Electronic Journal of Business and Management
Vol. 10, Issue 3, 2025, pp. 33-47
e-ISSN:2550-1380-ISSN
doi: https://doi.org/10.65136/ejbm.v10i3.20

Total Quality Management as a Strategic Driver for Sustainable Performance: Evidence from Bangladesh's Banking Industry.

Nafiza Islam [1*], Farhana Sehreen [2], Mohammad Rashed Hasan Polas [3]

[1] Department of Management Studies, Jahangirnagar University, Savar, Dhaka, Bangladesh
[2] Department of Marketing, Jahangirnagar University, Savar, Dhaka, Bangladesh
[3] Department of Business Administration, Sonargaon University (SU), Green Road Panthapath, Dhaka, Bangladesh
*Corresponding Author: nislam@juniv.edu

Abstract

This study aims to examine and discuss the critical success factors of TQM influencing the sustainable organizational performance in the banking industry of Bangladesh. Following a FGD with mid-level bankers and comprehensive literature review, a questionnaire has been designed and checked the reliability by academicians, research scholars, and field experts of this sector. 150 questionnaires were distributed, and the data were scrutinized and summarized through Partial Least Square-based Structural Equation Modelling PLS-SEM. The study result supported that top management leadership; continuous improvement and organizational culture have significant impact on sustainable organizational performance. However, the study uncovered a significant lacking regarding TQM practices in this sector, particularly, the inadequate attention afforded to customer relationship and supplier partnership. In the context of Bangladesh, TQM practice is relatively a newfangled idea and critical success factors of TQM are not well-informed or well-understood. The insights of this study are expected to contribute to understanding the significance of incorporating the critical success factors of TQM as strategic initiatives from top management to frontline.

Keywords: *Total Quality Management, Critical Success Factors, Banking Industry, Sustainable Organizational Performance.*

1. Introduction

The era of globalization with increasing competition and advances in communication and information technology is the indicator of the contemporary economy which imposes companies espousing approach to TQM over traditional management dogmas, in integration to sustainable organizational performance as the significance of sustainability is growing for all sorts of organizations, considering a global concern (Sancha *et al.,* 2016; Polas et al., 2025). The current business environment is characterized by rapid changes in technology, customer needs and preferences, government regulations, social structures, and ideologies, leading to heightened quality demands and the need for new ways of thinking and comprehensive strategies to adapt (Salhieh & Abu-Doleh, 2015; Polas et al., 2022). Total quality management (TQM), which was initiated to the manufacturing sector, gradually evolved into a management philosophy and espoused by the service sector where implementation became more challenging compared to the manufacturing sector (Salhieh & Abu-Doleh, 2015). Undeniably, the pre-requisite of the triumph of service organizations like banks is based on providing the best service excellence.

The financial sector of Bangladesh is experiencing organizational efficiency encounters, fierce competition, complex demands of digital and real-time customers, the changes from inflated in-house costs to more responsive and manageable services, amendments in government regulation, difficulty to cope up central bank regulations and customers changing demands to technology friendly services. Quality at this highly competitive era has been considered as a deliberate instrument for measuring business performance. The effect of globalization addresses organizational performance by ensuring a sustainable market presence. The term, quality management in relation to sustainable performance, defines a new approach, the process of change (Stanciu *et al.,* 2014; Rivas Mendoza et al., 2025).

As banks are the underpinning of a modern economy, quality service of banks is highly required. In response to the challenges of globalization together with the fast enhancement in information technology, not only have raise competition in the business sector but also created an urge for the companies to adopt various strategic attitudes to obtain competitive advantages. As a result, quality management becoming a substantial aspect, especially in a competitive sector like banking all over the world. The concept of TQM in banking has developed over the years with a new and strong focus on customer relationship (Talib *et al.,* 2012). According to Venkateshwarlu (2011), Total Quality Management is a management attitude, intention to uphold the standard qualities in procuring inventories for raw materials, enables to maintain the standard quality of goods, allows to practice of standard qualities in manufacturing processes and logistics and distribution processes, last but not the least brings the satisfaction of the traders and end purchasers with the first-rate performance of products and services. Globalization, industry growth, technological change, and fierce competition in the banking sector are continuously increasing the role and importance of TQM implementation, emphasizing the need to realign operational strategies to manage both internal and external environments amid changing levels of dynamism and complexity. Adoption of TQM principles is becoming an absolute must for both service and manufacturing organizations due to the growing concern of quality expectations among the customers, so as to efficiently fulfil customer demands (Acquah *et al.,* 2023; Zerine et al., 2025a).

Alike every corporate, banks are also striving to espouse quality parameters. Operating the business activities according to the global requirements is an absolute must to appeal new customers and retain existing one. As a result, the banking sector worldwide is facing serious challenges from both local and global competition and has begun to adopt the TQM approach to maintain a limited level of global competitiveness. In parallel, the growing emphasis on organizational sustainability is prompting businesses to enhance their core capabilities to achieve sustainable performance (Adebisi & Bakare, 2019; Ljunghom, 2016; Magd & Karyamsetty, 2021; Zerine et al., 2025b).

Academic researchers as well as industry practitioners pay attention to the demand for quality products, services, and data which are increasing day by day for business decision. Leveraging quality tools to innovate products, which safeguard sustainable development, presently the business organizations are considering with the highest priority (Shrivastav, 2023). The growing concern of TQM, considered as a predominant management philosophy, plays the leading role among the competitive strategic clusters (Sahoo, 2021). Therefore, this study has emerged as an effort to design and observe the influence of critical success factors of TQM on sustainable organizational performance in the banking industry of Bangladesh.

2. Literatures Review

2.1 Critical Success Factors of TQM

According to Karuppusami and Gandhinathan (2007), CSFs of TQM are fundamental to the triumph of organizations, which required efficient management and proper monitoring for further improvement. Extant literature has echoed a lot of studies that identified critical success factors of TQM (Capolupo *et al.,* 2024; Chen, 2024; Georgiev & Ohtaki, 2020; Reinaldo *et al.,* 2021; Sreedharan & Sunder, 2018). The precise cataloging of critical success factors (CSFs) counts the effective total quality management practices (Chen, 2024).

