into specifications and standards that are taken into account during the production process.
٣. Designing and developing products and processes that are consistent with the aspirations of consumers on the one hand and the improvement process on the other hand.
٤. Good planning of needs according to the quality of raw materials.
٥. Ensuring consistency between the purchase of raw materials and the specifications required in the production process.
٦. Producing according to previously established goals and standards.
٧. Verifying that all procedures are consistent with the goals to be achieved.
٨. Transporting, storing, and packaging the provided product according to specific standards.
٩. Marketing the product in the most effective ways possible.
١٠. Obtaining feedback from customers and using it for improvement.
١١. Providing after-sales services to enhance overall product quality.

Factors contributing to the success of total quality management include the combined efforts of multiple parties within the organization and the presence of various elements, with the most crucial being (Khudair, 2000: 802):

1. Leadership that actively promotes continuous improvement and development.
2. A coordinated approach that aligns strategy with organization on an ongoing basis.
3. A clear vision of the future that guides strategic direction.
4. Continuous improvement based on maximizing value.
5. A structured administrative system connected to organizational processes.
6. Early adoption of modern methods and tools.
7. Extensive employee training.
8. Self-education for the organization.
9. Using business models to drive organizational focus.

Richard (2004) identifies several factors that contribute to organizational success:

١. Delegation of authority to enhance individual responsibility.
٢. Participation and engagement of employees in decision-making processes.
٣. Promoting creativity and innovation to improve products and processes.
٤. Managing by results, which is a key motivator for employees.
٥. Establishing work teams in different departments and an administrative team.

٦. Developing the skills of individuals, particularly managers.

There are various challenges and obstacles that managers encounter in their endeavors to succeed. Total Quality Management (TQM) has several factors that could lead to failure, including:

- ١- Inadequate financial and human resources to support the objective of improving quality.
- ٢- Prioritizing short-term profits over long-term benefits for shareholders.
- ٣- Using annual performance evaluations based on individual observations and judgments.
- ٤- Inability to manage due to constant job rotations.
- ٥- Management's reliance on easily accessible information without considering what is needed to improve processes
- ٦- Excessive employee healthcare costs that surpass all limits.
- ٧- Legal obligations that may arise from time to time, which can be overwhelming.

It can also add the following factors:

- ١- Disarray and a lack of clearly defined duties and powers.
- 2 - Centralization that undermines the efforts and benefits of delegation of authority and empowerment.
- ٣- Lack of integration of functions and processes.
- ٤- Focus on simple goals instead of concentrating on customers and the environment.
- ٥- Insufficient and weak organization information system.
- ٦- Weak system of rewards and motivation for effective work.

### Competitiveness of business organizations:

The concept of competitiveness among business organizations has gained significant attention from researchers in the last few decades of the previous century. Academics and practitioners alike have employed the term 'competitiveness' to denote the economic strength of countries, the position of a particular organization relative to its rivals in the market, or the position of an industry relative to another competing industry, or even a country relative to others. Despite its widespread adoption, this research specifically focuses on the competitiveness of business organizations, particularly through the theoretical framing of its concept, significance, and dimensions. The study of competitiveness at the organizational level has resulted in a plethora of definitions due to the varying perspectives of various researchers and authors. To better understand the concept of competitiveness, Table 1 presents some of the contributions made by researchers over time.:

**Table (1) shows some of the researchers' contributions to the concept of competitiveness**

Definition	Source
The organization's competitiveness is determined by its capacity to provide high-quality goods and services at fair prices and on schedule. This entails fulfilling customer needs more effectively than its competitors.	Wahab , 2016 , : 148)(
The organization's ability to remain profitable and secure its investments while generating returns on them depends on its capacity to adapt to shifting conditions in its environment.	Akimova, 2017: 4
At the corporate level, competitiveness pertains to the development, manufacturing, and promotion of goods that are considered to be superior when compared to the offerings of rivals. Superiority can be measured using a variety of criteria including cost, caliber, technological progression, and additional factors.	Depperu & Cerrato, 2019:7
It refers to the degree of effectiveness a company has in fulfilling customer desires relative to other companies offering similar products or services, by achieving high efficiency, low expenses, and a higher market share compared to its competitors.	Roman,2021:26

