Quality today is a fundamental factor for market survival, competitiveness and profitability. Strategic business planning is based on a TQM system. Quality is not produced, it is a management tool.

Development of quality in developed economic countries has shown that quality is something which is built, developed and constantly enhanced. The system TQM is totally market oriented, buyer-led, as the process starts with the buyer (what he wants) and finishes with the buyer (a satisfied buyer). This is a cycle consisting of five basic activities: planning quality, realising quality, evaluating quality, achieving quality and improving quality, which is being constantly repeated.

The advantages of introducing TQM for the service sector, tourism and hotel industry are big, both economically and socially. Poor business productivity and unsatisfactory quality of the product and service are weaknesses of Croatia's economy. Ahead lies the process of learning and introducing TQM for our economy, as this is a condition and necessity for inclusion into world business trends and world markets.

Key words: quality, Total Quality Management, quality cycle, elements of quality

1. INTRODUCTION

Conditioned by fierce competition and increasing consumer demands quality has become the fundamental factor for market survival, profitability and the country's total economic development: especially for specific areas of activity and types of companies.

Modern business strategy is based on intent of quality control of product and of service. Quality today, is not manufactured, but used as a management tool.

An ever increasing number of manufacturers and firms offering services are entering the business battle for quality to win the ISO-9000 certification. The preserving winner is rewarded with a secure and firm position on the market. Quality is an advantage and necessity of market competitiveness.

Total Quality Management (TQM) is a system which guarantees a stipulated quality. Quality is, therefore, the result of a defined TQM system for specific activities, for the company and specific tasks and activities within the company.
One of Croatia's economic weaknesses and causes of poor business productivity and performance is the unsatisfactory quality of its products and services.

TQM is a new area of study in Croatia's economic theory. Only recently have several real-life cases used this system. Much more is spoken, rather than known about it. For this reason, special attention is devoted to this theme with the objective to explain and interpret this concept, to emphasise the advantages of implementing a total quality system for Croatia's economy, especially for the tourist and hotel industry.

2. HISTORICAL DEVELOPMENT OF TOTAL QUALITY MANAGEMENT

Understanding quality as something good is a very old concept. In an economic sense quality is connected to the very beginnings of human economic activities -- from primitive societies through the span of history up to the present time. Namely, some sort of specification (later represented as norms and standards) has always existed with which, in the name of the owner (chief, pharaoh, king, entrepreneur, etc.) an inspector controlled, approved or rejected the offered product or service.1

An extreme corrective method for permanently eliminating mistakes, i.e. deviations from the required quality of product or service was used by the Phoenicians: the inspector would file the order for the hands of the worker, responsible for the bad product, to be cut-off. Although an extreme example, it demonstrates the great importance given to quality, as the measures for not complying to instructions and specifications were much more drastic than today's.

Industrialisation isolated the individual producer (worker) from the product (satisfaction attained through personal production -- to witness the results of ones own work, was taken away), and the company from the direct buyer.

The historical development of quality is best shown through examples of America's economic development described in several milestones of evolution.

- 1900-1920: The function of Quality Control

Company Ford (established 1907) introduces automobile production based on Frederick W. Taylor's (1856-1915) principles of work organisation. Serial production of automobiles is sufficiently simplified to enable the employment of unqualified workers and achievement of low production costs. The year 1910 represents the beginnings of quality control -- the function of control, i.e. the process of separating bad and good products becomes independent, separated from the function of production.

1 Traité de la qualité totale, B. J. de Noray, Le mouvement international de la qualité, DUNOD, Paris, 1990., p.p. 3-12.
• 1920-1945: Statistical Control of Quality

In 1920 Western Electric introduces a new telephone exchange. Due to serious problems of achieving the required quality (mistakes) a special department for quality is formed in which are to work George D. Edwards and Walter A. Shewhart. Edward connects the function of quality control directly with management, he creates the concept quality assurance. The mathematician, Shewhart standardises statistical methods for controlling quality. Still valid today, he publishes his research results in 1930. During 1930 Waldo Vezlau and Joseph V. Talacko develop the principle of reject classification according to weight -- known today as the Pareto principle. Between 1941 and 1944 Harold F. Dodge and Henry Romig develop control sample tables.

• 1950: Total Quality Control (TQC)

In 1945 doctor A. W. Feigenbaum publishes his article, Quality As Management, and describes the results of usage and development of quality in General Electric, the first company to use TQC. His book, Total Quality Control, written in 1951, is first introduced in Europe in 1961. His work attracts many followers, especially in Japan.

