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TOTAL QUALITY MANAGEMENT IN ORGANIZED RETAIL SHOP FROM SERVICE PROVIDERS' POINT OF VIEW

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Abstract

Organized retail shops that do not provide quality service, will not only be out of competition but also ultimately cease to exist. Fierce competition, shrinking market share, spiraling costs and rapid change are causing many executives to reassess critically the manner in which they operate and manage their organized retail shops. Quality management is recognized as the foundation of business competitiveness and it is proactively integrated with all business practices. Adoption of TQM is not a quick fix approach to improving management and productivity. It requires a transition from outcome oriented systems to a continuous improvement approach to problem identification and resolution of organization processes. Organized Retail covers supermarkets, hyper-markets, and malls managed by professionals and they offer variety of services and products under one roof and they operate on self-service model. Total Quality Management in Organized Retail Shop is important to attract and retain customers and also to provide job satisfaction to the employees. This survey (questionnaire) - based study is an attempt to identify the important factors of Total Quality in Organized Retail Shop, the relative importance of these factors from service provider's point of view and evaluation of these factors for statistical significance.

Key Words: *Total Quality Management, Organized Retail, Dimensions of Total Quality, Supermarkets, Customer Satisfaction, Top Management Leadership*

JEL Classification Code: *L800, L810.*

1. Introduction

TQM is the way of managing business processes to ensure complete customer satisfaction at every stage, internally and externally. Research has confirmed that TQM programs have produced an impressive list of claimed benefits and continue to accumulate converts to this philosophy. While TQM has typically been utilized as an improvement strategy for manufacturing and

public utility organizations, the TQM philosophy has also been implemented in many other settings - service, retail, education, health care and government.

The Retail Sector in India is playing a pivotal role in the growth of Indian economy which is set to become the fifth largest economy of the world, in terms of Gross Domestic Product (GDP), by the year of 2020 (Cebr 2011). The importance of this sector can be gauged from

the fact that it is the second largest employer after agriculture, employing more than thirty five million people, with the wholesale trade generating an additional employment to 5.50 million more people (Deloitte). The Organized Retail covers supermarkets, hyper-markets, and malls, managed by professionals and they offer variety of services and products under one roof and they operate on the self service model. According to the IRIS primary research, Organized Retail is dominated by Apparel & Clothing, Food & Grocery, Consumer Electronics, Foot wear, Home - Interior & Mobile - Telecom. According to a McKinsey Report, published in September 2008, called ' The Great Indian Bazaar: Organized Retail Comes of Age in India', organized retail in India is expected to increase from five per cent of the total market in 2008 to 14-18 per cent of the total retail market and reach US\$ 450-billion by 2015. A successful retail enterprise must have a vast network of people and error - free processes in place. Customers can sense a good buy and sniff out a bad product. Their expectations are constantly growing and retailers have to find ways to win customers and keep them contented. The Indian population is witnessing a significant change in its demographics. A large young working population, with a median age of 24 years, nuclear families in urban areas, along with increasing working women population and emerging opportunities in the services sector, are going to be the key growth drivers of the Retail Industry.

2. Literature Survey

A lot of research has been done in the area of Total Quality Management in Service Industries (from Service Provider perspective), providing ample evidence that quality has always scored highly as an important competitive capability. The decision as to which management practice should be given importance for effective TQM implementation, has been a major concern

of practitioners in the field (Flynn et al., 1995). Many commentators argue that in order to be fully successful and self-sustaining, TQM requires an extensive refashioning of "softer" practices whose elements consist of essentially dimensions of human resource management. Powell (1995) concluded that organizations that acquire the soft elements of TQM can out perform competitors without the accompanying TQM ideology. Many of the basic TQM elements, dealing with people, have been examined in previous studies such as teamwork, reward and recognition, customer focus, organizational trust, extensive training, high level of communication, management commitment at all levels, employee involvement, empowerment and organizational culture. Gerald F Smith (2002) identified the following underlying principles of TQM, with a focus on quality in everything, top management leadership, organization culture, customer, operation procedures & process, continuous quality improvement, involvement and team work. Saraph et al (1989) identified the critical factors of quality management, underlying the importance of management leadership and quality policy, the role of the quality department, training, product/ service design, supplier quality management, operation procedures and processes, organization culture and employee relations. Flynn et al (1994) identified and accentuated seven key dimensions of quality management that included top management support, fulfilling social responsibility, operation procedures and processes, product design, good HR practices, supplier involvement and empowerment and customer focus. Sureshchandar et al. (2001) identified the twelve critical dimensions of TQS for the institution of a TQM environment in service organizations: top management commitment and visionary leadership, employee commitment, technical system, information and analysis system, benchmarking, continuous improvement, customer focus, employee satisfaction, HR

practices, fulfilling social responsibility, physical environment and facilities, and organization culture. **Goran Svenson et al (2005)** observed that for a Swedish retail industry, business ethics and social responsibility should always be present in TQM because TQM is dependent on the contextual and evolutionary issues in the market place.