Competitiveness, according to previous definitions and varying viewpoints, has certain commonalities in its features. The following are some of the aspects of competitiveness: To outperform rivals is the objective of competitiveness. The ability to outperform rivals is contingent upon delivering goods and services that satisfy the requirements and expectations of clients, resulting in their loyalty. Elements of competition include:-

- Quality
- Innovation
- Price

- Timeliness

### **The significance of competitiveness in organizations:**

In recent years, the study of competitor analysis and competitiveness has gained prominence in successful business strategies. Researchers have investigated competitiveness within the context of strategy formulation using market, industry, or resource-based approaches. Competitiveness has become increasingly important in today's fast-paced world, with organizations employing various strategies and indicators to measure it. Reports on these are often submitted to the boards of directors, as it has become the standard for the success of organizations in the face of a turbulent business environment. Achieving a strong competitive position is now considered essential for survival in a market saturated with both local and international competitors. Therefore, an organization's possession of the elements that generate competitiveness is crucial for finding the best way to develop products and processes, utilize best practices in terms of costs and quality, and better serve customer needs, leading to improved performance. This, in turn, helps organizations achieve their strategic goals. (Roman et al., 2012: 2)

### **Factors affecting the competitiveness of companies:**

The competitiveness of an organization depends on its ability to adapt to a changing environment, whether positive or negative. In order to achieve a competitive advantage, organizations must choose a competitive dimension that aligns with their goals and strategies. The choice of this dimension is influenced by two main factors:

- ١- The organization's resources and their ability to build a competitive advantage (inputs, processes).
- ٢- The balance between the organization's internal environment (strengths and weaknesses) and the external environment (opportunities and threats).

Over time, the dimensions of competition that organizations adopt in their dealings with the market have evolved and developed due to changes in environmental conditions and customer needs. After organizations initially focused on cost reduction as a competitive dimension, others sought new ways to differentiate themselves and increase market share. These organizations were able to gain a competitive advantage by providing higher quality products, which became the basis for competition.

As competition intensified and more organizations adopted the quality dimension as a basis for competition, there was a need to search for a new competitive dimension. A group of organizations relied on time as a new dimension on which they competed by delivering products on time or upon request to differentiate themselves from their competitors. Later, they adopted the dimensions of flexibility, including flexibility in production quantities, marketing timings, and across the product mix offered to the market.

Since then, various other dimensions have been adopted by organizations, including the ability to quickly respond to changes in the market, innovation, customer service, and sustainability. Ultimately, the choice of competitive dimension depends on the organization's unique circumstances and the specific market in which it operates.

1-The researchers identified various ways to measure the competitiveness of organizations, and there has been widespread agreement on four key dimensions that are considered comprehensive of all the dimensions through which an organization can compete and excel. These dimensions include:

- The model proposed by Grout and Zalewska (2006:5): It identified three basic dimensions of organizations' competitiveness, namely profit margin, services provided, and acquisition. They believed these dimensions were fundamental in measuring the competitiveness of organizations that aim to remain at the forefront and seek continuous superiority over their rivals.

- The model proposed by Cetindamar and Kilitcioglu (2013), which demonstrated that the four dimensions of market share, productivity, cost, and profitability are the essential indicators of organizational competitiveness. According to this model, these dimensions can be adopted by any company, and all of these elements are interconnected.

According to the research conducted by Gilles in 2021, organizations should use four indicators to measure their competitiveness relative to other organizations, including cost, productivity, flexibility, and delivery. Therefore, business organizations that wish to remain at the forefront should strive for continuous superiority over their competitors by adopting a competitive dimension that aligns with their capabilities and the broader marketing environment.