2.2 Top Management Commitment and Sustainable Organizational Performance

Providing high-end service has converted to a deliberate domineering for senior management all over the world and in this regard, a good number of quality tools and techniques have been introduced and practiced for achieving this management goal whereas Total Quality Management (TQM) demonstrated to be amid the utmost operative quality practices that have been implemented. Dedication of upper management to sustainability constructively moves to sustainable performance (Haldorai *et al.,* 2025).

Innovative leadership initiatives and leads innovation performance in banks (Koomson, 2025). A study on the leadership of TQM conducted by Bouranta (2021), exposed that transformational leadership has a positive consequence on customer focus, human resource management, process management, strategic planning, and learning which were addressed as the TQM implementation regardless of the industry type, manufacturing or service. Top management commitment ranked first and established as fundamental for implementing TQM initiatives successfully in the findings of the study conducted (Gupta & Mittal, 2020). Through active participation in quality improvement programs, top management can demonstrate their commitment (Durairatnam *et al.,* 2020). The study conducted by Akanmu *et al.* (2023), revealed the mediating role of organizational excellence which strongly supports management commitment and enhances sustainable performance. The support, leadership and commitment of top management significantly influence the sustainable performance of organizations (Aquilani *et al.,* 2016; Wassan *et al.,* 2022).

H1: Top management commitment has a positive and significant influence on sustainable organizational performance.

2.3 Customer Relationship and Sustainable Organizational Performance

The process of economic liberalization, the globalization of markets, and swift changes in a business environment are heading toward a shorter product life cycle and making customers more demanding which ultimately creating organizations more challenging to meet customer satisfaction. Presently all types of organizations, from smallest to largest, are under pressure to satisfy end customers due to the globalization of the economy (Krishnan, 2013). According to Al-Qudah (2012), the most significant TQM factor having the highest impact on competitive advantage is customer focus. Similar findings also observed in the study of Wassan *et al.* (2022), where customer focus got attention due to having a positive association to sustainable performance. Customer relationship strategy promotes sustainable organizational performance (Masudin *et al.,* 2025). Aquilani *et al.* (2016), highlighted customer satisfaction as one of the most important CSFs at the interface between sustainability and TQM.

H2: Customer relationship has a positive and significant influence on sustainable organizational performance.

2.4 Supplier Partnership and Sustainable Organizational Performance

According to ISO 9000-2000, suppliers are considered as quality partners in the process of upgrading products and services. Supplier quality management is measured as an indispensable issue of TQM implementation concluded on the focus of effective supplier quality management that lets the organizations create long-term supportive relationships with their suppliers concerning supplier efficiency after conducting supplier quality audits and participation in supplier quality events (Zhang *et al.,* 2000). Aquilani *et al.* (2016), emphasized supplier partnership as one of the most important CSFs at the interface between sustainability and TQM.

H3: Supplier partnership has a positive and significant influence on sustainable organizational performance.

2.5 Employee Involvement and Sustainable Organizational Performance

Total Quality management is a shared alliance of management, employees, suppliers, and dealers to meet as well as surpass customer satisfaction levels (Gupta & Mittal, 2020). The success of TQM leads to commitment to quality by the entire workforce of the organization (Dubey & Singh 2013). Employee involvement, middle and lower level, in the decision-making process, directly, or through advisory involvement, influence organizational productivity as well as flexibility positively and recommends the incorporation of employees' suggestions during decision-making processes in order to add value to the

organizational performance (Osazevbaru & Amawhe, 2022). Wassan *et al.* (2022) observed the significant association of employee involvement and sustainable Performance.

H4: Employee involvement has a positive and significant influence on sustainable organizational performance.

2.6 Continuous Improvement and Sustainable Organizational Performance

The study conducted by Lahidji and Tucker (2016) showed that the organizations have experienced high growth, which has entrenched continuous improvement in their corporate policy. For achieving continuous improvement all processes should be combined and all the employees should contribute through participation (Wang & Meckl, 2020). The association of continuous improvement with organizational performance has been illustrated as the most important factor in estimating organizational performance in the study of Mahmood et al. (2014). Aquilani *et al.* (2016), highlighted continuous improvement as one of the most important CSFs at the interface between sustainability and TQM. Continuous improvement strongly promotes sustainable organizational performance (Masudin *et al.,* 2025).

H5: Continuous improvement has a positive and significant influence on sustainable organizational performance.

2.7 Organizational Culture and Sustainable Organizational Performance

Organizational culture according to De Long and Fahey (2000), is a broad concept that infers diverse levels of values, rules, and practices. The members of an organization are affected by an organizational culture that influences behaviour and performance, as well as the organization's own external setting. Organizational culture is positively associated with successful TQM implementation which is suggested by many researchers (Aziz *et al.,* 2019; Aziz & Morita, 2016; Fok *et al.,* 2023; Gozukara *et al.,* 2018).

H6: Organizational culture has a positive and significant influence on sustainable organizational performance.

2.8 TQM and Sustainable Organizational Performance

TQM is considered as a holistic management philosophy that is aimed to increase organizational performance through principles and practices (Bouranta et al., 2017). Back in 1987, The World Commission for Environment and Development introduced the concept of sustainability as a model of socioeconomic growth which empowers to fulfil the demands of present people without endangering future generations (WCED, 1987). Whereas, the preservation of the system in accordance with economic, environmental, and social context with long term focus, has been addressed as sustainability by various authors (Abbas, 2020; Abdul Rashid et al., 2017; AlShehail & Ajmal, 2022; Partalidou et al., 2020).

The positive association of TQM practices and organizational performance both in manufacturing and service organizations has been exemplified in volumes of literatures (Acquah et al., 2023; Adem & Virdi, 2023; Dash, 2024; Do et al., 2021; Loedphacharakamon & Worakittikul, 2025; Manley et al., 2022; Masudin et al., 2025; Mohsin et al., 2025; Olaleye et al., 2024; Salhieh & Abu-Doleh, 2015; Shaikh et al., 2023; Sharayah et al., 2025; Sharma & Modgil, 2020). The researchers investigated the affiliation from direct, moderated and mediated angle along with various areas such as supply chain management, employee engagement, innovation, CSR etc. ln this highly competitive era, the performance criteria are shifting toward sustainability measures from economic-centric standards (Wassan et al., 2022).

