



EFFECT OF TOTAL QUALITY MANAGEMENT PRACTICES ON PROJECT PERFORMANCE IN HOSPITALITY INDUSTRY.

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ABSTRACT

The study focused on the effect of total quality management practices on project performance in hospitality industry. The study established the relationship between top management commitment, employee involvement, customer focus and benchmarking and growth of Hotels. The study used a cross-section survey design and the study focused on Fatima Hotel . The population of the study was 120 respondents and the sample size was 92 although actual participants were 72. The study used both qualitative and quantitative research approaches for data collection. The study found a positive and a significant relationship between top management commitment and business growth by a value of 0.556. The study found a positive moderate significant relationship between employee involvement and business growth by a value of 0.654. The study found a positive moderate and significant relationship between customer focus and business growth with a value of 0.516.

INTRODUCTION

In African TQM practice is being achieved hospitality industry due to high competition and service quality requirement following internationalization of the hospitality industry in order to competition for tourist and global guests. Manufacturing sector in Africa is dominated by Asians this has led to some extent quick adopt of TQM practice in African hotels and manufacturing

industry. Locally after the 1994 Genocide, Rwanda had been affected by political instability in the 1990s. However since there is relative peace there has been mass industrialization under foreign direct investment including the construction hotels of international standard and since expert managers are also brought TQM practices are being adopted from the parent companies. Yes the practice is being adopted but there is still the doubt that there could be other reason for hotel growth other this practice.

The problems of manufacturing enterprises have been compounded in recent years due to changes in customer behavior and increased competition from newly established companies and importers, the impacts of system failures, poor product design, delivery delays, untrained staff and ignorance of quality (Mutula, 2002). Even as organizations strive to meet customer's expectation, there still exist some flaws in the process involved. Thus, there is a need for change in organizational culture and structure to give room for a new approach to service delivery. The implementation of TQM could be beneficial to firm when the principles are impactively adopted.

Growth is an organizational outcome resulting from the combination of firm-specific resources, capabilities and routines (Nelson & Winter, 2012). A firm's growth opportunities are highly related to its current organizational production activities (Coad, 2009). Therefore for small firms, growth is also influenced by personal ambition of an entrepreneur because not every entrepreneur aims to grow her/his business. Mosselman et al (2002) affirmed that only 16% of the small business owners aim to grow. The growth of a firm is to a certain extent a matter of decisions made by an individual entrepreneur by ensuring TQM practices are followed. Locke and Collins (2003) identified entrepreneur's personality traits, growth motivation, individual competencies and personal background as the most important determinants that determine the growth of a firm.

Firm growth focuses on certain attributes, such as sales, products, employment, and/or profit which can be attained through TQM (Hakkert and Kemp, 2006). Firm growth can be determined by the degree of impactiveness and capability with which firm-specific resources such as labour, capital and knowledge are acquired, organised, and transformed into sellable products and services through organisational routines, practices, and structure (Nickell et al, 2007). Thus, firm growth can be determined by how successfully one sells products and services to the customers but consideration need to cover the quality of products though firm need to have TQM in place. Therefore, TQM can be considered an important determinant of growth. Firm which uses TQM practices are able to track and respond to the customer's needs and preferences which enable better satisfaction of customers and stakeholders which in turn result in a firm's growth (Narver and Slater, 2010).

LITERATURE REVIEW

There seems to be no consensus on the date and original source for TQM innovation, but most literature reports that the founders include Feigenbaum, Ishikawa, Deming, Juran, and Crosby. Its origin could be traced back to 1926 although the concept of TQM seems to have evolved from quality circles developed by Edward Deming in the 50s. Quality circles were work groups within the organization ranging from 4 to 15 voluntary members that met regularly to discuss

quality-related issues, recommend solutions to problems, and in some cases take action to implement changes (Murata, 2006). Quality circles did not really have any impact on management in the USA until after the model was exported to Japan, and then reintroduced to the USA in the 1980s. The successful application of the method in Japan had significant and undeniable results in the quality of products made in Japan and its subsequent worldwide dominance in exports. The Japanese success led to the spread of the quality movement across the world. In the late 1970s and early 1980s, U.S. producers scrambled to adopt quality and productivity techniques that might restore their competitiveness (Dick, 2000). Deming's approach to quality control came to be recognized in the United States.

TQM can be defined as a holistic management philosophy that strives for continuous improvement in all functions of an organization, and it can be achieved only if the total quality concept is utilized from the acquisition of resources to customer service after the sale (Abuzaid, 2015). The subject quality management is broad, many of researchers who defined the concept. . The Chartered Quality Institute defines TQM as organizational management philosophy which enables it to meet stakeholder needs and expectations efficiently and impactively, without compromising ethical values. The American Society for Quality looks to TQM as a management approach to long-term success through customer satisfaction. Munizu. (2013) observed TQM as systematic approach to planning and implementing continues organizational improvement process focusing on customer satisfaction, building commitment and promoting open decisions.

