Effect of Total Quality Management on Performance of Indian Pharmaceutical Industries

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Abstract

The pharmaceutical industries are heavily regulated and the reasons are obvious: mistakes in product design or production can have severe, even fatal, consequences for patients which sometimes leads to recall of the drug from the market; where the fact is that out of 10,000 NCEs (New Chemical Entities) tested in the lab, only one reaches to the market and that too takes almost 18-20 years of research and approximately $800 million. Hence quality and its management are very critical in this industry. Total Quality Management (TQM) acts as an umbrella under which everyone in the organization can strive for customer satisfaction, reduce cost and wastage and increase the efficiency of services. This paper surveys and reviews various Quality Management practices including ISO implementation in Indian pharmaceutical industries to explore the relationship between Total Quality Management practices and performance of the company. It also attempts to identify and analyze the significant factors affecting Total Quality Management implementation in Indian Pharmaceutical Industries. The survey is carried out by a self-designed questionnaire and circulated to select pharmaceutical industries in India.

Keywords
Total quality Management, Company performance, Factors affecting TQM.