TQM approaches, in a noteworthy way, enhance the sustainability of an organization, and the inclusion of sustainability through the application of TQM contexts would generate a comprehensive perspective of the operation of an organization (Khalfallah et al., 2021). Operational efficacy and resilience can be reinforced by developing comprehensive strategies with synergistic integration of TQM and green supply chain management for this evolving and cutthroat business environment (Masudion et al., 2025). According to Zhang et al. (2023), TQM practices balance the interest of its various stakeholders which, ultimately improve corporate sustainability the authors identified elements of sustainability as an economic, social and environmental connection between sustainable behaviour in TQM implementation and sustainability organization proven robust (Olaleye et al., 2024). Conferring to Saha et al. (2022), the combination of

TQM practices with industry 4.0 technologies and developed a model to examine the impact of TQM as a mediator to Industry 4.0 technologies and sustainable performance. A similar type of study on digital TQM conducted by Ali and Johl (2022), analyzed literatures and identified soft and hard TQM practices for effective quality systems. The moderating role of TQM was investigated in the study of Jermsittiparsert, et al. (2019) and demonstrated the vital role of TQM in the sustainable performance at the electronic industry of Thailand.

The public sector also draws the attention of TQM in regard to sustainable performance and illustrates a significant influence of TQM on service innovation and sustainability performance while investigating the banking sector (Ali AlShehail et al., 2022). Continuous process improvement, service design, information and analysis, benchmarking and quality assurance were measured as TQM practices in the study conducted by Akanmu et al. (2023) and illustrated the positive and significant effect of TQM practices on sustainability. Sin et al. (2021) stated the importance of assessing sustainability performance through measuring the environmental and social aspects as the value creation notion, over the economic value as the lone requisition for measuring organizational performance. The study of AlQershi et al. (2023) demonstrated a significant direct and mediating effect on the relationship of TQM and business sustainability.

The association of TQM and sustainable performance can be explained through the theoretical foundations of the resource-based view (RBV) (AlShehail & Ajmal, 2022). According to this theory, the capacity of internal resources of an organization leads to competitive advantages. As TQM is viewed as a strategic resource and has a positive connection to organizational performance (Acquah et al., 2023; Adem & Virdi, 2023; Dash, 2024; Do et al., 2021; Manley et al., 2022; Olaleye et al., 2024; Salhieh & Abu-Doleh, 2015; Shaikh et al., 2023; Sharma & Modgil, 2020), the alignment of TQM with economic, social, and environmental responsibilities will increase the likability to obtain sustained competitive advantage to sustainable performance (AlShehail & Ajmal, 2022). Economic, environmental and social are three dimensions of sustainability, which have been observed and identified in various literatures (Tasleem et al., 2018; Wassan et al., 2022), have used in this study to measure sustainable performance with broaden up the integration of CSFs of TQM in the banking sector of Bangladesh.

3. Results

3.1 Method of Population and Sample

According to Bartlett et al. (2001), the sample size was calculated to be 119 with alpha.05 and margins of error.03 for continuous data for 10,000 or more populations. The number of populations in this study satisfies the requirements (Bangladesh Bank Annual Report, 2023-2024). 150 questionnaires were distributed to 50 respondents from top level (Vice President, GM) and 100 respondents from mid-level (Branch Manager, Departmental Head) (Polas, 2026). They have been chosen as sample due to having the good understanding, detailed and better knowledge about the operation and quality management in banks. The number of branches, personnel, and bank generation were taken into consideration for choosing banks. The method of convenient sampling was applied.

3.2 Framing the Research Constructs

Questionnaire is the research instrument in this study used for collecting data. It was prearranged to project the questionnaire by using of 5-point Liker Scale, which enabled to collect data based on the level of agreement or disagreement of the respondents in statements agreed in the questionnaire.

Table 1: Sources of Measures Items and Cronbach's Alpha of the Factors

Constructs	No. of items	Sources	Cronbach's Alpha
Top Management Commitment	3	Brah et al., 2002; Zhang et al., 2000	0.721
Employee Involvement	3	Valmohammadi, 2011; Lau et al., 2004	0.745

Customer Relationship	3	Zhang et al., 2000; Pattanayak and Maddulety, 2013	0.701
Supplier Partnership	3	Zu et al., 2010	0.724
Continuous Improvement	4	Antony et al., 2002	0.774
Organizational Culture	4	Durairatnam et al., 2020 Irfan and Kee, 2013	0.751
Sustainable Organizational performance	4	AlShehail and Ajmal , 2022	0.723

3.3 Ethical Issues

As the initiative to ensure ethical practices, an authorization seeking letter was prepared and delivered to HR department of each surveyed bank. Additionally, an opening statement was attached to the questionnaire for informing the respondents about the purpose and determination of the research and interviews, and confidentiality and privacy of the information were strictly ensured.

3.4 Measurement Model Assessment

Table 2: Measurement Model

Constructs	Items	Loadings	Cronbach's Alpha	rho A	Composite Reliability	Average Variance Extracted (AVE)
Continuous Improvement	CI1	0.772	0.774	0.751	0.833	0.589
	CI2	0.735				
	CI3	0.824				
	CI4	0.723				
Customer Relationship	CR1	0.825	0.701	0.723	0.834	0.635
	CR2	0.821				
	CR3	0.721				
Employee Involvement	EI1	0.722	0.745	0.723	0.851	0.625
	EI2	0.822				
	EI4	0.862				
Organizational Culture	OC1	0.712	0.751	0.721	0.851	0.591
	OC2	0.702				
	OC3	0.823				
	OC5	0.745				
Supplier Partnership	SP1	0.821	0.724	0.726	0.842	0.632
	SP2	0.724				
	SP4	0.823				
Top Management Commitment	TML1	0.701	0.721	0.754	0.843	0.633
	TML2	0.834				
	TML3	0.812				
Sustainable Organizational Performance	SOP1	0.732	0.723	0.732	0.832	0.543
	SOP2	0.723				
	SOP3	0.758				
	SOP4	0.707				

Note: FL = factor loading; AVE = Average variance extracted; ρc = Composite Reliability; ρA = DijkstraHenseler's rho_A.

Several scholars recommended items having a factor loading of 0.708 to pass for further proceedings (Hair *et al.,* 2019) except exploratory researches where acceptable factor loading is 0.60 (Chin, 2010; Hair *et al.,* 2011). In case of testing the reliability of a study, the Cronbach's alpha, rho_A, and composite reliability should be more than 0.70 (Benitez *et al.,* 2020; Hair *et al.,* 2019). Average Variance Extracted (AVE) explicates the construct validity of a study where recommended value is 0.50 (Hair *et al.,* 2019; Hair *et al.,* 2011; Wah-Yap *et al.,* 2012).