A special place in the development of TQC is taken by W. Edwards Deming and J. M. Juran. Deming continued Shewart's work and in 1938 was the first in the world to use the sample system method for the National Census Office.

In 1946 and 1948 Deming is sent by the American War Ministry to Japan to work on an economic project. His involvement there attracts special attention; as well as his tour of lectures to leading Japanese directors in 1950. Not until 1980 - 30 years later, does Deming gain fame in America. During the Second World War Juran with Deming develop an educational program for quality management, as well as a documentation basis for statistical control. His first book, Quality Control Handbook, is published in 1954. He is invited to Japan to continue and broaden the Deming lectures. Both receive the highest recognition in Japan.

Americans were the pioneers of quality assurance systems, and the Japanese the first to appreciate and use the advantages of control systems.

• 1960: Man becomes a part of quality -- Zero Defects

Up to 1960 quality belongs to the engineering and management domain. The employee is just one of many factors in the company -- he is not responsible for quality. In 1961 Philip B. Crosby creates the Zero Defects (ZD) movement. Namely, early space program research showed that occurring mistakes were almost exclusively a result of human error. This confirms the need to concentrate efforts on human resources to secure quality. Crosby develops his experience into a concept which is based on responsibility of the employee for the task for which he is delegated. The use of numerous inspectors is excluded and the principle, doing it correctly for the first time, introduced. Using a practical application of this method the American company ITT obtains very good results, later on to be accepted and developed in many successful companies throughout the world.
1975: Quantity as a strategy

Japan’s competitive edge in relation to American companies sharpens due to the oil crisis. Quality and reliability of Japanese cars and televisions, in relation to similar American products, is superior. When buying a new product consumers change their criteria of choice: retail price plus maintenance price becomes crucial. The poor performance of American products is initially justified as a result of external factors (Japanese culture, trade unions, employment).

Following the excellent performance of a Japanese firm in America employing Americans, which achieves like results in quality as in Japan, these arguments are refuted. This experience shocks American management, especially in the automobile industry. Programs of change are initiated to fundamentally alter work methods and the role of the employee in the firm. Hierarchy levels are reduced from 7 to 3. Development periods shortened from 5 to 3 years. Enhancement programs introduced for all activities.

3. CONCEPT AND MEANING OF TOTAL QUALITY MANAGEMENT

The word quality is derived from Latin (qualitas) and means the characteristic, property or attribute of a person or thing: trait, character, feature. The word total is also of Latin origin (totus) and means constituting or comprising the whole: entire, absolute, sum, aggregate, gross. The word manager is an English word meaning a person who manages: administrator, executive, superintendent, supervisor, boss, entrepreneur. (Croatian: menedžer, manedžer, menadžer)².

Management is a complicated concept and is concerned with the act or manner of managing. It describes the process of co-ordination of efficient use of human and material resources to accomplish given goals³. The management process is concerned with the following functions: planning, organising, leading, staffing and controlling.

Three foreign words — clearly defined, are put together to form TQM which can be translated into Croatian as upravljanje cjelokupnom (ukupnom ili potpunom) kvalitetom.

It should, however, be emphasised that the concept quality used for quality of product and of service has undergone change.

Quality today is defined from two aspects: the production and service aspect and the consumer aspect.

From the production service aspect quality is defined as a specification of properties or characteristics which the product or service has to satisfy as a standard. Standardisation is, therefore, a regulated quality. From this it follows that the intent of quality is the level attainable representing the highest standards, or conformance to specification. This definition of quality dominated the industrial revolution and is typical for mass production.

As a result of market development and marketing the prevailing definition of quality today is from the aspect of the buyer, consumer, client, guest, generally speaking, the user of the product and service.

Quality is the level of guaranteed satisfaction needed to satisfy customer needs and requirements -- ability to meet exceeding customers' expectations. Standards or norms are regulated quality. They regulate elements of quality which are sought and expected by the buyer.

Quality is best illustrated by the slogan *Your Wishes Are Already Satisfied*. Customers' needs, expectations and requirements should, therefore, be foreseen, specified and satisfied as quality is customer defined. Quality is an on-going process. Customer requirements are constantly undergoing change. They are becoming increasingly demanding.

Quality and standards (norms) are the same. Standards are regulated quality as well as a measure of realised quality, which means without clear-cut and understandable standards quality can not exist, as quality implies one-hundred percent compliance to standards -- no deviation whatsoever from the regulated elements of quality implies, therefore, zero defects.

