

**THE ROLE OF TOTAL QUALITY MANAGEMENT ON THE PERFORMNACE OF
SMALL AND MEDIUM ENTERPRISES**

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DEDICATION

This work is dedicated to my beloved parents Mr. Joseph Rukunda and Mrs. Clemence Tumbweine Rukunda who not only gave birth to me but also made sure I attain top quality education through all levels starting from pre-primary to university level, despite the problems encountered during my studies, they persevered and saw me through school, with continued financial, moral and spiritual support. In addition to the above, I also thank my sister Ms Susan Ninsiiima, who without any obligation provided financial and moral support throughout my education.

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LIST OF ABBREVIATIONS

- TQM - Total quality management
- SMEs - Small and medium enterprises
- UBoS - Uganda bureau of statistics
- GDP - Gross domestic product
- ICT - Information, communication and technology
- GNP - Gross national product
- CWS - Common wealth secretariat
- SPSS- Statistical Package for Social Science
- WEF - World Economic Forum

ABSTRACT

The study or the research aimed at establishing the role of total quality management on the performance of small and medium enterprises. The study objectives included: to access the effect customer focus on the performance of small and medium enterprises, to determine the effect of team work on the performance of the enterprises, to determine the influence of benchmarking on the performance of the enterprises.

The major objective of the study was to establish the role of total quality management on the performance of small and medium enterprises in Uganda. However despite the solutions applied by the government and different workshops such as provision of youth loans and ways of managing them, public lectures on improvement of quality in the goods and services produced by the small and medium enterprises there is persistent occurrences of financial problems exhibited in high indebtedness, loss of customers and unstable profitability levels in different industries, therefore this study seeks to show the role of total quality management on the performance of small and medium enterprises.

This study was carried out in mukono municipality, at ridar hotel using a descriptive research design. Simple random sampling was used to select the respondents. A total of 44 respondents comprising mostly of employees and managers of the enterprise were selected to participate in the survey and a statistical package for social sciences (SPSS) was used to analyse data. The findings were presented using frequency tables, pie charts and histogram.

The study revealed that ridar hotel had a culture put in place and directed to total quality management for success of the enterprise. The study showed that the respondents were fully aware of achieving customer satisfaction and in turn knew the benefits of customer satisfaction and how it pleased the customers. The study showed a strong need and support for team work in the enterprise, with a view that it increased the productivity of the employee their by leading to improved performance of the enterprise. Lastly the study showed that an enterprise can not operate in isolation, naturally it has got competitors, therefore to successfully co exist the tools of benchmarking had to be used acquire the useful attributes of their competitors to favourly compete. This was shown by overwhelming desire to borrow useful attributes.

Conclusively, the researcher discovered that the dimensions of total quality management such as customer focus, teamwork and benchmarking to a greater extent affected the performance of an enterprise. In addition, the researcher was of a view that the enterprise do adopt and put in use all the dimensions of total quality management because this would greatly improve their performance against their competitors.

CHAPTER ONE

INTRODUCTION

1.0 Introduction

Total quality management is an important aspect while managing business especially small and medium enterprises. This helps a business to maintain the existing customers while making profits and in turn expand both in terms of capacity and profitability.

The development of small and medium enterprises (SMEs) is critical as it contributes to the economies of developing countries. Uganda, like many other countries in Africa, has a very active and dynamic small and medium enterprise sector. Given the small modern formal sector (which is largely informal) is a significant source of employment and income to the poor to the people in developing countries.

This chapter presented the following, background to chapter one, the problem statement, the general objective, specific objectives of the study, the research questions, hypothesis, justification of the study, significance of the study, scope of the study, conceptual framework, the operational definition of terms and concepts used in the study, anticipated threats, assumptions or limitations of your research.

1.1 Background of the study

The theory behind total quality management is that it is a management approach aimed at satisfying all consumer requirements, needs and expectations using a continuous improvement approach.

According to Dessler (1998) total quality management are organisational wide programs that aim to integrate all functions of the business such all aspects of the business including design,

planning, production, distribution, and field service are aimed at maximising customer satisfaction through continuous improvements.

According to Ivancevich, et al. (2014), TQM is a philosophy of managing a set of business practices that emphasizes continuous improvement in all phases of operations, 100 per cent accuracy in performing activities, involvement and empowerment of employees at all levels, team based work design, benchmarking, and fully satisfying customer expectations.

According to Dessler (1998) W. Edwards Deming, who is credited with bringing quality control to Japan in the 1950s, is generally regarded as the intellectual father of total quality management. His concept is based on a 14 point system, which he says must be implemented at all organizational levels, this includes the following, create consistency of purpose towards improvement of product and service and translate that into a plan, adopt a new philosophy of quality, cease dependence on inspection to achieve quality, end the practice of choosing suppliers based solely on price, improve constantly and forever the production and service in order to improve quality and productivity.

According to Alvarez (1996), entrepreneurship in the 1980's became a worldwide movement, spreading across countries regardless of the level of economic development or even their basic mentality or value orientation towards business activities. Hence this led to the efforts to effectively manage the enterprises so as they would have quality output.

Total quality management (TQM), is the integration of all functions and processes within an organisation order to achieve continuous improvement of quality of goods and services. The goal is customer satisfaction. This will determine how the different sizes of enterprises that is small and medium sized operate, how the arrange resources and from whom they draw their standards of maintaining quality.

A small enterprise is an enterprise employing a maximum of 50 people with an annual turnover of approximately \$215,000, while the medium enterprise is an enterprise employing more than 50 people with an annual turnover of approximately above \$215,000. (Wikipedia)

Small enterprises are reported to have contributed about 20% of Uganda's Gross Domestic Product. The average age of an entrepreneur in Uganda, many of whom are women, are between the ages of 30 and 40. Many of whom only have a high school education. 59% of these people are surveyed as being in business for making a living. The percentage of individual's ages 18 to 64 are active in either starting up or managing a new enterprise is 29.3% in Uganda.

According to the Uganda Bureau of Statistics, the main stream (formal) industry level is however beginning to grow with the majority (up to 80%) actors small to medium enterprises distributed as those producing house hold utilities (30%), food and beverages (30%), fabricators of metal, steel and concrete (10%) and others such as telecommunication, ICT and construction occupying 10% (UBoS, 2010).

The small and medium sized enterprises (SMEs) sector transcends all the sectoral boundaries in the production, distribution and marketing channel. Recent economic studies in Uganda, have dubbed SMEs as the backbone, key drivers and primary catalyst of economic development. Estimated at 800,000 in urban and rural areas, the SMEs sector plays a vital role in the economy especially job creation, innovation, promotion and subsistence incomes. A study in 2007 revealed that micro, small and medium sized enterprises account for 90% of the private sector and employ over 1.5 million (Common Wealth Secretariat, 2007). A Uganda Bureau of Statistics report on the Census of Business Establishments 2010/2011 illustrated that 30% of 458,106 enterprises were small and medium enterprises and that the sector employed over 1 million people.

SMEs have for a long time provided out grower services to the large commercial agriculturists and other primary sectors for instance the oil sector. Some of the opportunities that SMEs could explore as related to being the main supplier of secondary services in these sectors include but not limited to; provision of office supplies, catering services, information and communication technology services, building and construction, forwarding and clearing, hotel or accommodation services. It should however be noted that the majority Uganda's small and medium enterprises are unable to meet quality standards, are inconsistent with the volumes of goods and services supplied, pricing and breach of contracts. Additionally SMEs have internal weakness in record keeping, credit utilisation and repayment and total quality management. Such challenges impact on the possibilities of acquiring business contracts and sub contracts in large domestic companies hence loss of customer base.

Uganda economy also recorded a steady growth for the small scale industries. According to Biryabarema (2009), it was estimated that small scale businesses in agriculture accounted for 70% of Gross National Product (GNP) and 80% of the population is employed. The importance of SMEs is indicated by 10% increase in the population employed since 1988 to those recorded in the year 2001. Despite their importance, the SMEs sector is faced with severe constraints that limit the sector's economic growth potential thus, a high failure rate. Some of these constraints are general to the whole of the sector like record keeping, total quality management as per the purpose of this research.