It is a management approach of an organization centered on quality, based on the participation of all its members and aiming at long term success through customer satisfaction and benefits to all members of the organization and society. Total quality management (TQM) consists of organization-wide efforts to install and make permanent a climate in which an organization continuously improves its ability to deliver high-quality products and services to customers (Olcay, 2014). While there is no widely agreed-upon approach, TQM efforts typically draw heavily on the previously-developed tools and techniques of quality control. "Total Quality Management (TQM) is a strategy for continuously improving performance at every level, and in all areas of responsibility.

Al Ali (2008) looks at TQM as the interaction of input including individuals, methods, policies and instruments to achieve high quality output. It is a management philosophy with a comprehensive set of tools and approaches to the purposes of implementation. Organizations are judged on criteria from seven categories: leadership, strategic planning, customer focus, measurement, analysis, and knowledge management, workforce focus, operations focus and results. TQM is based on all members of an organization participating in improving processes, products, services and the culture in which they work (Arawati, 2005). Mutula (2002) stated that TQM has the potential to encompass the perspectives of different stakeholders in an integrated manner and thus is a comprehensive approach to quality management that can facilitate change and innovation.

Das *et al.*, (2006) noted that TQM implementation and growth are measured on three elements of TQM principles, customer focus, top management commitment and employee involvement have a significantly positive effect business growth. Salaheldin (2008) revealed that the implementation of TQM has a positive effect on both the operational and business growth. The literature shows that customer focus, top management commitment and employee involvement are significantly and positively related to product quality.

Sadikoglu and Olcay (2014) stressed that different TQM practices significantly affect different growth outcomes and the main obstacles are lack of employee involvement, awareness and commitment of the employees, inappropriate firm structure, and lack of the resources. The highest focus of businesses within total quality management practices is on customer focus, employee involvement and high support from top management to the quality efforts and a concern from the target hotel in participation of employees in quality management activities.

RESEARCH METHODOLOGY

TQM measurement was developed consisted of 12 scales based on the previous instruments (i.e. Saraph *et al.*, 1989; Flynn *et al.*, 1994; Ahire *et al.*, 1996; Zhang *et al.*, 2000; Claver *et al.*, 2003) to measure managers perceptions of the extent of TQM effect. The researchers adapted 71 items for 12 TQM factors from the previous studies. These scales used a six-point Likert-type scale anchored at (1) not at all and (6) to a very large extent. The respondents will be asked about their perceptions towards the effect of CSFs of TQM in their current hotels by investigating their agreement toward TQM effect.

This study used a cross-sectional survey methodology, and the unit of sample was at the managerial level. The empirical data collection for the study was conducted in four- and five-star resort hotels in Jordan, which may have implemented quality management practices due to their offering high levels of service to meet customers' expectations. The sample was all managers among 17 resort hotels, with 170 questionnaires being sent to these managers. A total of 107 questionnaires were returned, a response rate of 62.3%. However, three questionnaires were invalid due to incomplete data and the researchers obtained 104 usable responses.

STUDY RESULTS

The findings determined that respondents with a mean of 3.91 on the scale 1-5 agreed that top management embraces TQM in Fatima Hotel. However, a standard deviation of 0.893 existed as a variance with the statement. This is supported by Ollel (2006) who noted that implementation of TQM through management leadership and commitments are imperative factors for embracing of TQM in organizations. This can probably mean that the organization ensures that staff embraces total quality management to achieve performance .

The field data collected indicated that respondents with a mean of 4.04 on the scale 1-5 agreed that appointment of staff by senior level management to positions is by merit. However a standard deviation of 0.987 was determined in relation to a variance with the statement. This is

line with Ahmad *et al.*, (2017) who stressed that top management involves in firm activities through commitment and leadership from different approaches that is achieved through merit. This can probably mean that organization appoints staff on merit which helps to boost quality services and achieve performance .

The findings indicated that respondents with a mean of 3.78 on the scale 1-5 agreed that senior level management is committed to quality. However a standard deviation of value 1.018 of respondents was in a variance with the statement though minimal. This concurs with Sit *et al.*, (2011) who stressed that TQM construct has a strong positive association with service quality by ensuring that senior level management is committed to quality. This can possibly mean that organization ensures that management directs employees to maintain quality while carrying out business operations in order to achieve performance .