The meaning of the concept quality has evolved from its association to production to management. Today TQM is in fashion and can be defined in various ways. TQM is a system of enhancing and improving flexibility, effective and efficient business performance. All employees and all activities from the most menial jobs to the highest management levels are included. TQM endeavours to secure and create conditions in which all the employees through a joint effort effectively and efficiently fully achieve one objective: when, where and how to produce a product and offer a service to the buyer and consumer. For the first time and each additional time. The emphasis is, therefore, on quality and adaptability to quality by all employed, culture, a single and homogenous behaviour, effectiveness, i.e. achieving business objectives (the best prices and maximum profit) and efficient objective attainment (lowest incurred costs and best maximum usage of material and human resources). The concept TQM is based on a process of constant advancement and improvement and lasting quality and team work, all of which give permanent improvement.

Quality today is more than just producing a good product, it belongs to the area of management. Quality management is a very complicated process. TQM integrates strategy, effectiveness and efficiency of the process, team work and delegation of responsibility and decision-making. Critically, TQM, so it is said, is an old thing with new and complicated elements.

Quality management brings together all forms of business techniques -- existing and new, for improving business performance, and all professional knowledge and material means, all of which are directed towards permanently improving all processes using all available human and material resources.

Implementation of TQM necessitates adherence, discipline and constant employee effort. TQM includes everything, and is dependent on everyone. Every activity must

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4 In practice almost anything in the world can be produced which is of an inferior quality and sold for a low price. Those who consider only the price will be the victims of their behaviour.
function correctly and be directed towards a mutual objective. TQM is a system which guarantees the systematic and continual enhancement of all work processes -- intent of quality of the product and the service, as well as the present and future culture. TQM guarantees the avoidance of wasteful effort and unnecessary expenditure of resources. It enables the realisation of given objectives in the shortest possible time and with lowest possible costs.

The system TQM is totally market orientated -- customer driven. In a total quality system the customer is king. The process begins with the customer (what the customer wishes) and ends with the customer (a satisfied customer). Every participant in creating quality is important: every employee works, makes decisions and is responsible for his task.

The burden of responsibility for quality is no longer carried by inspection and control, instead, by the employee who produces or performs a service, management, planning, etc. Everyone is responsible for his job.

**Quality Cycle**

The cycle of quality is a complicated process and includes: planning of quality, quality realisation, control and evaluation of the achieved quality and quality improvement. Said briefly: plan, achieve, check, improve.

The first and fourth phases -- planning and improvement belong to the management system. Based on practical experience (quality realisation) and acquired knowledge (gained from research and constant education) management forms ways for quality improvement and includes them in a new plan for quality. The quality cycle is repeated as the system for quality is based on permanent enhancement.

Control and inspection are replaced by training and constant education -- the role of management is shifted from control to education. Training and education is obligatory for all managers and for all employees. Each has a tailored program of quality -- the manager learns the principles of quality, and the worker how to do the job.
One of Japan's best known pioneers in the movement for quality, Ishikawa, has given a very full definition for the concept quality. In the narrowest sense quality means: quality of product, and in the widest: quality of work, service, information, processes, departments, human resources (workers, engineers, managers), systems, firms, objectives, etc.

Organisation of the total quality system should be flexible. A special organisational department (sector or department for Quality Control) through its overall functioning and responsibility belongs to the highest management ranks. The task of securing quality (responsibility of the quality manager and one or more inspectors) consists mostly of co-ordination of responsibility for quality in the areas: marketing, purchasing, production, development, finance, personnel -- everybody in the firm is responsible for quality.

The concept quality is based on prevention. Activity in achieving quality is, therefore, mostly concentrated on planning and somewhat less on inspection and control. This is confirmed by the rule: everyone is responsible for his job and all are directed towards achieving a mutual objective of total quality as the sum of individual qualities. Anyone can endanger quality. Responsibility for the defined mistake (deviation, lapse) can not be transferred onto the quality controller as he is neither the source of the mistake, nor can he correct it -- he can only confirm it.

Evolution of activities of firms orientated towards quality is readily shown in the development changes given in table 1.