1.2 Problem statement

Small medium enterprises are the most widely spread businesses in the country, this is due to the growth of the middle class citizens and the economy at large, in addition to entrepreneur activity of the greatest percentage of the population (WEF, Global Competitiveness Report, 2012). There is

increasing concern about their start up and the way they dissolve out easily or in most cases run bankrupt after a short period of existence yet there is an increasing growth of the middle class in Uganda who are able and willing to demand goods with ready cash hence effective demand. This has been display of how hurriedly customers support a starting small or medium enterprise after a short period of time abandon it, and move on to a new established enterprise this due what some people may refer to as avoidable mistakes done by the new entrepreneurs(WEF, Global Competitiveness Report, 2012). The entrepreneurs as they are starting up go through an important phase while starting up a business, this includes many steps which may include the following, spotting the gap in the existing business they are trying to venture into. But soon after joining the business they tend to forget or ignore important aspects in running a business that will help them close the gap. Today's consumers are becoming harder to please, they are smarter, more price conscious, more demanding, less forgiving and are usually approached by many competitors with equal or even better offers. (Kotler, 2003)

These include so many things but also there is total quality management, which is designed around the consumer of a given product which help it maintain the existing customers and even attract new ones, but as this is not the case as most them fail to conform to the consumers preferred characteristics and needs, hence the customers may end up abandoning them so as look for better quality services elsewhere. However if the entrepreneurs took into considerations the aspects of total quality management, they can achieve most of their desired goals in addition to existing for a very long time and profit maximisation. Therefore, the researcher intends to undertake this study to establish the role of total quality management on the performance of small and medium enterprises.

1.3 General objective

To establish the role of total quality management on the performance of small and medium enterprises.

1.3.1 Specific objectives

- (i) To access the effect customer focus on the performance of small medium enterprises.
- (ii) To determine the effect of team work on the performance of small medium enterprises.
- (iii) To determine the influence of benchmarking on the performance of small medium enterprises.

1.4 Research questions

- (i) What is the effect of customer focus on the performance of small medium enterprises?
- (ii) How does team work affect the performance of small medium enterprises?
- (iii) What is the influence of benchmarking on the performance of small medium enterprises?

1.5 Justification of the study

This study was justified because small and medium enterprises in our country are considered to be an important vehicle to economic growth and development, but at the moment SMEs are experiencing poor performance as indicated by business down fall, loses. Therefore if such study is not carried out entrepreneurs, employees and the government may find difficulty in realising their expectations.

The research study was justified because there are high rates of start ups of small medium enterprises, but most of them collapse after a short period of existence because some of the lack the basic knowledge of total quality management, that is intended to satisfy the consumer whose none existence leads to the failure of the business. Therefore if no such study is carried out, entrepreneurs, operation managers, etc will find difficulty in maintaining the functionality of their business.

1.6 Significance of the study

The researcher hopes that the findings of the study would enable SMEs to use their available resources in order to focus on customer satisfaction, so as to make their business profitable.

The research hopes to enlighten the managers or owners of the importance of benchmarking in order to them a scale on which to calculate their success and level of quality in the enterprise.

The researcher hopes that the study will educate the managers or owners who were illiterate about total quality management to utilise it in their enterprises.

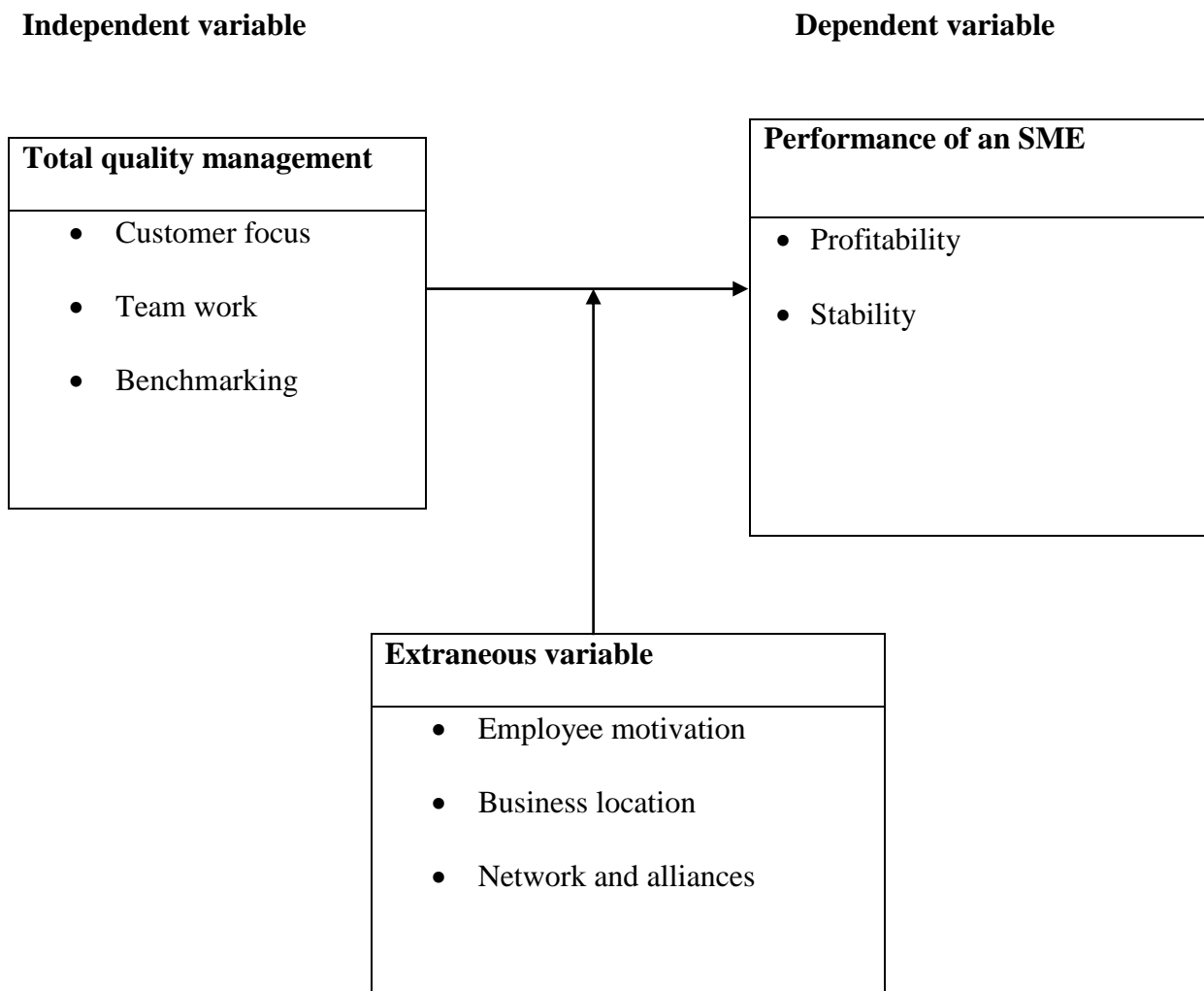
1.7 Scope of the study

This study is limited to the role of total quality management on the performance of small medium enterprises. The study is intended to be conducted in Mukono municipality at some of the many small medium enterprises. The study is largely intended to be descriptive because it involves getting more detailed information on the role of total quality management on the performance of small medium enterprises and the researcher intends to avoid biases among respondents.

1.8 Conceptual frame work

This shows the relationship between two variables which are independent and dependent variables. There also extraneous variables that have an impact on the relationship between independent and dependent variables. The relationship of the concepts is illustrated below.

Figure 1.1 Conceptual framework



Source: Developed by the researcher after literature review, 2015.

1.9 limitations

It was difficult to meet the people running the enterprises, so as to issue questionnaires because they run a hectic and busy business therefore they too are busy, which hindered the easy access to the required information

It was expensive carrying out the research study, this because in order to access quality information certain costs had to be met.