Vermeulen et al (1996) observed that the important elements of TQM are top management commitment, the availability of a quality policy and manual, the recognition of both external and internal customers, total quality training throughout the company and continuous improvement. **Ooi, Keng Boon et al (2006)** observed that for a large Malaysian semiconductor packaging organization, customer focus, organizational trust, organizational communication, employee involvement and empowerment were perceived as dominant TQM factors. **Beer, Michael (2003)** observed that clear strategy and non-conflicting priorities, leadership style, effective team management, and leadership or management skills training and development were essential for TQM. **Cowling, Alan et al (1995)** observed the importance of human factors in the successful implementation of TQM. Human factors are now accorded greater attention, following the realization that teamwork, co-operation, and motivation cannot be taken for granted. TQM is concerned with moving the focus of control from outside the individual to within and the objective is to make everyone accountable for their own performance and to get them committed to attaining quality in a highly motivated fashion.

Ritz-Carlton (1993) observed that TQM is an integrated system of techniques and training and comprises of commitment to quality, focus on customer satisfaction, assessing organizational culture, empowering employees and teams and measuring quality efforts. TQM is based mostly on rational thinking and problem solving and not on sophisticated statistics and

other measurement techniques. **Jocou, Pierre (1996)** observed that TQM is neither a program nor a model that can be bought off-the-shelf. It is an entire management system that includes a philosophy, principles, methods, and tools. If a company tries to use the methods without understanding and embracing the philosophy or the tools without the principles, it will fail. The system cannot be “cherry-picked” and it is either entered into completely or not at all. **Vermeulen et al (1996)** observed that to be successful in promoting business efficiency and effectiveness, TQM must be truly companywide and it must start at the top with the chief executive, or equivalent, the most senior directors, and management, who must all demonstrate that they are serious about quality. Middle management have a particularly important role to play and they must not only grasp the principles of TQM but also go on to explain them to the people for whom they are responsible and ensure that their own commitment is communicated.

3. Statement of the Problem

Majority of Retail Shops are struggling to provide Total Quality Management despite their efforts and positive intentions. There is a need to identify the important Total Quality Management factors in Organized Retail Shops. Because of the overlap and seamlessness of Total Quality Management theory, it is important to assess the inter-relation amongst the Total Quality Management factors. Since management resources are limited, it is also important to list down the Total Quality Management factors in the order of importance and specify the areas that require prompt management attention.

4. Need for the Study

Organized Retail can overcome competition from unorganized retail by understanding Total Quality Management in order to modify their service and product quality. Total Quality Management in Organized Retail

Shop is important to attract and retain customers. There is a general agreement that delivery of high Total Quality Management can create competitive advantage. The need for the present study is to provide an indepth understanding of total quality service factors that can help the Organized Retail to improve their services.

5. Objectives of the Study

- (1) To identify the important factors of Total Quality Management in Organized Retail Shop.
- (2) To identify the relative importance of these factors from service providers' point of view.
- (3) To evaluate whether the factors of Total Quality Management are statistically significant.
- (4) To study the inter relation amongst the total service quality factors.

6. Hypotheses of the Study

The dimensions important for Total Quality Management in Organized Retail Shop are: (i) Top management leadership and commitment, (ii) Customer focus, (iii) Organizational culture, (iv) Employee commitment, (v) Continuous improvement, (vi) Training of personnel, (vii) Employee satisfaction, (viii) Involvement and Empowerment of employees, (ix) Benchmarking, (x) Physical environment and facilities, (xi) Good HR practices, (xii) Fulfilling Social Responsibility, (xiii) Operations Procedures and Processes (xiv) Supplier Involvement and Engagement.

The hypotheses of this study were framed to study whether each of the fourteen factors, listed in the TQM Model, individually and jointly influenced Total Quality Management in Organized Retail Shop.