Despite disagreements among researchers and writers on the definition of competitive dimensions, they have agreed on four dimensions which were adopted in our current study, namely profitability, cost, productivity, and acquisition. These dimensions will be discussed in detail below.

- 1- To evaluate an organization's competitiveness, profitability serves as a vital and adequate indicator. If a company's profitability can be maintained over an extended period, its current market value is related to its profitability. Future prosperity also depends on productivity, the cost of production factors, the appeal of the products, and, in the long run, research and development spending. (JEANDRI, 2021: 45)
- 2- Manufacturing cost: The manufacturing cost compared to that of competitors signifies the organization's competitiveness in a specific industry with similar production. Doubling the cost might not be advantageous for the organization's future profitability. The unit labor cost serves as an alternative to the average manufacturing cost when labor expenses account for the majority of the total cost. (Gilles, 2021: 8)
- 3- Productivity: Total factor productivity measures the efficiency with which the organization transforms production factors into products. However, it does not explain the advantages and disadvantages of the cost of production factors, nor does it account for whether production is measured in physical units (such as tons) or the number of units (TVs, for example). Total factor productivity does not reveal anything about the attractiveness of the products offered by the organization.
- 4- Comparing total factor productivity or its growth across multiple organizations locally and internationally is possible. Total factor productivity growth is attributed to technological changes and the movement of the cost function downward or the achievement of economies of scale. The evidence of total factor productivity growth is also affected by price differences based on marginal cost. (SADALIA, ,2021: 3)
- 5- Market share: Market share is defined as the organization's total sales of a particular brand divided by the total sales of other organizations for the same commodity and with different brands. It expresses the ratio between the organization's market and the total market share or the market share of the best-performing competitor. (Gilles,2021 :9).

Market share is one of the most significant and transparent indicators of a company's competitiveness. If an organization holds the largest share of the market, it is considered competitive and a leader. However, if its market share is low, its competitiveness is considered weak, depending on the conditions in which the organization operates.

An organization can be profitable and capture an important portion of the domestic market without being internationally competitive due to protective measures in the domestic market towards international trade. Similarly, a national organization can be profitable at the moment but may not be able to sustain competition as a result of trade liberalization or the decline of the market. Therefore, project costs should be compared with the costs of its international competitors. (SADALIA, 2021: 4)

When there is a state of equilibrium that maximizes benefits within a sector of activity with homogeneous production, the weaker the organization's marginal cost compared to its competitors' costs, the greater its market share and the more profitable the organization will be, assuming other things are equal. Market share thus translates advantages into productivity or cost of factors of production. (JEANDRI, 2021: 47)

### The third topic: the practical framework

The degree to which ISO accreditation influences the competitiveness of the National Gateway Corporation for electronic payment and financial services is substantial. Obtaining two ISO certifications would not have been possible without the efforts made in various areas. Similarly, this certification has a clear impact on the organization, across multiple domains. We can also observe this effect in:

Firstly, the impact on the customer: The organization's clients are considered a permanent base for the institution. However, with the acquisition of the ISO certificate, it should have a positive impact on customers. While examining the organization's numbers, we notice a fluctuation in transactions with customers, owing to several reasons, the most important of which is that sales are made according to the customer's request. Furthermore, there has been no change in the prices of selling services. This may help clarify the value of the organization's sales to its most important customers.

Table (2): The value of the organisations sales to some of It Customer.

٢٠٢٣		2022		Customer
Percentage %	Amount	Percentage %	Amount	



37	1408	47	1557	(Pos) Merchants shop owners
24	915	21	676	Online store (NG)
0.49	19	04	126	and Exports
10	366	08	254	Other customers

Source: Iraq Electronic Services Portal. According to the previous chart, it failed to observe an increase in the organization's sales during 2023. However, it can see that the turnover was escalating, as the subsequent table illustrates. Table (3): Development of the organization's turnover.