The respondents especially the employees had fear to reveal certain information, due to the fear that they may lose their jobs, as some information was thought not to be secretive.

The following some of the ways in which the above limitations were overcome,

The questionnaire was only to be academic purposes, not as way to the business owners their successes and failures.

The research was carried out at specific points in time to limit the expenditure costs of the study.

The researcher studied the time table of the enterprises so as to maximise those hours of no serious work being so as to find a window to issue the questionnaires and attain quality information from the study.

The researcher had to issue questionnaires and collect them some other point in time to allow ample time for the respondents to answer the questionnaire carefully.

1.10 Conclusion

In conclusion, this chapter was intended to focus on the problem that the researcher is trying to solve with the help of objectives from which questions were developed. The conceptual frame work gave a clear view on what the research was all about, that the performance of small medium enterprises may depend on total quality management and other factors such as business location, employee motivation and network and alliances.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews the relevant literature to understand the above developed conceptual framework and deeper concepts highlighted in chapter one above. It also describes the role total quality management hence customer focus, team work and benchmarking on the performance of small and medium enterprises.

2.1 An overview of total quality management

2.1.1 Quality

According to Wilkinson, et al. (1998), to get a proper and deeper understanding of total quality management, one needs to first define quality properly. The aim is to define these in as rigorous a way as possible, drawing on the practitioner and academic literature. In order to make a broader assessment;

Hence Wilkinson, et al. (1998) defines quality as the conformance of standards.

He continues to refer to quality as excellence, hence quality can be defined as the ability of your product or service to satisfy your customers.

Quality can also be defined from the perspective of other authors such as Deming or Ishikawa, their perspective is examined because they are well known for their contributions in the study of quality management. Their definitions are summarised in two basic definitions.

The first definition is as follows, a simple matter of manufacturing products or delivering services whose measurable characteristics meet a fixed set of specifications that are usually numerically defined.

The second definition is as follows, implies that quality products and services are simply those that satisfy customer expectations for their use or consumption.

The definition in classification 1 urges that quality means to produce a product or service according to the predefined specifications and classification two urges to satisfy the customer.

According to Crosby (1979) as sighted in Wilkinson, et al. (1998) , the definition of quality is strictly a classification in which quality of a product or service is equivalent to being sure all measurable or to be more accurate, all measurable characteristics of a product or service satisfy the characteristics' specification criteria.

Crosby (1979) as sighted in Wilkinson, et al. (1998) elaborates the essential points of his definition;

It is essential to define quality as conformance to requirements if we are to manage it.

The customer deserves to receive exactly has been promoted to produce. Means, we must know somehow the requirements, and translate them into measurable product or service characteristics.

With requirements stated in terms of numerical specifications, we can measure the characteristics of a product or service to see if it is of high quality. Zero defects are the attitude of defect prevention. Hence this means do the job right the first time.

According to Deming (1988) as sighted in Wilkinson, et al. (1998), his perspective of quality clearly consistent with the second level of classification. Deming's essential arguments include the following,

Quality must be defined in terms of customer satisfaction.

Quality is multidimensional. It is virtually impossible to define the quality of a product or service in terms of a single characteristic or agent.

There are definitely different degrees of quality. Because quality is essentially equated with customer satisfaction. As quality is essentially equated with customer satisfaction, the quality of a product will highly depend on degree of satisfying customer's needs and expectations.

Ishikawa's definition of quality makes it clear that the proof of high quality is the satisfaction of ever changing consumer expectations. The following include essential points in his definition;

Quality is equivalent to customer satisfaction.

Quality must be defined comprehensively. It is not enough to say the product is of high quality, we must pay attention to the quality of every part of the organisation's role, the customer needs in achieving this ideal and note that this will always be changing. Therefore the definition of quality is ever changing.

The price of the product or service is important when evaluating its quality. He believes that no matter how high the quality, if the product or service is overpriced it cannot gain customer's satisfaction. Therefore quality cannot be defined without considering price.

2.1.2 Total quality management

According to Ivancevich, et al. (2014), TQM is a philosophy of managing a set of business practices that emphasizes continuous improvement in all phases of operations, 100 per cent accuracy in performing activities, involvement and empowerment of employees at all levels, team based work design, benchmarking, and fully satisfying customer expectations.

According to Wikipedia (2015), total quality management consists of organisation wide efforts to install and make permanent a climate in which an organisation continuously improves the ability to deliver high quality products and services to customers. According to Wikipedia, there is no widely agreed upon approach, TQM efforts typically draw heavily on the previously developed tools and techniques of quality management.

It also tries to give us a brief history about total quality management,

In the late 1970s and early 1980s, the developed countries of North America and Western Europe suffered economically in the face of stiff competition from Japan's ability to produce high quality goods at a competitive cost. For the first time since the start of the Industrial revolution, the United Kingdom became a net importer of finished goods. The United States undertook its own soul-searching, expressed most pointedly in the television broadcast of *If Japan Can... Why Can't We?* Firms began re-examining the techniques of quality control invented over the past 50 years and how those techniques had been so successfully employed by the Japanese. It was in the midst of this economic turmoil that TQM took root.

According to Ivancevich, et al. (2014), Total Quality Management (TQM) is a management approach that originated in the 1950s and has steadily become more popular since the early 1980s. Total quality is a description of the culture, attitude and organization of a company that strives to provide customers with products and services that satisfy their needs. The culture requires quality in all aspects of the company's operations, with processes being done right the first time and defects and waste eradicated from operations

TQM has been coined to describe a philosophy that makes quality the driving force behind leadership, design, planning, and improvement initiatives. For this, TQM requires the help of those eight key elements. These elements can be divided into four groups according to their function.

Foundation

TQM is built on a foundation of ethics, integrity and trust. It fosters openness, fairness and sincerity and allows involvement by everyone. This is the key to unlocking the ultimate potential of TQM. These three elements move together, however, each element offers something different to the TQM concept.

Ethics – Ethics is the discipline concerned with good and bad in any situation. It is a two-faceted subject represented by organizational and individual ethics. Organizational ethics establish a business code of ethics that outlines guidelines that all employees are to adhere to in the performance of their work. Individual ethics include personal rights or wrongs.

Integrity – Integrity implies honesty, morals, values, fairness, and adherence to the facts and sincerity. The characteristic is what customers (internal or external) expect and deserve to receive. People see the opposite of integrity as duplicity. TQM will not work in an atmosphere of duplicity.

Trust – Trust is a by-product of integrity and ethical conduct. Without trust, the framework of TQM cannot be built. Trust fosters full participation of all members. It allows empowerment that encourages pride ownership and it encourages commitment. It allows decision making at appropriate levels in the organization, fosters individual risk-taking for continuous improvement and helps to ensure that measurements focus on improvement of process and are not used to contend people. Trust is essential to ensure customer satisfaction. So, trust builds the cooperative environment essential for TQM.

Bricks

Basing on the strong foundation of trust, ethics and integrity, bricks are placed to reach the roof of recognition. It includes:

Training – Training is very important for employees to be highly productive. Supervisors are solely responsible for implementing TQM within their departments, and teaching their employees the philosophies of TQM. Training that employees require are interpersonal skills, the ability to function within teams, problem solving, decision making, job management performance analysis and improvement, business economics and technical skills. During the creation and formation of TQM, employees are trained so that they can become effective employees for the company.

Teamwork – To become successful in business, teamwork is also a key element of TQM. With the use of teams, the business will receive quicker and better solutions to problems. Teams also provide more permanent improvements in processes and operations. In teams, people feel more comfortable bringing up problems that may occur, and can get help from other workers to find a solution and put into place. There are mainly three types of teams that TQM organizations adopt:

Quality improvement teams or excellence teams (QITs) – These are temporary teams with the purpose of dealing with specific problems that often recur. These teams are set up for period of three to twelve months.

Problem solving teams (PSTs) – These are temporary teams to solve certain problems and also to identify and overcome causes of problems. They generally last from one week to three months.