H₀₁: Dimension Top Management Leadership & Commitment does not significantly influence Total Quality Management in Organized Retail

H_{a1}: Dimension Top Management Leadership & Commitment significantly influences Total Quality Management in Organized Retail

H₀₂: Dimension Customer Focus does not significantly influence Total Quality Management in Organized Retail

H_{a2}: Dimension Customer Focus significantly influences Total Quality Management in Organized Retail

H₀₃: Dimension Organization Culture does not significantly influence Total Quality Management in Organized Retail

H_{a3}: Dimension Organization Culture significantly influences Total Quality Management in Organized Retail

H₀₄: Dimension Employee Commitment does not significantly influence Total Quality Management in Organized Retail

H_{a4}: Dimension Employee Commitment significantly influences Total Quality Management in Organized Retail

H₀₅: Dimension Continuous improvement does not significantly influence Total Quality Management in Organized Retail

H_{a5}: Dimension Continuous improvement significantly influences Total Quality Management in Organized Retail

H₀₆: Dimension Training of Personnel does not significantly influence Total Quality Management in Organized Retail

H_{a6}: Dimension Training of Personnel significantly influences Total Quality Management in Organized Retail

H₀₇: Dimension Employee Satisfaction does not significantly influence Total Quality Management in Organized Retail

H_{a7}: Dimension Employee Satisfaction significantly influences Total Quality Management in Organized Retail

H₀₈: Dimension Involvement & Empowerment of Employees does not significantly influence Total Quality Management in Organized Retail

H_{a8}: Dimension Involvement & Empowerment of Employees significantly influences Total Quality Management in Organized Retail

H₀₉: Dimension Benchmarking does not significantly influence Total Quality Management in Organized Retail

H_{a9}: Dimension Benchmarking significantly influences Total Quality Management in Organized Retail

H₀₁₀: Dimension Physical Environment & Facilities does not significantly influence Total Quality Management in Organized Retail

H_{a10}: Dimension Physical Environment & Facilities significantly influences Total Quality Management in Organized Retail

H₀₁₁: Dimension Good HR Practices does not significantly influence Total Quality Management in Organized Retail

H_{a11}: Dimension Good HR Practices significantly influences Total Quality Management in Organized Retail

H₀₁₂: Dimension Fulfilling Social Responsibility does not significantly influence Total Quality Management in Organized Retail

H_{a12}: Dimension Fulfilling Social Responsibility significantly influences Total Quality Management in Organized Retail

H₀₁₃: Dimension Operations Procedures & Processes does not significantly influence Total Quality Management in Organized Retail

H_{a13}: Dimension Operations Procedures & Processes significantly influences Total Quality Management in Organized Retail

H₀₁₄: Dimension Supplier Involvement & Engagement does not significantly influence Total Quality Management in Organized Retail

H_{a14}: Dimension Supplier Involvement & Engagement significantly influences Total Quality Management in Organized Retail

7. Methodology of the Study

7.1. Sample Selection

The eighty two respondents to the Questionnaire were in the age group 30 – 40 years and regular service providers of Organized Retail Shops like malls & super markets {“More” Megastores (Aditya Birla), “Easyday” Hyper stores (Bharti Retail), Food Bazaar (Big Bazaar), Food World (RPG Group), Reliance Fresh (Reliance Industries Ltd), Fab Mall (AB Group), Star India Bazaar (Trent Ltd), Hyper city, D-Mart, Spencer’s} in and around Mumbai City. These eighty two respondents were graduates, with more than ten years of related work experience and they characterized the modern day, informed and savvy service providers.

7.2. Data Collection

Total quality evaluation of Organized Retail Shop was carried out, using a self-administered questionnaire. The initial inputs were obtained from the literature of TQM / TQS. All statements were phrased positively, as suggested by **Parasuraman, Zeithaml & Berry (1994)**. The first level inputs for the design of the questionnaire were the variables / dimensions defined in the Total Quality Model. These inputs were translated into questions which were submitted to functional experts from Organized Retail Shop, for critical comments and content validation.

The Questionnaire contained two parts, A & B. Part A was designed to assess a scale of relative importance of the fourteen factors, identified for TQM. Part B was designed to evaluate whether fourteen factors compiled from 80 statements, individually and jointly, significantly influenced the Total Quality. Responses of the items were obtained on a

seven-point Likert Scale, with anchors 1 'Not essential' and 7 'Absolutely essential'. The approach of "test re-test" {**Mark Saunders Philip Lewis & Thornhill (2003)**} was used in order to test for stability. Internal consistency, across all the 80 statements, was calculated by using Cronbach's alpha which varies from 0 to 1 and a value of 0.5 or less generally indicates unsatisfactory internal consistency reliability {**Nunnally J C (1978)**}.