Table 3: Discriminant Validity (Fornell-Larcker Criterion)

	CI	CR	EI	OC	SP	TI	TML
CI	0.762						
CR	0.541	0.762					
EI	0.492	0.623	0.831				
OC	0.653	0.511	0.627	0.756			
SP	0.434	0.437	0.542	0.623	0.812		
TI	0.625	0.528	0.526	0.625	0.453	0.732	
TML	0.415	0.525	0.537	0.567	0.533	0.654	0.812

Table 4: Summary of Measurement Model with Result, Referred Value, and Reference Sources

Parameter estimation	Analysis Value	Suggested Threshold	Reference
Cronbach's Alpha	0.703 to 0.775	Minimum 0.70 Maximum of 0.95 Recommended 0.70-0.90	(Hair et al., 2019)
rho_A	0.724 to 0.781	More than 0.70	(Hair et al., 2019; Benitez et al., 2020)
Composite Reliability	The composite reliability is from 0.834 to 0.851	Which is quite higher than the required value that is 0.7	(Gefen et al., 2000).
Average Variance Extracted (AVE)	0.540 to 0.664	AVE 0.50	(Hair et al., 2019)
Fornell-Larcker Criterion		The squared root of the AVEs (diagonal values) should be higher than the correlation value among the latent constructs	(Hair et al., 2019)

3.5 Hypothesis Testing (Bootstrapping Results)

Hypotheses that were constructed in light of the research objectives and research questions were tested because of the coefficient parameter and the significant value generated from the 95% bias-corrected confidence interval (BCa) of each independent variable. It was tested using the one-tailed rather than two-tailed test. Testing hypotheses using a one-tailed test is more appropriate when the hypothesis direction is clear, to minimize type II errors (Latan *et al.,* 2018).

Table 5: Path coefficient * Significant level at 5% structural path significance in bootstrapping (PLS-SEM results.)

Hypothe-ses	Path	Beta	Std. Error	t-Statistics	P Values	Bias Corrected Confidence Interval	Results
H1	TMC ->SOP	0.227	0.054	3.765	0.000		Supported

H2	CR -> SOP	0.063	0.048	1.323	0.082	95%	Not Supported
H3	SP -> SOP	0.045	0.055	0.666	0.211		Not Supported
H4	EI -> SOP	0.13	0.044	2.33	0.011		Supported
H5	CI -> SOP	0.276	0.049	5.725	0.000		Supported
H6	OC -> SOP	0.167	0.049	3.28	0.000		Supported

*Note: (Variables) Continuous improvement (CI), Customer relationship (CR), Employee involvement (EI), organizational culture (OC), Supplier partnership (SP), Top management commitment (TML), *p < .05; ** p < .05.*

Source: Analysis of survey data

To declare a relationship to be statistically significant, the p-value should be less than 0.05 and the bias-corrected confidence interval should not have any zero (Ahmed *et al.,* 2020; Hair *et al.,* 2019). Based on this analysis, continuous improvement, employee involvement, organizational culture, and top management leadership have significant positive effects on sustainable organizational performance. From the analysis results, coefficient values (β. *SE, t, p*) for the relationships between continuous improvement→ sustainable organizational performance, Employee involvement→ sustainable organizational performance, Organizational culture→ sustainable organizational performance and top management commitment→ sustainable organizational performance are (0.276, 0.049, 5.725, 0.00), (0.13, 0.044, 2.33, 0.010), (0.167, 0.049, 3.28, 0.00) and (0.227, 0.054, 3.765, 0.00) respectively, with 95% BCa < 0.05. This result exhibited that H1, H4, H5, and H6 are statistically supported. On the other hand, coefficient values (β) for the relationships between customer relationship → sustainable organizational performance and supplier partnership→ sustainable organizational performance are (0.063, 0.048, 1.323, 0.082) and (0.045, 0.055, 0.666, 0.211) respectively with 95% BCa < 0.01. This result indicates that H2 and H3 are not supported.

4. Discussions

The study generated the findings that critical success factors of TQM underwrite significant positive impact on sustainable organizational performance alike some other most recent literatures (Mohsin et al., 2025; Masudin, et al., 2025; Loedphacharakamon & Worakittikul, 2025; Sharayah et al., 2025; Tessema et al., 2025; Zaid et al., 2025). According to the findings, there is a very strong, direct, and significant relationship exists between top management commitment and sustainable organizational performance which is compatible some other studies (Ali & Johl, 2022; Haldorai et al., 2025; Yan et al., 2019; Sin et al, 2021b; Wassan et al., 2022). Top management is accountable for founding policies, guidelines, and strategic objectives, aligning quality policies with the quality statement, creating a culture of continuous improvement as well as demonstrating leadership and direction for quality management within the organization.

The fundamental of TQM is culture and the study revealed that culture is dominant for TQM implementation in the banking sector of Bangladesh. Aziz et al. (2019) and Talib et al. (2013) advocated that quality culture is perceived as the dominant TQM factor influencing quality performance according to management theory that people in informal organizations can be normalized by organizational climate potentially, organization climate valuing quality exerts a strong influence on people and further enhances the business performance. Employee involvement also has a significant impact on sustainable organizational performance which is compatible with some other studies (Sin et al., 2021; Wassan et al., 2022). Quality movement is employee-driven. Therefore, employee involvement in making decisions regarding the development of quality goals and strategies, customer-related problem solving, incorporating the voice of customers, promoting branding, and retaining customers with more than quality services. According to the findings, Continuous improvement has positive association with sustainable performance alike some other studies (Aziz et al., 2019; Aziz & Morita, 2013; Wassan et al., 2022). As banking industry is

experiencing fierce competition, continuous improvement will yield greater outcomes, enhanced resilience, and generate a more flexible and responsive organization where strategies for enhancing quality, fostering innovation culture and adaptation of changes will be promoted.