Natural work teams (NWTs) – These teams consist of small groups of skilled workers who

share tasks and responsibilities. These teams use concepts such as employee involvement teams, self-managing teams and quality circles. These teams generally work for one to two hours a week.

Leadership – It is possibly the most important element in TQM. It appears everywhere in organization. Leadership in TQM requires the manager to provide an inspiring vision, make strategic directions that are understood by all and to instill values that guide subordinates. For TQM to be successful in the business, the supervisor must be committed in leading his employees. A supervisor must understand TQM, believe in it and then demonstrate their belief and commitment through their daily practices of TQM. The supervisor makes sure that strategies, philosophies, values and goals are transmitted down throughout the organization to provide focus, clarity and direction. A key point is that TQM has to be introduced and led by top management. Commitment and personal involvement is required from top management in creating and deploying clear quality values and goals consistent with the objectives of the company and in creating and deploying well defined systems, methods and performance measures for achieving those goals.

Binding Mortar

Communication – It binds everything together. Starting from foundation to roof of the TQM house, everything is bound by strong mortar of communication. It acts as a vital link between all elements of TQM. Communication means a common understanding of ideas between the sender and the receiver. The success of TQM demands communication with and among all the organization members, suppliers and customers. Supervisors must keep open airways where employees can send and receive information about the TQM process. Communication coupled with the sharing of correct information is vital. For communication to be credible the message must be clear and receiver must interpret in the way the sender intended.

There are different ways of communication such as:

Downward communication – This is the dominant form of communication in an organization. Presentations and discussions basically do it. By this the supervisors are able to make the employees clear about TQM.

Upward communication – By this the lower level of employees are able to provide suggestions to upper management of the affects of TQM. As employees provide insight and constructive criticism, supervisors must listen effectively to correct the situation that comes about through the use of TQM. This forms a level of trust between supervisors and employees. This is also similar to empowering communication, where supervisors keep open ears and listen to others.

Sideways communication – This type of communication is important because it breaks down barriers between departments. It also allows dealing with customers and suppliers in a more professional manner.

Roof

Recognition – Recognition is the last and final element in the entire system. It should be provided for both suggestions and achievements for teams as well as individuals. Employees strive to receive recognition for themselves and their teams. Detecting and recognizing contributors is the most important job of a supervisor. As people are recognized, there can be huge changes in self-esteem, productivity, quality and the amount of effort exhorted to the task at hand. Recognition comes in its best form when it is immediately following an action that an employee has performed. Recognition comes in different ways, places and time such as,

Ways – It can be by way of personal letter from top management. Also by award banquets, plaques, trophies etc.

Places – Good performers can be recognized in front of departments, on performance boards and also in front of top management.

Time – Recognition can given at any time like in staff meeting, annual award banquets, etc.

According Wilkinson, et al. (1998), after a brief understanding of quality one is able to get a deeper meaning of total quality management. He states that total quality management, is basically the management choice of the nineties which is more than a program, it is a commitment, personally, professionally, and as a world citizen, without commitment it becomes a management fad and waste of time and money. He therefore defines it as the optimisation and intergration of all the functions and processes of a business in order to provide for excited customers through a process of continuous improvement.

He further highlighted the works of Edward Deming who put down 14 points in relation to total quality management,

Deming contributed greatly to quality management in Japan and later on to the western industry. He believes that while quality is everyone's job, management must lead the effort. He developed fourteen points for quality management.

Deming goes on to state that his fourteen points apply to both small and large organisations and in the service sector as well as in manufacturing. Other concepts have been developed through the years and another of these is that of total quality management.

According to Deming total quality may be identified as a way of life for an organisation as a whole, committed to total customer satisfaction through a continuous process of improvement and the contribution and involvement of people.

Muhleman, et al. (1992) defines total quality management as a way of managing to improve the effectiveness, flexibility and competitiveness of a business as a whole.

It involves whole companies getting organised in each department, each activity and each person at each level. For an organisation to be truly effective, every single part of it must work properly together, because every person and every activity affects an in turn is affected by others. The Japanese companies adopted the total quality management concept and, as a result, have become so competitiveness and successful.

In general, according to Muhleman, et al. (1992), total quality management represents a set of management represents asset of management principles that focus on quality improvement as the driving force in all functional areas and at all levels in a company. These principles can be summarized as follows;

The customer defines quality and the customer's needs are paramount.

Top management must provide the leadership for quality.

Quality is the responsibility of all employees at all levels of the organisation.

All functions of the company must focus on continuous quality improvement to achieve strategic goals.

Quality problems are solved through cooperative effort involving employees and management.

Problem solving and continuous quality improvement are based on the use of statistical quality control methods.

Training and education of all employees are the basis for continuous quality improvement.

Knowledge of total quality management tools which include, quality function deployment, taguchi technique (which focuses on improving the product at the design stage), pareto charts, process charts, cause and effect diagrams and statistical.

According to Wilkinson, et al. (1998), the concept of total quality management has many principle as depicted by other authors, there he tries to summarise the into the following generalised principles,

Customer orientation.

Quality means meeting customer requirements, customers are both external and internal, and the orientation of quality management is to satisfy customers. This customer orientation provides a common goal for all organisational activities and members and incorporates both quality of design and conformance to quality specification. A customer's requirements must be translated into a design or set of specifications, so that the activities needed to produce the required product or service can be brought together. Thus, it is the customer's definition that is required, not one from an operations perspective. No matter how much production processes are improved and waste is eliminated, these are of little benefit unless the customer wishes to buy the product, a product cannot do more than it was designed to do.

Conformance to quality specification is simply how an operation or process conforms to the specifications of the design standard. This is where the traditional approach to quality has focused. Both design and conformance are important, and reliance on simply one aspect is inadequate.

Process orientation

The activities performed within an organisation can be broken down into basic tasks or processes (transformations of inputs into outputs). Basic processes are linked in series or 'quality chains' to form extended processes. The production process, for example, is modelled as an extended chain of interlinked basic processes. Quality management emphasises not only the external but also the internal customer stemming from Ishikawa's view that the 'next process is our customer'. Organisations may be conceptualised as quality

chains that cut across conventional internal boundaries such as functional specialisms. Each process in the quality chain also has a customer, stretching back from the external customer through the various internal customers to the start of the series. In this way, TQM attempts to emphasise that all employees are ultimately involved in serving the final customer, so that quality matters at all stages, whilst teamwork and cooperation are essential. Thus the customer focus identified above is a means of unifying processes as well as determining the objective of organisational activities.

Continuous improvement

Satisfying customer requirements involves the continuous improvement of products and processes. The most effective means of improvement is to use the people who do the job to identify and implement appropriate changes. There is an emphasis on kaizen or improvement. This means continuous improvement through incremental changes to the status quo. Kaizen involves both innovation and maintenance, and improvement through small steps, albeit often leading to radical breakthrough. However, the aim of involving all workers in continuous improvement in no way detracts from the view that management is ultimately responsible for designing the system. The role of the workforce is to assist in ‘... weeding out the last bugs from a product and process whilst giving workers an uplifting opportunity to use their brains and make a contribution to the improvement of their companies.

2.2 Customer focus and the performance of an enterprise

According to Dean and Bowen’s (1994) as cited in Wilkinson, et al. (1998) states that a review of the total quality management literature suggests that it’s key principles are customer focus, continuous improvement etc hence for an enterprise to be successful each of the principles is the implemented through a series of practices, such as for customer focus

practices such as collecting information and analysing process, supported by the use of specific quality management techniques such as team building and pareto analysis.

According to Dean and Bowen's (1994) as cited in Wilkinson, et al. (1998), customer focus is the orientation of an organisation towards serving its clients' needs. The business dictionary also states that having a customer focus is usually a strong contributor to the overall success of a business and involves ensuring that all aspects of an enterprise put its customer's satisfaction first. Also having a customer focus usually includes maintaining an effective customer relations and service program.