7.3. Period of Study

The study was cross sectional. The responses were collected during the period January 2015 to April 2015.

7.4. Tools Used

The Researcher used the arithmetic mean as a measure of central tendency, standard deviation as a measure of dispersion, correlation coefficient for measuring the degree of association and t-tests for testing of hypotheses.

Hypothesis Testing of Means

Since the response was obtained on a Likert Scale 1-7, the expected value was taken as '4'. The following structure of t test was applied to each of the fourteen factors individually.

H_0 : Mean = 4 (The null hypothesis is that the population mean is equal to 4)

H_1 : Mean > 4 (The alternate hypothesis is that the population mean is greater than 4)

Assuming level of significance = 0.05

$t_{\text{statistic}} = (\text{Actual Mean} - \text{Expected Mean}) / \text{standard error of mean}$

Decision: Depending on the value of $t_{\text{statistic}}$,
Reject H_0 or Accept H_0

8. Analysis and Discussion

In Part A, the Researcher obtained the relative importance for each of the hypothesized fourteen factors, by scoring each factor such that the sum of the scores for the fourteen

factors would be 100. Analysis of the fourteen factors, for relative importance (**Table 1**), showed that the average response for "Top Management Leadership & Commitment" (9.6/100) was the maximum, followed by "Customer Focus" (9.4/100), "Organization Culture" (8.8/100), "Continuous improvement" (8.5/100), and "Employee Commitment" (7.9/100). The above five factors formed the core of hypothesized TQM Model, as represented in the schematic diagram (Annexure-1).

In Part B, for each of the hypothesized fourteen factors, the Researcher had calculated mean, standard deviation, standard error and t statistic. Analysis of the fourteen factors (Annexure-2), computed from 80 statements (**Table 2**), indicated that the mean values for all the fourteen factors were high (5.03-6.32 on a scale of 1-7). The standard deviations for the fourteen factors were small and the 't value' was statistically significant. Therefore, the study concludes that each of the fourteen factors was individually and significantly influenced the Total Service Quality in Organized Retail (Reject the null hypothesis H_{01} to H_{14}). The following alternate hypotheses are accepted:

Ha1: Dimension Top Management Leadership & Commitment significantly influences Total Quality Management in Organized Retail (t value = 35)

Ha2: Dimension Customer Focus significantly influences Total Quality Management in Organized Retail (t value = 28)

Ha3: Dimension Organization Culture significantly influences Total Quality Management in Organized Retail (t value = 30)

Ha4: Dimension Employee Commitment significantly influences Total Quality Management in Organized Retail (t value = 20)

Ha5: Dimension Continuous improvement significantly influences Total Quality Management in Organized Retail (t value = 29)

Ha6: Dimension Training of Personnel significantly influences Total Quality Management in Organized Retail (t value = 13)

Ha7: Dimension Employee Satisfaction significantly influences Total Quality Management in Organized Retail (t value = 12)

Ha8: Dimension Involvement & Empowerment of Employees significantly influences Total Quality Management in Organized Retail (t value = 26)

Ha9: Dimension Benchmarking significantly influences Total Quality Management in Organized Retail (t value = 9)

Ha10: Dimension Physical Environment & Facilities significantly influences Total Quality Management in Organized Retail (t value = 13)

Ha11: Dimension Good HR practices significantly influences Total Quality Management in Organized Retail (t value = 12)

Ha12: Dimension Fulfilling Social Responsibility significantly influences Total Quality Management in Organized Retail (t value = 7)

Ha13: Dimension Operations Procedures & Processes significantly influences Total Quality Management in Organized Retail (t value = 16)

Ha14: Dimension Supplier Involvement & Engagement significantly influences Total Quality Management in Organized Retail (t value = 12)

Analysis of the Correlation between the Fourteen Factors (**Table-3**).

The total quality management factors were inter-related and interdependent. The factors of Total Quality, individually and significantly, influenced the Total Service Quality. There was moderate to high degree of positive correlation between the fourteen factors (Karl Pearson's Correlation Coefficient values between 0.54 & 0.95).