٢٠٢٣	٢٠٢٢	٢٠٢١	The statement
٣٨٤٢	٣٢٨٣	٢٦٦٨	Company ID
١٧,٠٢%	٢٣,٠٥%	/	The percentage of growth.

Source: Analytical accounting of the Iraq National Gate Company

According to the table, comparing the growth of the organization's sales quantity and value between 2021, 2023, and 2021, there is an increase in sales across the years at varying rates. This increase can be attributed to several factors, including:

١. Increased customer base: The organization has gained customers from outside the country.
٢. Competitive pricing: The organization's cost price has been adjusted appropriately, causing some customers to shift to their market.
٣. The Iraq National Portal Foundation has implemented several measures, such as:
  - A. Conducting customer feedback sessions: The foundation records customer reactions, expectations, and other feedback about their products and services.
  - B. Adjusting purchasing patterns: The foundation tries to align its purchasing patterns with customer demand and increase sales by making purchasing more permanent or variable.
  - C. Educating customers about certification requirements: The foundation informs its customers about the necessary requirements for certification.

The effects of total quality management (TQM) on an organization's overall competitive stance can be observed through the activation of continuous improvement in products and processes. By adopting the fundamental principles of TQM, an organization can witness significant improvements in its competitive edge. The impact of TQM on an organization's competitiveness is evident in several ways:

First, it encourages the implementation of quality circles. It is essential to note that quality circles are almost non-existent in the organization in the traditional sense. However, with the adoption of comprehensive quality, it is only a matter of time before organizations can fully implement the principles of quality circles. Additionally, the current policy of change pursued by the Iraq National Gateway Corporation for Financial Services, which focuses on replacing poor services with good electronic services, somewhat speeds up the process of using the foundations of quality circles.

The organization's officials are actively working to create a body within the organization whose mission will be to prepare for implementing the content of the organization's quality circles. Based on the workshops, the interests are to reach the optimal application of the concept of quality circles.

Educating employees on the significance of quality is essential to guarantee the optimal application and effective activation of total quality management principles. The extent to which the worker comprehends the importance of quality in products and processes should be the primary foundation.

The institution has been making efforts for many years to train employees through workshops, departments, and departments about the importance of having comprehensive quality management systems. Some of the most important measures taken in this field are:

- ١- .Sending some workers abroad for training courses.
- ٢- .Conducting several training courses within the institution, led by foreign and local experts, which benefit all employees.
- ٣- .Including the foundations of comprehensive quality within the employee performance evaluation process.
٤. Developing laws and procedures that oblige employees to pay maximum attention to comprehensive quality.

Constant Improvement in Products and Processes:

The core principle of total quality management is the constant enhancement of products and processes. This improvement, which the Iraq National Gateway Foundation for Financial Services has focused on, is evident in



the upgrading of machinery. In recent years, the institution has acquired high-performance production equipment that aligns with modern service specifications, at a purchase cost of up to 120,000,000 D. A. These machines were distributed to various workshops in the institution. This led to an improvement in the company's products at an increasing rate, which is proven by the company's sales and profits. The institution recorded a total result estimated at 412.82 x 610, after it was estimated at 186.91 x 610 in previous years. The preparation of the workshops also played a significant role. Recently, the Foundation's officials rebuilt some of the workshops, as well as the Foundation's warehouses, and others. Total Quality Management faces emerging challenges within the organization. Despite the organization's success in implementing TQM principles, there are problems that hinder the achievement of total quality goals. The internal obstacles, which include various challenges within the institution's internal environment, include:

١. Employees' love of stability in their current positions and resistance to change. This makes it difficult to convince employees of the need for change policies to improve the institution.
٢. The high cost of fixed expenses, which negatively impacts the institution's budget.
٣. The limited number of training courses available to workers due to the lack of expertise in the country.
٤. The inability to control local customers due to a lack of awareness among Iraqi customers.
٥. Providing discounts and discounts to raise the institution's competitive level, which undermines customer trust.