According to Wilkinson, et al. (1998), suggests that enterprises need to have TQM principles such as customer orientation, where quality means meeting customer requirements, customers are both external and internal, and the orientation of quality management is to satisfy customers. The customer orientation provides a common goal for all organisational activities and members, and incorporates both quality of design and conformance to quality specification.

Dean and Bowen's (1994) as cited in Wilkinson, et al. (1998) states that, Customer focus is really about understanding the customer's world and what your organization does to improve it. If your employees don't understand the customer and what makes your company different you are missing a significant opportunity to improve performance.

Processes through which leaders can help improve the level of customer focus across their businesses:

Get everyone involved.

Every employee has an impact on customers, sure sales, marketing and customer service lead the daily interactions, but the non-customer facing staff can have a powerful impact. Sales

and marketing teams make the promises to customers that the organization must deliver on. If everyone is not on the same page execution falls over and customers bare the brunt.

Benchmark your current level of customer focus.

There is a lot of talk about customer focus but how do you make such an abstract concept real? We think part of the answer is to measure and benchmark it. We do that through the Market Responsiveness Index which measures the level of attention companies place on the markets and customers they serve. As Peter Drucker once said “If you can’t measure it, you can’t manage it.” – a customer focused culture is no different.

Make it real

Define what “customer focus” means in your business. Customer focus will mean different things in different businesses, it is important to get clear on what it is and what it means in terms of expected behaviors in your business. Many companies have this term in their vision or mission statements but it stays in the “ether” what do those mission and vision statements mean in terms of actually guiding operations?

One of our clients recently started to change the language they use when talking about customers. One of their businesses is an online dating service. Rather than only focusing on new subscriptions they are looking at other metrics for example How many dates have we created? This type of metric is more meaningful to both customers and employees, it focuses on one of the outcomes important to customers and recognizes the contributions employees are making to improving people’s lives.

Put customers on the agenda.

This is a simple action leaders can implement today. Are customers discussed in every meeting? If not why not? What impact will decisions have on customers? Are we making decisions that create short term gains at the expense of customer relationships?

Hire people with a customer focused mindset.

People may have the technical skills required for a job, but do they have the “customer focus” skills and/or mindset? In other words are they value creators that recognize their role is to serve customers or serve those that do.

Help employees connect their work with customers.

In many large organizations employees can feel disconnected from customers. Leaders need to provide the tools and communication to help them connect their work with the bigger picture.

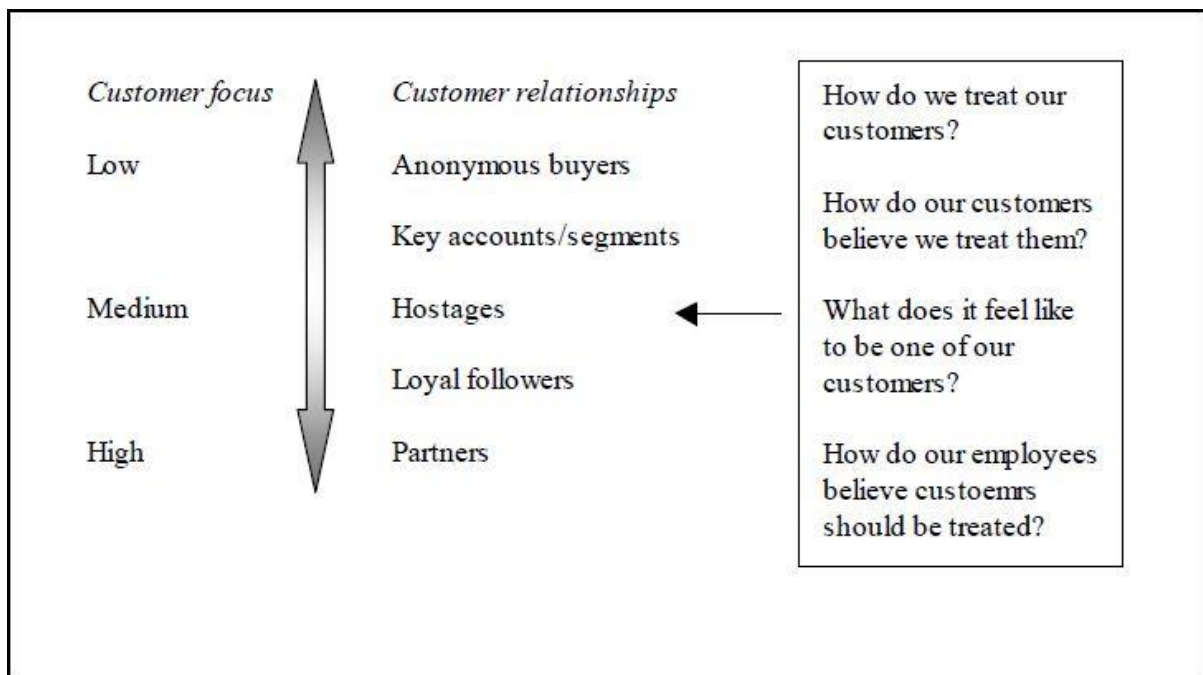
Recognize customer focused behavior.

Individuals demonstrating the right customer focused behaviors need to be highlighted and recognized in a meaningful way. If employees believe they will be recognized they will be motivated to do things differently.

THE CUSTOMER RELATIONSHIP SCALE

According to Nigel (1995) as cited in Ahlstrom and Torfve (2004), states that we can see customer focus varying on a scale, where different positions on a scale are associated with different types of customer relationships.

Figure 2.1: Customer relationship scale



Source: (Nigel, 1995 as cited in Ahlstrom and Torfve (2004))

The figure 2.1 above, shows the customer relationship scale, which is determined by different scales which determine customer relationships with a business and there level of interactions. They are categorised in the following way from the least or lowest relationship between customers and business to the highest relationship, they include, anonymous buyers, key accounts, hostages, loyal followers and partners.

Anonymous buyer

At one end of the scale, there is little genuine, real customer focus. In this situation the words market, clients or accounts are used when referring to the customer. Customers are viewed upon as some kind of anonymous entities who hopefully will buy and consume products and services the company offers. This is only possible for monopolies and also never expect, loyalty commitment or real satisfaction from that are treated badly and not expect them to stay when a better alternative shows up.

Key accounts/ segments

One move down towards customer focus is where most enterprises are found today. Some effort is made to identify and target customers as members of key markets segments and key accounts. At least there is some idea who the customer is and some degree of customer focus can be introduced into sales and marketing operations.

Hostages

In the middle sales customers are taken as hostages. Efforts are focused on winning loyalty of customer 'satisfaction' but by taking away customer freedom, such as machines meant to work with suppliers materials only.

Loyal followers

Here, it suggests that a customer is more in focus and viewed upon as loyal followers. This differs from hostages since customers' hearts and minds are tried to be won, rather than shackling them to the product or service.

Partners

The extreme on the scale is where customers are seen as partners. This approach has been widely recommended in relationship marketing and strategic alliance or network theories, but has proved to have more limited appeal among practical managers who see little way of implementing this in their markets.

According to Nigel(1995) as cited in Ahlstrom and Torfve (2004), the scale can be used when discussing customer focus with colleagues, employees, distributors and even customers in order to figure out where the organisations stands right now and where it would like to be. Nigel points out that the organisations view how customers are treated may be very different from customers' view of how they are treated.

2.3 Teamwork and the performance of an enterprise

According to Procter and Mueller (2000), define the concept of teamwork as the concept that has connotations of shared skill, joint problem solving, joint decision making, and flexibility. Procter and Mueller (2000), continue to present the second concept of teamwork as on in western industrialised societies, where traces of a protestant work ethic persist, has connotations of collaboration, mutual support, conviviality, comradeship, and commitment to the task in hand.

They continue to state that, to admit to not being a team player is an admission of social isolation, and is likely also to be a disqualification for many positions, that is from shop or office floor to senior management. The term is firmly linked with our affiliation motive. The notion of teamwork thus carries an irresistible appeal to social, moral and individual imperatives that are difficult to challenge or to deny as noted by Procter and Mueller (2000).