9. Findings & Research Implications

- (i) TQM is the continuous improvement of work processes to enhance the organization's ability to deliver high-quality products or services in a cost-effective manner. Implicit in this philosophy are the values of teamwork and involvement of employee and supplier. It typically involves a number of interventions like customer focus, cross-functional teams, selection of suppliers based on quality, the use of operating procedures and processes to enhance team effectiveness.
- (ii) TQM involves a multiple-stakeholder philosophy that equally values community, customers, and employees.
- (iii) The dimensions of TQM can be broadly grouped under three categories: (a) Those dimensions that are generic to both manufacturing and service organizations like Top Management Commitment, Customer Focus, Employee Satisfaction, Continuous Improvement, Benchmarking, Operations Procedures and Processes. (b) Those dimensions that are unique to Service Organization like Physical Environment & Facilities. (c) Those dimensions that are seldom addressed in the literature but are also elements of TQM e.g. Good HR practices & Fulfilling Social Responsibility.
- (iv) Certain behavioural features (soft issues) like organization culture, employee involvement and empowerment and executive commitment are vital for an environment, conducive to TQM. These resources (and not mere TQM Tools & Techniques) are instrumental for success and the organizations that acquire them, can win over their competitors, with or without the TQM label.
- (v) People-oriented issues of TQS such as top management commitment, customer focus,

employee satisfaction, training, and employee involvement and empowerment significantly influenced the Total Quality. These findings underline the importance of the ‘people-oriented issues over technology-related issues’, in delivering high Total Quality.

- (vi) TQM is an integrated approach and a set of practices that emphasize, *inter alia*, management commitment, customer focus, continuous improvement, employee involvement and empowerment etc. Proper implementation of TQM can positively influence customer satisfaction, ultimately leading to enhanced financial performance.
- (vii) Customer-driven quality is the way of doing business because they no longer tolerate poor or average quality. The real competition is not price but quality and customer satisfaction.
- (viii) Commitment of Top Management is crucial and the approach has to permeate every aspect of the organization. TQM aims to create a cultural environment in which employees are guided by commitment because they have internalized the values of the organization. This ensures that the employees aspire for customer satisfaction and continuous improvement, without any external monitoring and control.
- (ix) Given the direct influence of certain TQM practices on employees’ performance, the top management in the organization should conduct formal TQM programs for all new employees and provide their existing employees with continuous formal training program (on-the-job as well as off-the-job) in order to gain employees’ commitment and motivation.
- (x) Some of the elements of TQM like employee involvement and empowerment, customer focus, provide long-term benefits, necessary for the continued improvement over time.

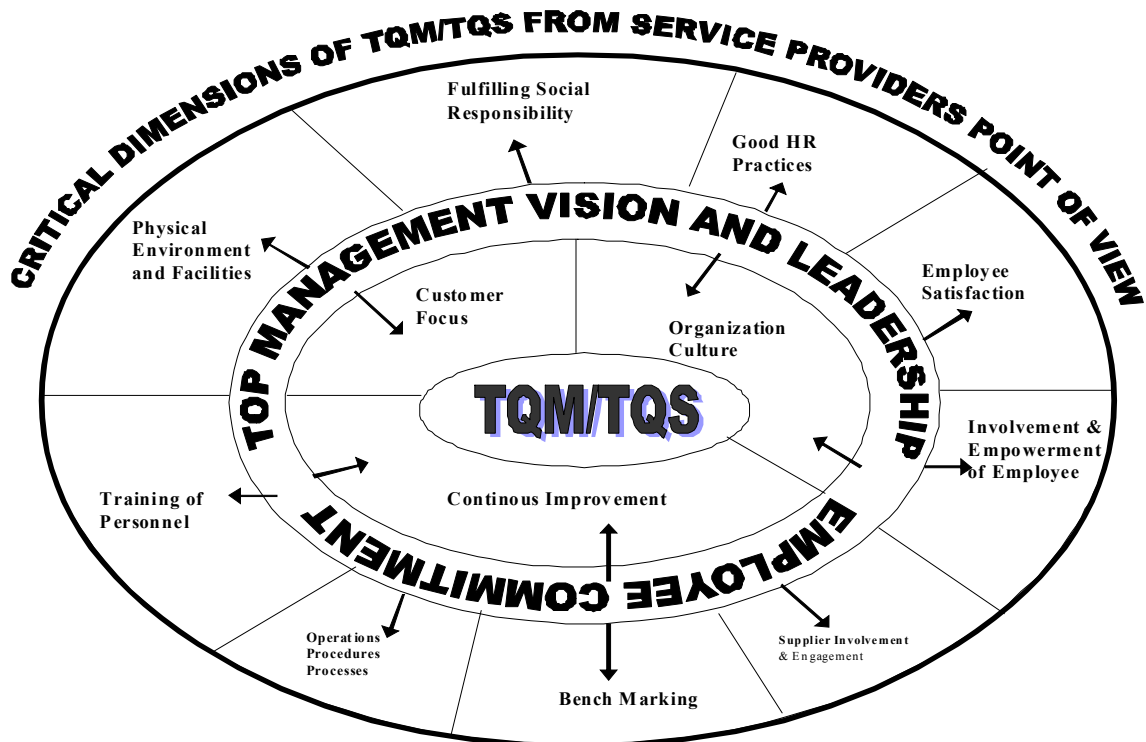
10. Limitations / Scope for Future Research