Table 1. Trend of Activities Orientated Towards Quality

<table>
<thead>
<tr>
<th>Stage</th>
<th>Earlier Trends</th>
<th>New Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Inspection/control</td>
<td>Planning, prevention</td>
</tr>
<tr>
<td>2.</td>
<td>Products</td>
<td>Products and services</td>
</tr>
<tr>
<td>3.</td>
<td>Specification</td>
<td>Customer focus</td>
</tr>
<tr>
<td>4.</td>
<td>Focus on production processes</td>
<td>All processes</td>
</tr>
<tr>
<td>5.</td>
<td>Empirical</td>
<td>Statistical methodology</td>
</tr>
<tr>
<td>6.</td>
<td>Separation from plans</td>
<td>Participation in planning</td>
</tr>
<tr>
<td>7.</td>
<td>Opposing interests with suppliers</td>
<td>Team work and co-operation with suppliers</td>
</tr>
<tr>
<td>8.</td>
<td>Quality specialists' training</td>
<td>Training for all</td>
</tr>
<tr>
<td>10.</td>
<td>Client</td>
<td>All buyers: external and internal</td>
</tr>
<tr>
<td>11.</td>
<td>Orientation on production</td>
<td>Orientation on total business performance</td>
</tr>
</tbody>
</table>


Quality costs, i.e. costs of gaining and retaining quality can be divided into internal and external costs.

Internal costs are: marketing costs, planning costs, product and service design costs, planning and specification (standards) costs, follow up research costs for mistakes and lapses, material control, production and service costs, quality improvement costs, training and education costs (program for achieving quality), mistakes' and lapses' costs (waste, repair and lost time), and other miscellaneous costs.
External costs are: product replacement costs, lapses due to bad quality, and so on.

These costs can be measured and recorded by the firm. The most serious non-measurable loss for the firm, however, is the loss of its market reputation, loss of buyer trust, reduction of competitive potential, loss of market share, low prices, low income, and for the tourism and hotel industry -- loss of the tourist and guest. The greatest loss is when the buyer is confronted with the mistake and has to pay for it.

Correction of sold products and finished services is, from the cost and competitive aspect, too expensive. It is exactly this which TQM strives to avoid. Different from classical systems of quality control based on incurred mistakes (resulting from variation of given standards), TQM is based on prevention, i.e. preventing mistakes. Quality should, therefore, be achieved from the very beginning and constantly present. Quality means respecting standards (prescribed norms) one-hundred percent. This is achieved through stimulating and rewarding the employee (awards, recognition). Employee awards should be given based on the employees' shown responsibility towards quality -- strengthen employee self-assurance and self-esteem, enhance satisfaction for a job well done.

Practice confirms the advantages of introducing a TQM system for a company. They are:

- increased quality of product and of service
- increased customer satisfaction
- better company competitive ability and market strength
- reduced business costs
- increased business profits
- increased employee satisfaction
- increased management quality
- improved company reputation and reliability.

The concept total quality is based on respect of the individual and social responsibility. It has the tendency to embrace all activities of the individual and society as a whole. Quality is culture. Quality is a process which has the ability to shape the future.

The need for learning is an innate quality of people -- they are curious. Classical systems tend to wear away and destroy their motivation -- at school and at work only the best are awarded. Consequently, a large, disproportionate number of people who would otherwise participate in creative work are eliminated. The present management system destroys people. Future management systems will not be hierarchic -- one person thinks, others work, instead they will be based on equality, homogeneity and motivation -- everybody thinks, everybody works. The more people think and work, the more people know and are able to perform better.

TQM methods and techniques can be applied in all organisations -- manufacturing plants, service organisations, public services, legal and law enforcement, education, and others. More than ever TQM is being accepted and becoming a way of thinking and a way of life. The serious, necessary, effort needed to change existing ways of understanding and prevailing attitudes towards work and life should not, however, be underestimated.
Quality has to be rewarded. The highest award for quality is the Malcolm Baldridge National Quality Award established in 1988 following a bill introduced in 1986, named after the USA Secretary of Commerce, Malcolm Baldridge (1981-1987) who constantly improved the efficiency and effectiveness of the American government. The award is designated to foster and continually improve quality of product and of service. It is awarded every year for three categories of enterprises: marketing companies, service organisations and small firms, and aided by the American Society for Quality Control.

Based on American experience Europe established its own European Foundation for Quality Management and European Organisation for Quality, which consists of national foundations for quality from individual European countries.

Awards are given on the basis of appraisal of the following management elements in a company: information and analysis, strategic quality planning, development of management and human resources, management of quality processes and operative results, customer commitment and requirement fulfilment (each element is individually assessed). These given elements of quality form the basis of TQM.