Ivancevich, et al. (2014), defines teams as mature groups that share a common purpose, responsibility and accountability for achieving performance goals.

According to Wikipedia (2015), teamwork is "work done by several associates with each doing a part but all subordinating personal prominence to the efficiency of the whole"

In addition Mattick and Miller (2006) define a team as a group of people gathered in one department or task area, with common skills or product output in their goals. All members of the team should understand their goals and be committed to achieving them. In a lean environment, co-operative teamwork is necessary to accomplish a complex, multiple, interdependent tasks. Moreover a team can overcome and supplement individual weaknesses.

The following includes definitions by other authors,

A team is a group composed of limited number of people who have complementary abilities, a common goal, performance objectives and collective approaches that they deem one another as mutually responsible (Katzenbach and Smith, 1993 as cited in Mattick and Miller (2006)).

A team is a collection of individuals who exist within a larger social system such as an organisation, who can be identified by themselves and others as a team, who are independent, and who perform tasks that affect other individuals and groups. (Guzzo and Dickson, 1996 as sited in Stewart, et al. (1999))

A team is a group of people who are interdependent with respect to information, resources and skills and who seek to combine their efforts to achieve a common goal.

As these definitions show teamwork has some significant characteristics. Almost all the definitions are similar to each other but their ways of describing general properties of teamwork, such as its advantages and disadvantages vary according to different authors.

In addition Mattick and Miller (2006) define a team as a group of people gathered in one department or task area, with common skills or product output in their goals. All members of the team should understand their goals and be committed to achieving them. In a lean environment, co-operative teamwork is necessary to accomplish a complex, multiple, interdependent tasks. Moreover a team can overcome and supplement individual weaknesses.

The openness of team members to hearing and considering others' ideas is paramount to creating an environment conducive to building effective teams and better employee relations. Reflected in this condition is the extent to which team members have an opportunity to give their input into forming of the team's new vision and even new goals. In essence the amount of influence that one has on the team's operation, on an ongoing basis, will lead to a positive and nurturing environment (Maeliea and Balterzar, 2005 as cited in Mattick and Miller (2006)).

2.4 Benchmarking and the performance of an enterprise

According to Thompson and Strickland(2003), benchmarking is a tool that allows a company to determine whether the manner in which it performs particular functions and activities represents industry 'best practices' when both cost and effectiveness are taken into account.

Benchmarking the costs of a company activities against rivals provides hard evidence of a company's cost competitiveness.

The basic concept benchmarking has proven to be a potent tool for learning which companies are best at performing particular activities and then utilising their techniques(or 'best practices') to improve the cost and effectiveness of a company's own internal activities. (Thompson and Strickland, 2003).

Many companies today are benchmarking their costs of performing a given activity against competitors' costs (and/or against the costs of a non competitor in another industry that efficiently and effectively performs much the same activity or business process.

Benchmarking entails doing cross-company comparisons of how basic functions and processes in the value chain are performed, how materials are purchased, how suppliers are paid, how inventories are managed, how the quality control function is performed, how customer orders are filled and shipped, how employees are trained, how payrolls are processed, and how maintenance is performed and comparing the costs of these activities.

The objective of benchmarking are to identify the best practices in performing an activity, to learn how other companies have actually achieved lower costs or better results in performing benchmarked activities, and to take action to improve a company's competitiveness whenever benchmarking reveals that its costs and results of performing an activity do not match those of other companies (either competitors or non competitors).

Thus, benchmarking has quickly come to be a tool not only for comparing a company against rivals on cost but also for comparing itself to others on most any relevant activity or competitively important measure. (Thompson and Strickland, 2003)

According to Thompson and Strickland (2003), the tough part of benchmarking is not whether or how to do it but rather gaining access to information about other companies' practices and costs. Sometimes benchmarking can be accomplished by collecting information from published reports, trade groups, and industry research firms and by talking to knowledge industry analysts, customers, and suppliers. On occasion, customers, suppliers and joint-venture partners often make willing benchmarking allies.

In addition, usually, though benchmarking requires field trips to the facilities of competing or noncompeting companies observe how things are done, ask questions, compare practices and processes, and perhaps exchange data on productivity, staffing levels, time requirements and other cost components. The problem is that benchmarking involves competitively sensitive cost information and close rivals can't be expected to be completely open, even if they agree to host facilities tours and answer questions.

According to Heizer and Render (1999), benchmarking is an ingredient in total quality management. It involves selecting a demonstrated standard of performance, costs, products, services or practices that represent the very best performance for a process or activity very similar to your own. The idea is to develop a standard or benchmark against which to compare your performance.

Heizer and Render go on to say that in the ideal situation, you find one or more similar organisations that are leaders in particular areas you want to study. You then compare (benchmark) yourself against them. The company need not be in your industry. For example, if one industry has learned how to compete via rapid product development while yours has not, it does no good to study your industry. Benchmarks often take the form of 'best practices' found in other firms.

According Heizer and Render (1999) is the process of measuring products, services, and processes against those of organizations known to be leaders in one or more aspects of their operations. Benchmarking provides necessary insights to help you understand how your organization compares with similar organizations, even if they are in a different business or have a different group of customers.

Additionally, benchmarking can help you identify areas, systems, or processes for improvements—either incremental (continuous) improvements or dramatic (business process reengineering) improvements.

CLASSIFICATION OF BENCHMARKING

Benchmarking has been classified into two distinct categories according to Heizer and Render (1999).

Technical benchmarking

Performed by design staff to ascertain the capabilities of products or services, especially in comparison to the products or services of leading competitors. For example, on a scale of one to four, four being best, how do designers rank the properties of your organization's products or services? If you cannot obtain hard data, the design efforts may be insufficient, and products or services may be inadequate to be competitive.

Competitive benchmarking

Compares how well (or poorly) an organization is doing with respect to the leading competition, especially with respect to critically important attributes, functions, or values associated with the organization's products or services. For example, on a scale of one to four, four being best, how do customers rank your organization's products or services compared to those of the leading competition? If you cannot obtain hard data, marketing efforts may be misdirected and design efforts misguided.

According to website about total quality management(2015) benchmarking is the process of comparing the cost, cycle time, productivity, or quality of a specific process or method to another that is widely considered to be an industry standard or best practice. Essentially, benchmarking provides a snapshot of the performance of your business and helps you

understand where you are in relation to a particular standard. The result is often a business case for making changes in order to make improvements. The term benchmarking was first used by cobblers to measure ones feet for shoes. They would place the foot on a "bench" and mark to make the pattern for the shoes. Benchmarking is most used to measure performance using a specific indicator (cost per unit of measure, productivity per unit of measure, cycle time of x per unit of measure or defects per unit of measure) resulting in a metric of performance that is then compared to others.

Also referred to as "best practice benchmarking" or "process benchmarking", it is a process used in management and particularly strategic management, in which organizations evaluate various aspects of their processes in relation to best practice, usually within a peer group defined for the purposes of comparison. This then allows organizations to develop plans on how to make improvements or adopt best practice, usually with the aim of increasing some aspect of performance. Benchmarking may be a one-off event, but is often treated as a continuous process in which organizations continually seek to challenge their practices.

BENCHMARKING AND ETHICAL CONDUCT

According to Thompson and Strickland (2003), because discussions between benchmarking partners can involve competitively sensitive data, conceivably raising questions about possible restraint of trade or improper business conduct. Therefore this involves benchmarking to abide by a code of conduct grounded in ethical business behaviour. The code is based on the following principles and guidelines;

In benchmarking with competitors, establish specific ground rules up front, such as, ‘we don’t want to talk about those things that will give either of us a competitive advantage, rather, we want to see where we both can mutually improve or gain benefit.

Do not discuss costs with competitors if costs are an element of pricing.

Do not ask competitors for sensitive data or cause the benchmarking partner to feel that sensitive data must be provided to keep the process going.

Be prepared to provide the same level of information that you request.

Do not share proprietary information without prior approval from the proper authorities of both parties.