- (i) Some of the responses that were generated were not spontaneous responses because the instrument had been given to the respondents and they had time to think and fill the questionnaires. Face to face interviews were not possible due to practical constraints. Respondents with time to think, do tend to answer the questions diplomatically. Thus the fact that some responses may not be completely true, cannot be ignored.
- (ii) The population being studied, involved an ongoing process that made listing or counting every element in the population impossible. A strictly random selection procedure could not be used because full listing of the population was impossible. The respondents for the study were identified as per the convenience of availability. Therefore, the sample drawn was not a truly random sample.
- (iii) The TQM Model was based on service provider’s expectations of an excellent service organization on the basis of a conventional scale. These expectations were not necessarily predictable and robust. In an ongoing business of monitoring and improving Total Quality Management, one must assess simultaneously expectations and perceptions to identify the gaps in Total Quality Management.
- (iv) The study was conducted predominantly in just one city (Mumbai) of the country and the results of the same, if conducted in some other part of the country, may vary. This is because the perceptions and needs of the customers may be different in different areas of the country. Country like India has culturally and economically diverse areas. The level of education, the different cultures and the economic disparity, lead to different perceptions among the customers. The difference was too significant to be ignored.

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Annexure-I : TQM Model



Source: Authors Empirical Model based on PhD Thesis “A Study of Impact of Quality Management Practices in Select Indian Service Companies” Submitted by Tohid T. Kachwala to the Hem. North Gujarat University, Patan in January, 2006.

Annexure-II : Operational definition of the terms

The following five factors are prerequisites for effective implementation of Total Quality Management (Total Quality Service)

(1) Top management leadership & commitment:

- a) The commitment to the philosophy of TQM and a clear quality vision.
- b) The allocation of adequate resources & time for continuous improvement efforts.
- c) The ability to recognize employees / teams as valuable and long-term resources.
- d) The effort to remove the root causes of problems.
- e) The active participation in creating customer focus throughout the organization.
- f) The commitment to energize & simulate an organization to improve service performance.
- g) The personal visible involvement & commitment to a clearly defined road map for implementing & sustaining TQM activities.

(2) Customer focus:

- a) The consideration of customer focus as the driving forces behind day-to-day operations.
- b) The pleasing and courteous behavior of employee towards the customers.
- c) The willingness to provide prompt services to the customers.
- d) The willingness to help customers, respond to their requests and meet their needs and expectations.
- e) The ability to use customer feedback to improve the service standards, and redress customer-grievances.
- f) The willingness to address customer's future needs and involvement of customers in continuous quality improvement programs.
- g) The willingness to go the extra mile i.e. beyond the customer expectations.
- h) The willingness to provide the content, intensity & depth of a service.
- i) The extra mile the employee will go to satisfy the unexpressed needs of the customer by giving more than what they expect.
- j) Service Innovation.
- k) The diversity & range of services.

(3) Organizational culture:

- a) The realization of the employees at all levels that the real purpose of their existence is 'service to customers'.
- b) The overcoming of resistance of the employees to change by fostering trust, openness and good relationships among the employees.
- c) The facilitation of fast decision-making and quick response to customers' requirements.
- d) The encouragement of the philosophy of accurate service at all times amongst employees.
- e) The encouragement of work culture that fosters friendship & harmony amongst the employees.
- f) The encouragement of open door policy where the subordinates can freely interact with their superiors.

(4) Employee commitment:

- a) Provide services right the first time and every time.
- b) Give individual and caring attention as much as possible to the customers by having the customers' best interests at heart.
- c) Necessary skills and ability for actions whenever a critical incident takes place (i.e. when a problem arises).
- d) Actively gather, integrate and communicate information that is critical to the implementation and practice of TQM.

- e) Foster a feeling of comradeship and brotherhood amongst all levels of employees.
- f) Actively participate in the initiatives of quality improvements set by the top management.