The worthwhile experience of customers with the service leads success (Pattanayak et al., 2017). According to the study findings by Pattanayak et al. (2017), the application of TQM dimensions in the banking sector would endure better, prompt, satisfactory and reliable service, which ultimately results in customer satisfaction and consequently customer loyalty. In this digital age, bank consumers expect to be fully embraced by incorporating their voices, not just borrow and deposit money. Understanding the requirements and preferences of customers and tailoring services according to their prerequisite, lead to customer satisfaction in this customer-centered industry. The study produced negative impact of customer satisfaction on sustainable organizational performance which is unlike to some literatures (Aziz & Morita, 2013; Ali & Johl, 2022; Bouranta et al., 2017; Sin et al., 2021b; Wassan et al., 2022) and similar to the study of Yan et al. (2019), and the possible explanation might be the ignorance of incorporating voice of customer in this sector, whereas, the thoughts and feedback of customers must pay the greatest importance to a synchronized system to put forward to corresponding departments.

Unlike some other studies, (Yan et al., 2019; Sin et al, 2021b; Wassan et al., 2022), the study result showed a negative association between supplier partnership and sustainable organizational performance. The interpretation of this surprising finding is that supplier partnership is not taken into consideration for quality purposes. The possible reasons might be addressed as focus on short, rather than long-term partnerships, no principles for improving partnerships, lack of information for suppliers' quality data, selecting suppliers based on prices rather than the quality system, lack of proper suppliers' evaluation system, and lack of understanding to incorporate suppliers as an input for quality services.

5. Conclusion

Developing country like Bangladesh direly needs to practice TQM for sustainable organizational performance in this highly competitive era. The banks are constantly searching for strategies and structures to offer high-end products and services to their customers and in this regard, TQM without any question is the best management practice to steer quality strategies for the long run. The study sheds the urgency in understanding knowledge and awareness regarding comprehension of successful TQM implementation through the identification of critical success factors for this specific industry. The findings of the study will provide a foundation for decision-makers to develop a successful plan for implementing TQM in order to achieve sustainable organizational performance and make efficient use of scarce resources. Research is appreciated as well as well required to both managers and management scholars as TQM is one of the foremost management approaches for enhancing firm performance, focusing on developing firm strategies through customer satisfaction, trustworthiness, and relationship. Empirical research can be conducted from the external point of view such as customers, suppliers, regulators, etc. to accompaniment with the obtained results. A new horizon can be drawn on dimensions of TQM for discussion and deliberation on other industries.

Statement of Disclosure
The authors reported no potential conflict of interest regarding any of the study content and did not receive any financial grant during the preparation of the paper.

References

Abbas, J. (2020). Impact of total quality management on corporate sustainability through the mediating effect of knowledge management. *Journal of Cleaner Production, 244*, 118806. https://doi.org/10.1016/j.jclepro.2019.118806

Abdul-Rashid, S. H., Sakundarini, N., Ghazilla, R. A. R., & Thurasamy, R. (2017). The impact of sustainable manufacturing practices on sustainability performance: Empirical evidence from Malaysia. *International Journal of Operations & Production Management, 37*(2), 182–204. https://doi.org/10.1108/IJOPM-04-2015-0223

Acquah, I. S. K., Quaicoe, J., & Arhin, M. (2023). How to invest in total quality management practices for enhanced operational performance: Findings from PLS-SEM and fsQCA. *The TQM Journal, 35*(7), 1830–1859. https://doi.org/10.1108/TQM-05-2022-0161

Adebisi, S. A., & Bakare, N. A. (2019). Survival strategies and sustainability of small and medium enterprises in a volatile environment. *Management Dynamics in the Knowledge Economy, 7*(4), 553–569. https://doi.org/10.25019/MDKE/7.4.07

Adem, M. K., & Virdi, S. S. (2024). The structural link between TQM practices and financial performance: The mediating role of operational performance. *International Journal of Quality & Reliability Management, 41*(1), 392–422. https://doi.org/10.1108/IJQRM-08-2021-0290

Ahmed Bappy, T., Shariful Haque, S. M., Bint Halim, S., & Nazmul Hossai, M. (2020). Predicting passengers' Uber adoption behavior: Evidence from Bangladesh. *South Asian Journal of Marketing, 1*(1), 86–126.

Akanmu, M. D., Hassan, M. G., Mohamad, B., & Nordin, N. (2023). Sustainability through TQM practices in the food and beverages industry. *International Journal of Quality & Reliability Management, 40*(2), 335–364.

Ali AlShehail, O., Khan, M., & Ajmal, M. (2022). Total quality management and sustainability in the public service sector: The mediating effect of service innovation. *Benchmarking: An International Journal, 29*(2), 382–410. https://doi.org/10.1108/BIJ-08-2020-0449

Ali, K., & Johl, S. K. (2022). Soft and hard TQM practices: Future research agenda for Industry 4.0. *Total Quality Management & Business Excellence, 33*(13–14), 1625–1655.

AlQershi, N. A., Saufi, R. B. A., Muhammad, N. M. N., Bin Yusoff, M. N. H., & Thurasamy, R. (2023). Green creativity, TQM and business sustainability of large manufacturing firms in Malaysia. *The TQM Journal, 35*(4), 924–945. https://doi.org/10.1108/TQM-10-2021-0309

Al-Qudah, K. A. M. (2012). The impact of total quality management on competitive advantage of pharmaceutical manufacturing companies in Jordan. *Perspectives of Innovations, Economics & Business Journal, 12*(3), 76–85.

Antony, J., Leung, K., Knowles, G., & Ghosh, S. (2002). Critical success factors of TQM implementation in Hong Kong industries. *International Journal of Quality & Reliability Management, 19*(5), 551–566.

Aquilani, B., Silvestri, C., & Ruggieri, A. (2016). Sustainability, TQM and value co-creation processes: The role of critical success factors. *Sustainability, 8*(10), 995. https://doi.org/10.3390/su8100995

Aziz, A. R., Sumantoro, I. B., & Maria, D. (2019). Total quality management of micro, small and medium enterprises (MSMEs), and the impact to organizational culture and performance: Emerging country case. *Polish Journal of Management Studies, 19*(1), 23–33. http://dx.doi.org/10.17512/pjms.2019.19.1.03

Aziz, R. A., & Morita, H. (2016). National culture, organisational culture, total quality management implementation, and performance: An empirical investigation. *International Journal of Productivity and Quality Management, 19*(2), 139–159. https://doi.org/10.1504/IJPQM.2016.078883

Bangladesh Bank. (2023–2024). *Annual report*. https://www.bb.org.bd/pub/annual/anreport/ar2122.pdf

Bartlett, J. E., Kotrlik, J. W., & Higgins, C. C. (2001). Organizational research: Determining appropriate sample size in survey research. *Information Technology, Learning, and Performance Journal, 19*(1), 43–50.