Use an ethical third party to assemble and blind competitive data, with inputs from legal inputs from legal counsel, for direct competitor comparisons.

Consult with legal counsel if any information gathering procedure is in doubt. (e.g before contacting a direct competitor).

Treat any information obtained from a benchmarking partner as internal, privileged information. Any external use must have a partner's permission.

THE PRODEDURE TO FOLLOW WHILE BENCHMARKING

Identify your problem areas

Benchmarking can be applied to any business process or function, a range of research techniques may be required. They include: informal conversations with customers, employees, or suppliers; exploratory research techniques such as focus groups; or in-depth marketing research, quantitative research, surveys, questionnaires, re-engineering analysis, process mapping, quality control variance reports, or financial ratio analysis. Before embarking on comparison with other organizations it is essential that you know your own organization's function, processes; base lining performance provides a point against which improvement effort can be measured.

Identify other industries that have similar processes

For instance if one were interested in improving hand offs in addiction treatment he/she would try to identify other fields that also have hand off challenges. These could include air traffic control, cell phone switching between towers, transfer of patients from surgery to recovery rooms.

Identify organizations that are leaders in these areas

Look for the very best in any industry and in any country. Consult customers, suppliers, financial analysts, trade associations, and magazines to determine which companies are worthy of study.

Survey companies for measures and practices

Companies target specific business processes using detailed surveys of measures and practices used to identify business process alternatives and leading companies. Surveys are typically masked to protect confidential data by neutral associations and consultants.

According to Wikipedia (2015), Benchmarking is the process of comparing one's business processes and performance metrics to industry bests or best practices from other companies.

Benchmarking as a Team Activity

Well-trained teams make better decisions than individuals. Therefore, the element of teamness represents a further advance toward improved quality, productivity and customer satisfaction. Teamness also includes expanded knowledge and practice of those skills which contribute to maximum team effectiveness. Finally, the provision of quality management tools and associated training and facilitation, will help teams develop the knowledge necessary to continuously improve the systems and processes in which they operate. These

ingredients are necessary to becoming a learning organization. They further contribute to an organization's ability to achieve its maximum potential.

A distinction between teamwork in general contexts and in a quality improvement context needs to be made here. The role of team working in a production line, sales, or to give an example of education, such as curriculum design is quite different from the one needed in a benchmarking project. Particularly, when the concept is being introduced the role of an outside consultant is essential but as the process becomes familiar and a routine-like phenomenon the outsider's role will gradually diminish.

The need for change often runs through the entire organization and all its processes involving several parts of the operations. When a task calls for a broad combination of qualifications, the project structure makes it possible to assemble a team of people with the right skills and the best chance of successfully completing the task. Setting up a project also gives the team a permission to operate outside regular channels without organizational formalities. A further advantage is that there is an opportunity to benefit from the specialized knowledge from outside of the own organization.

In a benchmarking team the skills of individuals are combined in a powerful way to create synergy and to solve organizational problems to respond to opportunities. Not only is responsiveness to colleagues important, but cooperation between departments is also an important requirement. Weeks (1993) argues that it is not uncommon that conflicts occur in organizations with functional reporting. In the past, competition between units has been quite common. This type of internal competition may bring results, but it may also provide hurdles to organizational cooperation and achievement. The success of one team, department or unit may be counterproductive to the whole organization.

Through Karlof and Ostblom's (2003) experience, the best solution especially for an organization mounting its first benchmarking project is setting up a mixed project group of in-house representatives supported by an outside consultant. Below are some considerations which may be useful when selecting individuals for a benchmarking team.

In conclusion, the literature reviewed of the show the customer focus, team work and benchmarking have a great impact on the performance and long term existence of small and medium enterprises, hence if taken into consideration may improve the performance of the enterprises.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This section contained the research design, area of study, study population, sampling size, sampling procedure, data collection instruments and ethical considerations in the study to access the role of total quality management in the performance of small and medium enterprises.

3.1 Research design

The research design which was used in this study was the descriptive research design. This design aimed at collecting information from respondents in the small and medium enterprises which was selected for the purpose of this research. This design was also intended to focus on the attitudes and opinions of the respondents on the relation of total quality management on the performance of small and medium enterprises. The researcher in used both primary and secondary data. Primary was collected using both questionnaires and interviews while secondary data was obtained from internet, journeys and books by other scholars. Profitability and stability of the business was used as indicators of good performance of the SMEs. The researcher intended to probe both employees and managers.

3.2 Sample design and selection

The population which was under investigation was the small and medium enterprises mainly engaged service business. A sample was chosen from the currently operating service business in different business lines, for instance hotel services to customers. This study was carried in mukono municipality. Purposive sampling was used to select mukono municipality because according to Uganda investment authority it is one of the areas with growing number of enterprises. The selection of the enterprise will be based on the location, business line and the

size of the enterprise. These areas provide a good mix of different retail business lines and it is around them that the researcher will make an observation of a number of small and medium enterprises that are currently operating.

3.2.1 Sample size determination

According to Cochran's (1977) sample size formula for continuous data, this study set the alpha level a priori at 0.05, plans to use a five point scale, has set the level of acceptable error at 3% and has estimated the standard deviation of the scale as 1.167.

It was impossible to study the whole targeted population due to factors like time and therefore the researcher decided on taking a sample of the population.

The researcher used a sample size of 44 respondents who were randomly selected from the population available for the study. They were given questionnaires, interviews were administered and an observation was made by the researcher which was used to get information needed to find out the role of total quality management on the performance of small and medium enterprises.

This sample size was determined by the Krejcie and Morgan (1970) formulae as shown below;

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{50}{1 + 50(0.05)^2}$$

$$n = \frac{50}{1 + 50(0.0025)}$$

$$n = \frac{50}{1.125}$$

$$n = 44$$

Where;

n- is the sample size

N- was the total population under the study.

e- represents the error which can be either 0.05 or 0.01

The simple random sampling was used in the case study among the employees and management because it ensures that specific groups are represented proportionally in the sample(s).

According to Batte(2003), the average response rate is 65% based on prior research experience.

3.3 Data collection

To be able to realise the objectives of the study, both qualitative and quantitative data will be required. Qualitative data will be used to explain the relations of quality management on the performance of different small and medium enterprises. This also provided the experiences of different small and medium enterprises employees and managers on the essence of total quality management. Quantitative data on the other hand was required to explain the patterns and magnitudes of variables that were measured. Data was collected through the use of different instruments.

3.3.1 Interviewing

The qualitative data which was required to explain the total quality management techniques and their role on the performance of small and medium enterprises, this was collected through in-depth interviews. This was done with the selected SME.

3.3.2 Observation

In order to obtain more qualitative data, the researcher intends to also use the observation technique to collect data. The researcher intends to look through the records of those SMEs that maintain business records and watch carefully how those operating take considerations into total quality management in their businesses.

3.3.3 Questionnaire

A structured questionnaire was designed to assist on acquiring both the qualitative and quantitative data. The questionnaire was designed to be both open and close ended questionnaire; this enabled the researcher to obtain use full data on the role of total quality management on the performance of small and medium enterprises.

3.4 Validity and reliability

This refers to the data quality control, which requires that the data collected would be reliable and valid. Reliability refers to the measure of the degree to which a research instrument yields consistent results or data after repeated trials. That is if one was to carry out the same study they could come up with the same results. The information which was collected in this study was totally reliable and viable since the methods of data collection which were used were consistent and therefore led to accurate and consistent results.

According to Wikipedia, a statistical classical test theory, Cronbach's alpha is used as a (lower bound) estimate of the reliability of a psychometric test.

$$\alpha = \frac{K}{K - 1} \left(1 - \frac{\sum_{i=1}^K \sigma_{Y_i}^2}{\sigma_X^2} \right)$$

Suppose we are measuring a quantity which is of K components or testlets.

$X = Y_1 + Y_2 + \dots + Y_K$, Cronbach's alpha is defined as the above.