The findings indicated that respondents with a mean of 3.58 on the scale 1-5 agreed that senior level management is willing to provide resources necessary to maintain quality in operations. However a standard deviation of value 1.124 of respondents was in a variance with the statement though minimal. This concurs with Wiklund and Edvardsson (2003) who noted that top management is willing to provide resources necessary to maintain quality in operations. This can possibly mean that firm ensures that senior level management is willing to provide resources necessary to maintain quality in operations and produce products of quality which help a firm to achieve performance .

The findings indicated that respondents with a mean of 4.02 on the scale 1-5 agreed that management implement total quality management practices to boost performance .However, a standard deviation of .0803 represents a variance with the statement. This is supported by Eshiwani (2009) who noted that visionary leadership as one of most four critical human resource related factors that promise successful TQM implementation in hotel businesses and achieve performance . This can possibly mean that management of the hotel implement total quality management practices to boost performance .

The findings further revealed that respondents with a mean of 3.96 on the scale 1-5 agreed that top management is committed to set goals. However, a standard deviation of 1.014 determined a variance with the statement. This is in line with Tan (2001) noted that Leadership as a TQM dimension in service firms has been found to have a significant positive impact in enhancing customer satisfaction though management has to be committed to set goals. This can imply that management of the hotel is committed to set goals in order deliver quality and achieve performance both in short and long term.

The findings determined that respondents with a mean of 3.91 on the scale 1-5 agreed that top management carry out quality inspections. However, a standard deviation of 0.893 existed was in a variance with the statement. This is supported by Standa (2008) who noted that it is apparent that top management commitment is pertinent to the success of TQM models in organizational settings by ensuring top management carry out quality inspections. This can probably mean that

the organization ensures management carry out quality inspections on products and services that are offered to customers.

The field data collected indicated that respondents with a mean of 3.82 on the scale 1-5 agreed that quality control procedure strictly emphasized at top level. However, a standard deviation of 1.112 was determined in relation to a variance with the statement. This is line with Zhang (2007) who stressed that TQM systems and methods guide all quality activities and encourage participation by all employees to ensure quality control procedures are strictly emphasized at top level. This can probably mean that quality control procedure strictly emphasized at top level to staff in operation section about quality to be produced.

The findings indicated that respondents with a mean of 3.78 on the scale 1-5 agreed that management set quality standards. However a standard deviation of value 1.018 of respondents was in a variance with the statement though minimal. This concurs with Arawati (2015) who stressed that firm has to set quality standards as a major driver of process performance to achieve standards based on commercial needs criteria. This can possibly mean that organization management set quality standards for all staff.

In the hotel industry, Cheung (2006) measured the effects of TQM in four and five star hotels through four factors, namely, top management commitment, continuous improvement, and customer focus and employee involvement. he found that the mean score of aggregate TQM was (5.56), suggesting that TQM practices were affected in the hotel industry. Similarly, another study was conducted by Claver-Cortes et al. (2008) who investigated TQM commitment among manager. They revealed that the hotels had a high degree of TQM commitment (mean=5.62), and those hotels were usually chain-affiliated since they own more resources to meet quality standards and to implement quality practices. These results supported and confirmed the findings of the current study, suggesting that TQM practices are highly implemented in the hotel industry.

DISCUSSION

Compared to the other quality management instruments developed by Saraph et al. (1989), Flynn et al. (1994), Ahire et al. (1996), Zhang et al. (2000), and Claver et al. (2003), the TQM instrument presented in this paper has high reliability and validity for the hotel industry in general and for Fatuma hotel in particular. This study was the first to develop an instrument based on an extensive literature review for measuring TQM effect in the hotel industry. The instrument was empirically tested and validated using the data from the hotel industry. The TQM instrument consisting of 12 TQM scales was reliable and valid.

This study provided strong evidence that the level of TQM implementation could be different among hotels. Thus, the instrument could be used directly in other studies for different populations. For example, managers can use the TQM instrument developed in this study to assess the level of TQM practices in their organisations and to identify problem areas that should be improved. While, researchers being able to use this instrument to develop quality management theory. Furthermore, a future study could be conducted to investigate the impact of TQM on hotels' performance. However, this study must recognise several limitations: for

example, data were collected about the level of TQM practices based on managers' perceptions, where some respondents from the same hotel might have different perceptions, although a detailed cluster analysis did not reveal this to be significant. As 35 percent of the respondents were first-level managers, it is possible that this level of manager might not have evaluated correctly the current level of TQM practices.

CONCLUSIONS

A small number of studies have focused on investigating TQM in the hotel industry. The majority of the relevant literature, however, supports the view that TQM can be implemented in hotels. The results of this study highlight the importance of implementing TQM practices in the hotel industry by revealing the moderate level of TQM. Additionally, the current study has been able to classify Fatuma hotel in Musanze based on the level of adoption of TQM practices, having significantly different approaches to TQM.

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