Benitez, J., Henseler, J., Castillo, A., & Schuberth, F. (2020). How to perform and report an impactful analysis using partial least squares: Guidelines for confirmatory and explanatory IS research. *Information & Management, 57*(2), 103168. https://doi.org/10.1016/j.im.2019.05.003

Bouranta, N. (2021). Does transformational leadership influence TQM practices? A comparison analysis between manufacturing and service firms. *The TQM Journal, 33*(3), 706–728. https://doi.org/10.1108/TQM-12-2019-0296

Bouranta, N., Psomas, E. L., & Pantouvakis, A. (2017). Identifying the critical determinants of TQM and their impact on company performance: Evidence from the hotel industry of Greece. *The TQM Journal, 29*(1), 147–166.

Brah, S. A., Tee, S. S. L., & Madhu Rao, B. (2002). Relationship between TQM and performance of Singapore companies. *International Journal of Quality & Reliability Management, 19*(4), 356–379. https://doi.org/10.1108/02656710210421553

Capolupo, N., Virglerová, Z., & Adinolfi, P. (2024). Managing TQM's soft side: An explorative study of social care multiservice organizations. *The TQM Journal, 36*(3), 847–869. https://doi.org/10.1108/TQM-01-2022-0037

Chen, J. K. (2024). Identifying critical success factors of total quality management via comprehensive assessment of soft and hard factors. *The TQM Journal, 36*(3), 679–701. https://doi.org/10.1108/TQM-03-2020-0058

Chin, W. W. (2010). How to write up and report PLS analyses. In V. Esposito Vinzi et al. (Eds.), *Handbook of partial least squares* (pp. 655–690). Springer.

Dash, A. (2024). Do customer centricity and innovativeness mediate the relationship between total quality management and the corporate success of SaaS companies? *Benchmarking: An International Journal, 31*(3), 903–919. https://doi.org/10.1108/BIJ-05-2022-0281

De Long, D. W., & Fahey, L. (2000). Diagnosing cultural barriers to knowledge management. *Academy of Management Perspectives, 14*(4), 113–127.

Do, M. H., Huang, Y. F., & Do, T. N. (2021). The effect of total quality management-enabling factors on corporate social responsibility and business performance: Evidence from Vietnamese coffee firms. *Benchmarking: An International Journal, 28*(4), 1296–1318. https://doi.org/10.1108/BIJ-09-2020-0469

Dubey, R., & Singh, T. (2013). Soft TQM for sustainability: An empirical study on Indian cement industry and its impact on organizational performance. In *Mechanism design for sustainability: Techniques and cases* (pp. 77–104).

Durairatnam, S., Chong, S. C., Jusoh, M., & Dharmaratne, I. R. (2020). Does people-related total quality management "work" for people? An empirical study of the Sri Lankan apparel industry. *The TQM Journal*. https://doi.org/10.1108/TQM-06-2020-0140

Fok, L., Morgan, Y.-C., Zee, S., & Mock, V. E. (2023). The impact of organizational culture and total quality management on the relationship between green practices and sustainability performance. *International Journal of Quality & Reliability Management, 40*(6), 1564–1586. https://doi.org/10.1108/IJQRM-12-2021-0450

Gefen, D., Straub, D., & Boudreau, M. C. (2000). Structural equation modeling and regression: Guidelines for research practice. *Communications of the Association for Information Systems, 4*(1), 7.

Georgiev, S., & Ohtaki, S. (2020). Critical success factors for TQM implementation among manufacturing SMEs: Evidence from Japan. *Benchmarking: An International Journal, 27*(2), 473–498. https://doi.org/10.1108/BIJ-01-2019-0037

Gözükara, İ., Çolakoğlu, N., & Şimşek, Ö. F. (2019). Development culture and TQM in Turkish healthcare: Importance of employee empowerment and top management leadership. *Total Quality Management & Business Excellence, 30*(11–12), 1302–1318. https://doi.org/10.1080/14783363.2017.1366266

Gupta, P., & Mittal, A. (2020, March). Identifying the most influencing success factors of TQM implementation in manufacturing industries using analytical hierarchy process. In *Proceedings of the International Conference on Industrial Engineering and Operations Management* (pp. 541–552).

Haldorai, K., Kim, W. G., & Phetvaroon, K. (2025). Top management commitment, institutional pressures and green supply chain practices: Pathways to sustainable performance. *Journal of*

Hospitality and Tourism Insights. Advance online publication. https://doi.org/10.1108/JHTI-07-2024-0773

Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed, a silver bullet. *Journal of Marketing Theory and Practice, 19*(2), 139–152. https://doi.org/10.2753/MTP1069-6679190202

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review, 31*(1), 2–24. https://doi.org/10.1108/EBR-11-2018-0203

Irfan, S. M., & Kee, D. M. H. (2013). Critical success factors of TQM and its impact on increased service quality: A case from service sector of Pakistan. *Middle-East Journal of Scientific Research, 15*(1), 61–74. https://doi.org/10.5829/idosi.mejsr.2013.15.1.828

Jermsittiparsert, K., Namdej, P., & Somjai, S. (2019). Green supply chain practices and sustainable performance: Moderating role of total quality management practices in electronic industry of Thailand. *International Journal of Supply Chain Management, 8*(3), 33–46.

Karuppusami, G., & Gandhinathan, R. (2007). Web-based measurement of the level of implementation of TQM in Indian industries. *Total Quality Management & Business Excellence, 18*(4), 379–391. https://doi.org/10.1080/14783360701231351

Koomson, S. (2025). The impact of innovative leadership and total quality management in 21st-century banking: An empirical insight and foresight. *European Business Review, 37*(2), 230–244. https://doi.org/10.1108/EBR-03-2024-0111

Krishnan, A. (2013). Culture as a successor of quality initiatives: A review. *International Journal of Social Science, 2*(1), 53–61.