In the segment concerning external obstacles, it will address challenges that the Iraq National Gateway Foundation for Financial Services encounters outside its organization. These challenges include:

١. The negotiating capabilities of the Iraq National Gateway Corporation for Financial Services do not match those of its suppliers, leading to them consistently outperforming it.
٢. The primary obstacle facing the Iraq National Gateway Foundation for Financial Services is its inability to compete with financial services producers on a global scale. This issue is acknowledged by the institution's officials. The greatest difficulty lies in the event that Iraq enters the World Financial Trade Organization. Here, foreign competitors would have complete freedom to enter the Iraqi market, and take advantage of the market shares of the Iraq National Gateway Corporation for Financial Services, as it dominates the market with significant privileges, such as low-cost prices and large discounts.

Despite these challenges, everything mentioned remains, according to the officials, an incentive for future work, to preserve this institution and its competitive position. The various facts mentioned in this chapter describe the effects that we anticipated, from a theoretical standpoint, to have an impact on the institution in its various fields of activity.

It concluded that there are some motives and incentives to improve the reality of the institution. It also concluded that there are obstacles that complicate the institution's path towards a good strategic competitive position.

### **Results and recommendations:**

#### **Results:**

Total Quality Management (TQM) is considered one of the ways to create a competitive edge for financial institutions. That's why it was essential to cover the various aspects of this topic, including definitions and analyses, to learn more and more about it.

Moreover, the significance of the topic necessitated developing an applied study within an institution to highlight the facts and attempt to analyze the numbers. Finally, the results of this study were reached.

Therefore, the results were as follows:

١. Quality encompasses the most important elements that the producer must take into account in the production process.
٢. Total Quality Management is one of the ways to achieve the various objectives of the organization.
٣. Total Quality Management can be considered a style or method of management in an organization that strengthens its competitive position.
٤. Total Quality Management is influenced by many factors, which often lead to achieving the organization's goals.
٥. Total Quality Management has several effects on the various functions of the organization, which helps to gain a competitive advantage.
٦. Total Quality Management has several links to some international organizations, especially the International Organization for Standardization, as the relationship between Total Quality Management and ISO certification is complementary, as the first complements the second.

٧. The principles of Total Quality Management differ between theoretical and practical. Not everything studied about Total Quality Management can be applied in practice. This means that there is a difference between the degree of assimilation of these principles and the possibilities available to activate them within the institution. Regarding the numerous observations we made at the Iraq National Gateway Institution for Financial Services, they can be summarized as follows:

١. The organization is still far from achieving optimal practical implementation of total quality management principles, although it is progressing towards this goal at a steady pace.

٢. The organization faces challenges in managing its competitive positioning due to several obstacles hindering its growth potential. Some of these challenges include:

\* High fixed costs.

\* Production based solely on orders.

٣. It is evident that its negotiating position is often weak compared to suppliers or customers in many instances.

Recommendations:

To back up the findings of our study, we proposed a number of recommendations that would initiate transformation processes within the organization, aimed at achieving optimum progress. We present these suggestions in the following manner:

١. Creating a specialized department or unit for total quality management.

٢. Enhancing comprehension and effective assimilation of the concept of total quality management, both among the organization's employees and senior executives alike.

٣. Attaining excellence by integrating total quality management with the organization's competitive performance indicators.

٤. Working diligently to capture new markets and retain existing ones, via several strategies, the most crucial of which include:

\* Backward integration, i.e. producing raw materials.

\* Alliancing with powerful institutions.

\* Investing in advertising, either domestically or internationally.

٥. Diversifying the organization's suppliers, so as to avoid overdependence.

٦. Paying close attention to recruitment and training policies, and supervising them in accordance with comprehensive quality standards.

٧. Establishing policies for change, the ultimate objective of which is continuous enhancement of products and processes.

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