(5) Continuous improvement:

- a) The belief that 'continuous improvement' results in a competitive advantage.
- b) The emphasis on continuous improvement in all operations and at all levels.
- c) The ability to make continuous improvement a way of incremental process improvements.
- d) The ability to use continuous improvement as a tool of self-development.

The following nine factors are essential for effective implementation of Total Quality Management

(6) Training of personnel:

- a) The ability to link education and training of employees to its long-term plans and strategies.
- b) The conduct of TQM and other training programmes such as ISO 9000 for employees working in all functional areas.
- c) The training of employees as per identified needs of the employees.
- d) The training of employees as per a defined schedule (Training Calendar).
- e) The process of evaluating and improving the effectiveness of the training program.

(7) Employee satisfaction:

- a) The recognition and encouragement for achievements in quality.
- b) The willingness to devise strategies to improve employee satisfaction.
- c) The willingness to effectively redress grievance of employees.
- d) The effective performance appraisal system.
- e) The ability to foster environment devoid of fear or reprimand.
- f) The ability of the management to demonstrate that they care for the welfare of the employees and their families.

(8) Involvement & Empowerment of Employees:

- a) Authority and operational independence for the employees to achieve results.
- b) Encouraging the employees to voice their opinions, criticisms and feedback on organizational functioning and performance.
- c) Providing employees with enough support and encouragement to offer suggestions and using innovative methods to solve problems.
- d) Fostering involvement of employees in TQM programmes.
- e) Support to employees during setbacks and undesired outcomes.
- f) Involvement of the employee in defining the road map and identifying the resources required for implementation of TQS.

(9) Benchmarking:

- a) Benchmarking the services and processes with respect to other companies.
- b) Benchmarking the service recovery process with respect to other companies.
- c) Benchmarking the level of servicescapes (i.e. the aesthetics, appeal, comforts and the facilities) with respect to other companies.
- d) Benchmarking the level of commitment for the society as a whole with respect to other companies.

(10) Physical Environment & Facilities:

- a) The employees will have a pleasant and neat appearance.
- b) The ambient conditions such as temperature, ventilation, noise, odour, etc. prevailing in the organizational premises should be comfortable to customers.
- c) The infrastructure facilities will be modern and visually appealing to the employees and to the customers.
- d) The physical layout of premises, facilities and other furnishings will be comfortable for the employees & for the customers to interact with the employees.
- e) The housekeeping is kept as a priority in the organization.
- f) The signs, symbols, advertisement boards, pamphlets and other artifacts in the organization will be appealing to the customers.

(11) Good HR Practices:

- a) Clearly defined role played by the HR in establishing the policies and strategies of the organization.
- b) Employees' union's co-operation and support for the drive for improved customer focus and Total Quality Management in the organization.
- c) Establish congruence between management, union and employees with the belief that their functions are complimentary, not contradictory, towards improving organizational performance.
- d) Involvement of the HR for redressal of grievances of employee & customers.

(12) Fulfilling Social Responsibility:

- a) Lead as a corporate citizen, and promote ethical conduct in everything it does.
- b) Providing equal treatment to all the customers, stemming from the belief that everyone should be treated alike.
- c) Sense of public responsibility among employees (in terms of being punctual, regular, sincere and without going on strikes).
- d) Sense of social responsibility characterized by assisting deserving economically and socially downtrodden students with less rigid loan conditions without compromising quality.

- e) Evaluate possible impact of its services on society and effectively satisfy the needs and expectations of the society at large.
- f) Promote truthful advertisements and publishing campaigns that reflect only facts in all communications.

(13) Operating Procedures & Processes:

- a) Integrating customer feedback in the design of standardized, simplified and foolproof operational procedures and processes.
- b) Coordinating activities among different departments / branches during the service development processes.
- c) Enhancing technological capability (e.g. computerization, networking of operations, etc.) to serve customers more effectively.
- d) Documenting procedures for investigation of causes of errors and subsequent corrective actions.

(14) Supplier Involvement & Engagement:

- a) Evaluate supplier performance with specified requirements / parameters through mutually agreed plans.
- b) Involvement & engagement of the suppliers in establishing quality & punctuality requirements.
- c) Constantly endeavours for development of capabilities of its suppliers.
- d) Treating the suppliers as an integral part of the organization.
- e) Ensuring the prompt and timely payment to the suppliers.