Lahidji, B., & Tucker, W. (2016). Continuous quality improvement as a central tenet of TQM: History and current status. *Quality Innovation Prosperity, 20*(2), 157–168. https://doi.org/10.12776/QIP.v20i2.748

Latan, H. (2018). PLS path modeling in hospitality and tourism research: The golden age and days of future past. In *Applying partial least squares in tourism and hospitality research* (pp. 53–83). https://doi.org/10.1108/978-1-78756-699-620181004

Lau, R. S. M., Zhao, X., & Xiao, M. (2004). Assessing quality management in China with MBNQA criteria. *International Journal of Quality & Reliability Management, 21*(7), 699–713. https://doi.org/10.1108/02656710410549064

Ljungholm, P. D. (2016). Sustainability implementation and organizational performance. *Review of Contemporary Philosophy, 15*, 139–145.

Loedphacharakamon, N., & Worakittikul, W. (2025). TQM and sustainable hospitality: Unpacking the link between green culture, employee behavior, and hotel performance. *Cogent Business & Management, 12*(1), 2499948. https://doi.org/10.1080/23311975.2025.2499948

Magd, H., & Karyamsetty, H. (2021). Organizational sustainability and TQM in SMEs: A proposed model. *European Journal of Business and Management, 13*(4), 88–96.

Mahmood, S., Qadeer, F., & Ahmed, A. (2014). Relationship between TQM dimensions and organizational performance. *Pakistan Journal of Commerce and Social Sciences, 8*(3), 662–679. http://hdl.handle.net/10419/188162

Manley, S. C., Williams Jr, R. I., & Hair Jr, J. F. (2022). Enhancing TQM's effect on small business performance: A PLS-SEM exploratory study of TQM applied with a comprehensive strategic approach. *The TQM Journal*. https://doi.org/10.1108/TQM-10-2021-0299

Masudin, I., Barraq, R. F., Zulfikarijah, F., Nasyiah, T., Restuputri, D. P., Trireksani, T., & Djajadikerta, H. G. (2025). Examining sustainable performance using SEM-fsQCA: The role of TQM, green SCM, and competitive advantage in small and medium enterprises (SMEs). *Sustainable Futures, 100635*. https://doi.org/10.1016/j.sftr.2025.100635

Mohsin, M., Shamsudin, M. N., Jaffri, N. R., Idrees, M., & Jamil, K. (2025). Unveiling the contextual effects of total quality management to enhance sustainable performance. *The TQM Journal, 37*(3), 680–708. https://doi.org/10.1108/TQM-05-2023-0124

Olaleye, B. R., Abdurrashid, I., & Mustapha, B. (2024). Organizational sustainability and TQM practices in hospitality industry: Employee–employer perception. *The TQM Journal, 36*(7), 1936–1960. https://doi.org/10.1108/TQM-10-2022-0306

Osazevbaru, H. O., & Amawhe, P. (2022). Emerging paradigm of employees' involvement in decision making and organizational effectiveness: Further evidence from Nigerian manufacturing firms. *American Journal of Economics and Business Innovations, 1*(3), 14–23. https://doi.org/10.54536/ajebi.v1i3.374

Partalidou, X., Zafeiriou, E., Giannarakis, G., & Sariannidis, N. (2020). The effect of corporate social responsibility performance on financial performance: The case of food industry. *Benchmarking: An International Journal, 27*(10), 2701–2720. https://doi.org/10.1108/BIJ-11-2019-050

Pattanayak, D., & Maddulety, K. (2013). Total quality management for banking sector: Conceptualisation and scale development. *International Journal of Quality and Innovation, 2*(2), 158–174. https://doi.org/10.1504/IJQI.2013.057004

Pattanayak, D., Koilakuntla, M., & Punyatoya, P. (2017). Investigating the influence of TQM, service quality and market orientation on customer satisfaction and loyalty in the Indian banking sector. *International Journal of Quality & Reliability Management, 34*(3), 362–377. https://doi.org/10.1108/IJQRM-04-2015-0057

Polas, M. R. H., Afshar Jahanshahi, A., Islam, M. E., Kabir, A. I., Sohel-Uz-Zaman, A. S. M., & Fahad, A. A. (2025). A journey from traditional supply chain processes to sustainability-oriented blockchain supply chain: The critical role of organizational capabilities. *Business Strategy and the Environment, 34*(3), 3522–3543.

Polas, M. R. H. (2026). From theory to sustainable practice in social science research 4.0: Sampling, sample size, and ethical standards in doctoral research. In *Improving doctoral education and research development for sustainability* (pp. 33–72). IGI Global.

Polas, M. R. H., Tabash, M. I., Afshar Jahanshahi, A., & Ahamed, B. (2022). Consumers' sustainable online purchase behaviour during Covid-19 pandemic: The role of relational benefit and site commitment. *Foresight, 24*(3/4), 476–503.

Reinaldo, L. D. S. P., Vieira Neto, J., Goyannes Gusmão Caiado, R., & Gonçalves Quelhas, O. L. (2021). Critical factors for total quality management implementation in the Brazilian construction industry. *The TQM Journal, 33*(5), 1001–1019. https://doi.org/10.1108/TQM-05-2020-0108

Rivas Mendoza, M. I., Afshar Jahanshahi, A., Pulido Joo, L. A., Polas, M. R. H., Paredes Izaguirre, L. A., & Espejo-Chacón, L. F. (2025). Workplace adversity and the dual impact of gender on employee intentions to leave and pursue social entrepreneurship. *Asia-Pacific Journal of Business Administration*. Advance online publication. https://doi.org/10.1108/APJBA-04-2024-0176

Saha, P., Talapatra, S., Belal, H. M., & Jackson, V. (2022). Unleashing the potential of TQM and Industry 4.0 to achieve sustainability performance in the context of a developing country. *Global Journal of Flexible Systems Management, 23*(4), 495–513.