4. TOTAL QUALITY MANAGEMENT IN TOURISM AND THE HOTEL INDUSTRY

Total quality management for the service area is specific as services, in relation to the product, have special characteristics. They are:

- intangible
- of short-term duration
- simultaneous
- heterogeneous

The tourist economy and hotel trade belong to the same area of activity. Besides the given general service characteristics, tourism and hotel service have their own peculiarities.

The tourism product is the aggregate of different products and services: hotels, restaurants, transport, shops, cultural institutions and other. Further factors are the local population and local economy. It is necessary to define an objective for all of these factors -- constant intent of quality. Tourists as end users of tourism services are also heterogeneous. All of these elements make it very difficult to construe a single definition for quality of the tourism product -- quality management a very complicated task.

In spite of its complicated nature, total quality management of the tourism product is possible and very necessary. Tourists' demands are increasing and the objective of the tourism industry should be to satisfy and over-satisfy tourist expectations.

At the end of 1970 and beginning of 1980 Service Quality Management (SQM) became separated as an independent area of research and application. This was prompted by market requirements and competitiveness. Tourists and guests expect more than what they get. It is necessary, therefore, to fill the gap between their expectations and the received quality of service and of product.
The service sector took TQM from the manufacturing sector, and adapted it to the characteristics of the tourism and hotel industry. Based on the manufacturing sector's example and achieved good results, the service sector adopted the business rule that productivity, quality, and profit constitute a single whole. This represented the motive for the improvement and development of quality tourism services. Quality becomes a decisive factor of efficiency and competitiveness on the turbulent tourism market.

Tourists/guests, in general—consumers, do not tolerate mistakes anymore. They require quality for money. This has forced tourist agencies, hotels and other participants of the tourism offer, to introduce quality control, standards, and the system TQM. USA is at the forefront, and in Europe—Sweden and Switzerland. American international hotel chains were the first to implement TQL and TQM, very good results were achieved. Such systems of quality control are less used by small tourist agencies and smaller hotels.

Based on research results of the Austrian tourism market—quality development of services offered in winter tourism sport resorts, an approach towards creating a quality tourism product and its application (respecting characteristics of exact tourism destinations) can be formed.

Tourist service areas in Austrian winter sport destinations are divided into seven categories:

- board and lodging
- sport potential (other than skiing)
- entertainment and cultural activities
- available transportation (resort accessibility and resort transportation)
- mountaineering activities
- nature, landscape and environmental protection
- shopping and related services.

For each given area a quality system consisting of seven elements has been formed:

- safety and protection
- freedom, privacy, sociability
- aesthetic
- trust and honesty
- variety and entertainment
- punctuality and reliability
- ease of communication and availability of information.

Quality was measured through interviewing two thousands tourists. Collated results showed the destinations' good sides (strengths) and highlighted its bad sides (weaknesses). Using this method the difference (gap) between the guests' expectations and what they in practice actually received or used, was determined. This represents a

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6 Weiermair, Klaus: Quality Management in Tourism: Lessons from the Service Industries, 44th Congress AIEST, Vienna, 1994
good basis for building or correcting a quality management system of the tourism product.

TQM characteristics for the hotel industry are determined by typical characteristics for hotel services. Hotel services belong to mass services. Besides the already given general characteristics of services, they are characterised by the following:

- high-level of working intensity
- high-level of personal contact with the guest
- type of service dependent on guest's choice
- intangibility of service, catering products are tangible (food, drink, room)
- interdependence of service and the catering product which are inseparable
- service user -- guests are heterogeneous.

Because of the above given characteristics the burden of quality is born by the executor of the service, catering personnel and the hotel management. Quality is prescribed through work standards. Work standards are specifications which prescribe elements of quality for the hotel personnel: knowledge, skill, experience, appearance, behaviour and other requirements. Personal quality can be measured and assessed with the aid of a Proficiency Graph and Psychograph.7

Besides this, every individual procedure and task in the work process is prescribed through standards. Every employee needs to know exactly: what, how, when, at what time and why something should be done. Every worker is responsible for his task. The guest must not be harmed through mistakes. If the guest requests something it is the task of the worker to whom the guest first refers, to satisfy the guest and solve the problem at hand. Guests' requirements and demands are constantly increasing, they have already gone beyond typical classical hotel services and standards, making it persistently more difficult to secure the objective: to foresee the guests' wishes and satisfy them.

The model of approach for quality enhancement and establishment of a plan is based on answers to the following questions:

- who is the buyer/guest?
- what does he think of us?/how do we appear in his eyes?
- how can we become better?
- what measures of enhancement do we need to implement?