**Table - 1 : Analysis of the Fourteen Factors for Relative Importance
(from Part A of the Questionnaire)**

Factor No.	Factor Description	Average	Rank	Standard Deviation	Coefficient Variance
1	Top Management Leadership	9.60	1	1.63	16.98
2	Customer Focus	9.40	2	1.98	21.06
3	Organization Culture	8.80	3	1.78	20.23
4	Employee Commitment	7.90	5	1.56	19.75
5	Continuous Improvement	8.50	4	1.64	19.29
6	Training of Personnel	6.40	9	1.89	29.53
7	Employee Satisfaction	7.70	6	1.35	17.53
8	Employ Involm & Empowerment	7.10	7	1.73	24.37
9	Benchmarking	5.90	11	1.39	23.56
10	Physical Environment & Facilities	5.40	12	1.31	24.26
11	Good HR Practices	5.09	14	1.23	24.17
12	Fulfilling Social Responsibility	5.21	13	0.98	18.81
13	Operations Procedures & Processes	6.70	8	1.76	26.27
14	Supplier Involvement & Engagement	6.30	10	1.65	26.19

Source: Statistical Analysis of the Primary Data comprising of eighty two respondents to the Questionnaire using Excel

**Table - 2 : Analysis of the Fourteen Factors Computed from 80 Statements
(from Part B of the Questionnaire)**

Factor No.	Factor Description	Mean	Standard Deviation	Standard Error	t statistic
1	Top Management Leadership	6.32	0.60	0.07	35.01
2	Customer Focus	6.10	0.67	0.07	28.38
3	Organization Culture	6.10	0.62	0.07	30.67
4	Employee Commitment	5.90	0.85	0.09	20.24
5	Continuous Improvement	6.10	0.65	0.07	29.26
6	Training of Personnel	5.40	0.98	0.11	12.94
7	Employee Satisfaction	5.70	1.30	0.14	11.84
8	Employ Involm & Empowerment	5.30	0.45	0.05	26.16
9	Benchmarking	5.10	1.12	0.12	8.89
10	Physical Environment & Facilities	5.30	0.89	0.10	13.23
11	Good HR Practices	5.60	1.15	0.13	12.60
12	Fulfilling Social Responsibility	5.03	1.35	0.15	6.91
13	Operations Procedures & Processes	5.74	0.95	0.10	16.59
14	Supplier Involvement & Engagement	5.60	1.25	0.14	11.59
	Grand Total	5.54	0.95	0.10	14.66

Source: Statistical Analysis of the Primary Data comprising of eighty two respondents to the Questionnaire using Excel

Table - 3: Analysis of the Correlation between the Fourteen Factors (from Part B of the Questionnaire)

Factor Description	Top Management Leadership	Customer Focus	Organization Culture	Employee Commitment	Continuous Improvement	Training of Personnel	Employee Satisfaction	Employ Involm & Empowerment	Benchmarking	Physical Environment & Facilities	Good Rehn with Union	Social Responsibility	Process Management	Sup Invlm
Top Management Leadership	1.00													
Customer Focus	0.79	1.00												
Organization Culture	0.76	0.81	1.00											
Employee Commitment	0.95	0.89	0.61	1.00										
Continuous Improvement	0.79	0.86	0.81	0.72	1.00									
Training of Personnel	0.84	0.86	0.73	0.71	0.78	1.00								
Employee Satisfaction	0.81	0.69	0.82	0.73	0.76	0.91	1.00							
Employ Involm & Empowerment	0.75	0.79	0.59	0.84	0.73	0.86	0.62	1.00						
Benchmarking	0.56	0.64	0.64	0.68	0.59	0.71	0.76	0.86	1.00					
Physical Environment & Facilities	0.89	0.93	0.68	0.81	0.74	0.84	0.81	0.86	0.64	1.00				
Good HR Practices	0.56	0.64	0.62	0.62	0.54	0.68	0.71	0.71	0.78	0.69	1.00			
Fulfilling Social Responsibility	0.59	0.87	0.74	0.89	0.74	0.69	0.78	0.65	0.62	0.71	0.71	1.00		
Operations Procedures/Process	0.81	0.79	0.91	0.84	0.59	0.89	0.78	0.59	0.84	0.67	0.89	0.59	1.00	
Supplier Involvement & Engagement	0.81	0.84	0.89	0.68	0.56	0.75	0.78	0.72	0.71	0.73	0.81	0.84	0.89	1.00

Source: Statistical Analysis of the Primary Data comprising of eighty two respondents to the Questionnaire using Excel