Sahoo, S. (2021). Impact of process quality management on firm's operational performance: A mediation analysis of firm's absorptive capacity. *Journal of Manufacturing Technology Management, 32*(7), 1466–1492. https://doi.org/10.1108/JMTM-07-2020-0281

Salhieh, L., & Abu-Doleh, J. (2015). The relationship between total quality management practices and their effects on banks' technical efficiency. *International Journal of Commerce and Management, 25*(2), 173–182. https://doi.org/10.1108/IJCoMA-03-2013-0027

Sancha, C., Wong, C. W., & Thomsen, C. G. (2016). Buyer–supplier relationships on environmental issues: A contingency perspective. *Journal of Cleaner Production, 112*, 1849–1860. https://doi.org/10.1016/j.jclepro.2014.09.026

Shaikh, S. S., Huaming, S., & Ameer, M. S. (2023). Synergistic effect of TQM–SCM initiatives in organizational performance: Evidence from the service (logistics) sector. *Nankai Business Review International, 15*(2), 207–223. https://doi.org/10.1108/NBRI-11-2021-0081

Sharayah, Q. M., Tarawneh, H. A., & Sharayah, O. M. (2025). The impact of TQM on sustainable competitive performance: A mediating role of organizational flexibility. *Journal of Ecohumanism, 4*(1), 29–36. https://doi.org/10.62754/joe.v4i1.6088

Sharma, S., & Modgil, S. (2020). TQM, SCM and operational performance: An empirical study of Indian pharmaceutical industry. *Business Process Management Journal, 26*(1), 331–370. https://doi.org/10.1108/BPMJ-01-2018-0005

Shrivastav, S. K. (2023). How The TQM Journal has addressed "quality": A literature review using bibliometric analysis. *The TQM Journal, 35*(8), 2640–2657. https://doi.org/10.1108/TQM-10-2022-0308

Sin, K. Y., Sim, C. L., Lim, Y. J., Lee, D., & Janang, J. S. (2021). The mediating effect of business ethics in the relationship between total quality management and sustainable performance: Perspective from 4- and 5-star hotels. *International Journal of Productivity and Quality Management, 34*(2), 176–204. https://doi.org/10.1504/IJPQM.2021.118429

Sreedharan, V. R., & Sunder, M. V. (2018). Critical success factors of TQM, Six Sigma, Lean and Lean Six Sigma: A literature review and key findings. *Benchmarking: An International Journal, 25*(9), 3479–3504. https://doi.org/10.1108/BIJ-08-2017-0223

Stanciu, A. C., Constandache, M., & Condrea, E. (2014). Concerns about the sustainable performance of firm in the context of quality management systems implementation. *Procedia – Social and Behavioral Sciences, 131*, 340–344. https://doi.org/10.1016/j.sbspro.2014.04.127

Talib, F., Rahman, Z., & Mn, Q. (2012). Impact of total quality management and service quality in the banking sector. *Journal of Telecommunications System & Management, 1*(2), 1–5. https://doi.org/10.4172/2167-0919.1000102

Tasleem, M., Khan, N., & Nisar, A. (2019). Impact of technology management on corporate sustainability performance: The mediating role of TQM. *International Journal of Quality & Reliability Management, 36*(9), 1574–1599. https://doi.org/10.1108/IJQRM-01-2018-0017

Tessema, D. H., Yesilada, F., & Aghaei, I. (2025). Enhancing corporate sustainability through total quality management: Evidence from Ethiopian private hospitals. *SAGE Open, 15*(2), 21582440251329575. https://doi.org/10.1177/21582440251329575

Valmohammadi, C. (2011). The impact of TQM implementation on the organizational performance of Iranian manufacturing SMEs. *The TQM Journal, 23*(5), 496–509. https://doi.org/10.1108/17542731111157608

Venkateshwarlu, N., Agarwal, A., & Kulshreshtha, M. (2011). Implementation of TQM: A case study in an auto company. *Asia-Pacific Business Review, 7*(2), 74–82. https://doi.org/10.1177/097324701100700207

Wah Yap, B., Ramayah, T., & Wan Nushazelin Wan Shahidan. (2012). Satisfaction and trust on customer loyalty: A PLS approach. *Business Strategy Series, 13*(4), 154–167. https://doi.org/10.1108/17515631211246221

Wang, Z., & Meckl, R. (2020). Critical success factors of total quality management in autonomous driving business models. *Cogent Engineering, 7*(1), 1767018. https://doi.org/10.1080/23311916.2020.1767018

Wassan, A. N., Memon, M. S., Mari, S. I., & Kalwar, M. A. (2023). Identifying the critical success factors of total quality management implementation in manufacturing industry of Pakistan: An exploratory factor analysis. *Journal of Applied Research in Technology & Engineering, 4*(1), 37–53. https://doi.org/10.4995/jarte.2023.17969

WCED (World Commission on Environment and Development). (1987). *Our common future*. Oxford University Press.

Yan, J., Zhang, K., Zhu, W., & Fan, Y. (2019). An empirical framework for soft CSFs of TQM in Chinese manufacturing companies. *The TQM Journal, 31*(3), 377–399. https://doi.org/10.1108/TQM-07-2018-0102

Zaid, A. A., Othman, M., Qubbaj, I. S., & Asaad, A. R. (2025). Does total quality management mediate the relationship between Industry 4.0 and business sustainability in private hospitals? *International*

Journal of Quality & Reliability Management, 42(5), 1438–1462. https://doi.org/10.1108/IJQRM-03-2024-0084

Zerine, I., Biswas, Y. A., Doha, M. Z., Meghla, H. M., & Polas, M. R. H. (2025a). Adoption of artificial intelligence in retail: Examining the impact of technological and organizational factors on customer retention and loyalty. *Annals of Management and Organization Research, 6*(3), 287–302.

Zerine, I., Biswas, Y. A., Doha, M. Z., Meghla, H. M., & Polas, M. R. H. (2025b). Data-driven sustainability: How predictive analytics shape supply chain performance. *Annals of Management and Organization Research, 6*(4), 433–446. https://doi.org/10.35912/amor.v6i4.2613

Zhang, S., Rew, D., Jung, J., Wu, S., & Baldo, C. (2023). Impact of organizational citizenship behavior on corporate sustainability through the mediation of TQM: Focus on the textile industry in Bangladesh. *The TQM Journal, 36*(8), 2193–2210. https://doi.org/10.1108/TQM-02-2023-0056

Zhang, Z., Waszink, A., & Wijngaard, J. (2000). An instrument for measuring TQM implementation for Chinese manufacturing companies. *International Journal of Quality & Reliability Management, 17*(7), 730–755. https://doi.org/10.1108/02656710010315247

Zu, X., Robbins, T. L., & Fredendall, L. D. (2010). Mapping the critical links between organizational culture and TQM/Six Sigma practices. *International Journal of Production Economics, 123*(1), 86–106. https://doi.org/10.1016/j.ijpe.2009.07.009