The required preconditions which have to be fulfilled to enhance quality development and introduce a system of quality control are:

- introduce marketing
- develop a program for quality
- build-up system of logistics
- reorganise the total business operation
- computerise the business.

The analytical method Contact Point Analysis (CPA) can be used to record the hotel's clients/guests' opinions with the objective to identify weaknesses and strengths,

7 For more details see: Ivanka Avelini Holjevac, Ekonomska analiza radnih procesa u hotelu, Informator, Zagreb, 1987, p.p. 4-11
i.e. the gap between the expected and actual quality of the hotel services. The system records the guest's first movements from entering the hotel until leaving the hotel. The method was originally developed in the manufacturing industry for monitoring production from the beginnings (input of material) up to the final produced product (output of finished product) with the objective of preventing mistakes and the intent of total quality.

CPA is a useful and economic method (if we use a sample). It has not yet found its application in our hotel industry, mostly used abroad in isolated cases of research (by international hotel chains such as Intercontinental).

The hotel's quality of service (CPA method adopted to the hotel business) can be tested in the following way: monitor unknown guest -- in cognito inspector, from telephone conversation to payment of bill. Tested areas are:  
- telephone inquiry/reservation
- guests' arrival; checking-in (from railway station, airport, etc.)
- total experience for hotel services (breakfast, lunch, evening meal, other services)
- checking-out/payment-of-bill.

Exact characteristics (criteria) of quality are defined for each given area. Each one is evaluated by the inspector (as per a defined scale). For example, elements of quality for the guest's arrival and checking-in are: transport from the railway station, airport, and so on, addressing the guest by name, available choice of rooms for smokers/non-smokers, accompanying the guest to his hotel room, explanation of technical details for the hotel room, explanation of hotel facilities, written hotel information and rules, parking facilities, first impressions of parking facilities, path from parking lot to the hotel, first impressions of hotel, first contact with hotel personnel, guest's first impressions of hotel personnel, modes of greeting, checking-in procedure and reception, use of foreign languages, interest shown for the guest's special wishes.

TQM includes all areas of business activity in the hotel. This is best illustrated by the list of areas covered by hotel standards:
- standards of building hotel buildings
- standards of equipment and furbishing of hotels
- standards of work processes in the hotel
- standards of quality for the catering product and services
- standards of communication and business ethics
- standards of hotel IT
- personnel standards (work standards)
- standards of hotel terminology and symbols
- hotel management standards
- ecology standards
- safety and health care standards.

TQM enables the following objectives to be achieved in all the hotels processes and departments:

• no free-fall and no delay (the guest must not be kept waiting)
• no mistakes (the guest must not suffer or be the victim of mistakes made by personnel)
• no unnecessary warehousing (material or miscellaneous inventory)
• minimum use of paper (minimum use of written communication and use of internal forms)
• no excess employment or sour inter-personal relationships
• team work and team spirit (l'espirit d'équipe)

The first hotel company to receive the American award for quality -- Malcolm Baldridge Quality Award, based on results achieved through a three year implementation of a TQM process was the Ritz Carlton Hotel Company.

LITERATURE

**Sažetak**

**TOTAL QUALITY MANAGEMENT U HOTELIJERSTVU I TURIZMU**

Kvaliteta je danas temeljni faktor opstanka na tržištu, konkurentnosti i profitabilnosti. Strateška poslovna koncepcija temelji se na sustavu upravljanja totalnom kvalitetom. Kvaliteta se ne proizvodi njome se upravlja.

Razvoj kvalitete u razvijenim gospodarskim zemljama dokazuje da je kvaliteta nešto što se gradi, razvija i stalno unapređuje. TQM je sustav potpuno orijentiran na tržištu, vođen kupcem, jer proces počinje s kupcem (što želi) i završava s kupcem (zadovoljan kupac). To je ciklus koji obuhvaća 4 temeljne aktivnosti: planiranje kvalitete, realizaciju kvalitete, ocjenu ostvarene kvalitete i poboljšanje kvalitete, koji se stalno ponavlja.

Prednost uvođenja TQM u servisni sektor, turizam i hotelijerstvo su velike i to ekonomske i socijalne. Slabosti hrvatskog gospodarstva su niska produktivnost i neodgovarajuća kvaliteta proizvoda i usluge. Predstoji proces učenja i uvođenja TQM i u naše gospodarstvo, jer je to uvjet i nužnost za uključivanje u svjetske poslovne tokove i tržište.

Ključne riječi: kvaliteta, upravljanje potpunom kvalitetom, ciklus kvalitete, elementi kvalitete.