3.5 Data analysis

The researcher collected both quantitative and qualitative data. The data was derived or extracted from the questionnaires and interviews that were issued in the field or at places where the researcher carried out the research. From the field the data was edited to eliminate

any mistakes that might have been done in the field. It was then coded to allow appropriate entry into the computer software.

The researcher used the Microsoft spreadsheet and SPSS software to enter and analyse the data. The Microsoft spreadsheet was used first in the process of entering data in to the computer from where it was copied and pasted into the SPSS software for proper analysis.

The researcher used univariate analysis while analysing data. Univariate analysis refers to analysing one variable at a time. In univariate frequency tables will be used to show both frequencies and percentages. For graphical presentation while in the univariate analysis the researcher used pie chart or the bar chart (histogram) specifically for nominal or ordered outcomes. While in the bivariate analysis, which is concerned with the analysis of two variables at a time in order to uncover whether or not the two at a time are related. In bivariate analysis the researcher will be exploring relationships between variables, searching for evidence that the variation in one variable coincides with the variation in another variable.

3.6 Limitations

There was some missing data from the questionnaires, interviews and observation that required the researcher to code differently hence this led to loss of required data and this made it hard for the researcher during analysis.

There was wrong and inaccurate responses from the respondents, which led to difficulty on the part of the researcher since he had to be present when the respondents were interpreting the questionnaires.

There was a limitation of time factor, where the researcher felt that he did not have enough time to effectively compile the required data so to produce the required results.

The researcher incurred high costs in terms of transportation and printing of the questionnaires hence with the limited funds that the researcher had at his disposal limited the amount of information acquired from the respondents.

3.7 Ethical considerations

The researcher clearly explained to the respondents the purpose of the study. The researcher provided assurance to the respondents that the findings were of benefit to them on how to improve their performance through communication. Confidentiality and conditions of anonymity were emphasized to the respondents.

The researcher sought permission to carry out the study in form of a permission letter from the relevant authorities which the researcher presented to the authorities in the area of my study to enable carrying out the study.

The report was to hence be based on the study conducted that is to say data will not be forged and only the one collected will be added to the report to reflect what is on the ground in the relevant study area.

3.8 Conclusion

In conclusion, therefore there was need to appreciate the importance of methodology and research design in specification because they were the real exhibition of the plan of the research and effectively guided the processes that transpired in data analysis.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND DISCUSSION OF RESEARCH FINDINGS

4.0 Introduction

This chapter deals with the presentation and interpretation of the findings of the study which were done in relation to the reviewed literature and in regard of the study outline as follows,

To access the effect customer focus on the performance of small medium enterprises.

To determine the effect of team work on the performance of small medium enterprises.

To determine the influence of benchmarking on the performance of small medium enterprises.

The findings will be presented with the guidance of tables, graphs and charts for the purposes of easier understanding, clarity and interpretation.

4.1 Background information

The findings on background characteristics of respondents were considered in order to establish the bio data of the respondents and findings were as follows

4.1.1 Gender of the respondents

The respondents were asked to state their gender and the following data was obtained.

Table 4.1: The gender of the respondents

| Sex | Frequency | Percentage |
|--------------|-----------|--------------|
| Male | 20 | 45.5 |
| Female | 24 | 54.5 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 1 above, majority of the respondents at 24(54.5%) are females and 20(45.5%) are male. This finding indicates that the research took gender balance into consideration though there was a difference of 4.5%. Hence in respect to gender most of the total quality management are made by females.

4.1.2 Age of the respondents

The respondents were asked to indicate in which age bracket they were in and the following include the findings.

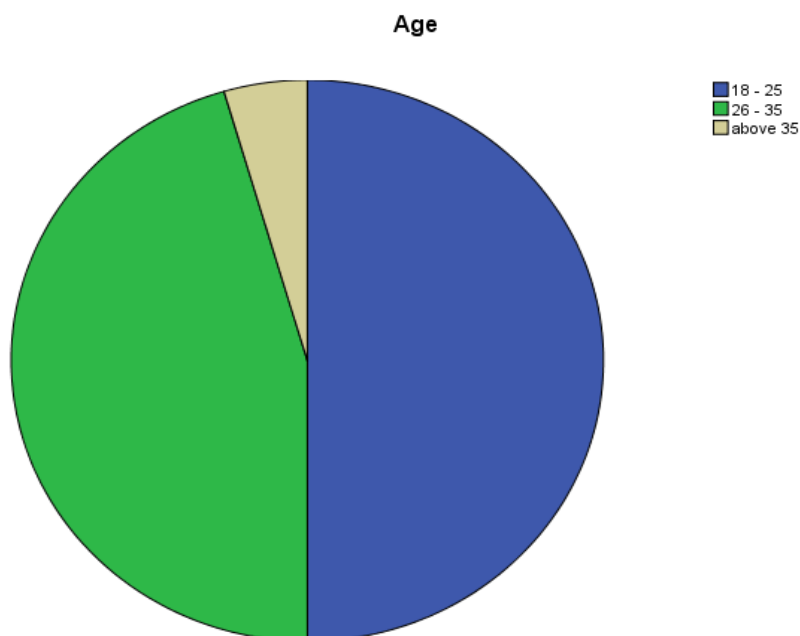
Table 4.2: Age bracket of the respondents

| Age | Frequency | Percentage |
|--------------|-----------|--------------|
| 18 – 25 | 22 | 50.0 |
| 26 – 35 | 20 | 45.5 |
| Above 35 | 2 | 4.5 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 2 above, it is clearly seen that the majority of the respondents, that is 22(50%) were aged between (18 – 25) years, closely followed by those between (26 – 35) years at 20(45.5%) , lastly those aged above 35 years were 2(4.5%). This finding implied that the young adults from (18 – 25)years were the one ones majorly involved in daily interactions with the customers therefore had to be associated with the attributes of total quality management such as customer focus and team work.

Figure 4.1 : Pie chart showing age bracket of the respondents



Source: Primary data, 2015

In figure, 4.1 above, shows that greatest percentage where in the age bracket of (18 – 25) years which was 22(50%), in blue, while they were closely followed by those in the age bracket of (26 – 35) years at 20(45.5%) years in green and lastly at 2(4.5%) where those above 35 years.

4.1.3 The academic qualifications attained by the respondents

The respondents were asked to identify their academic qualifications and findings are shown below. The academic qualifications of the respondents were considered in this study to establish the skills and knowledge of the respondents, in addition to the technical terms used in relation to the attributes of total quality management.

Table 4.3: Academic qualifications of the respondents

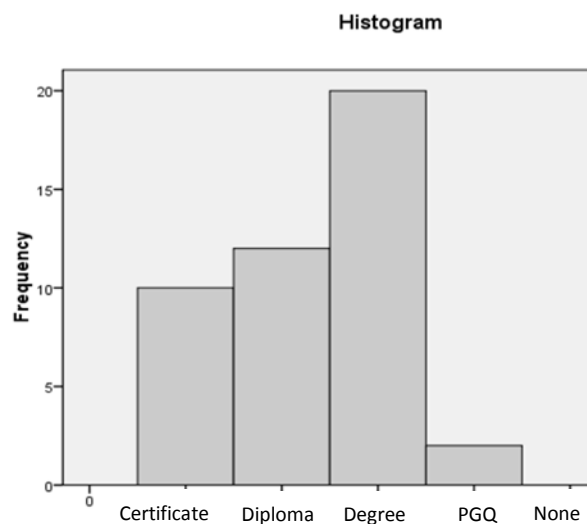
| Level of education | Frequency | Percentage |
|------------------------------|-----------|--------------|
| Certificate | 10 | 22.7 |
| Diploma | 12 | 27.3 |
| Degree | 20 | 45.5 |
| Post graduate qualifications | 2 | 4.5 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

According to table 3 above, it is seen that 20(45.5%) were educated up to the level of university hence had attained a degree, followed by the ones who had attained diplomas in their relevant fields at 12(27.3%), these were closely followed by the ones that had only certificates at 10(22.7%) hence were waiting to join higher institutions of learning, lastly at 2(4.5%) included the respondents with the post graduate qualifications, these included professional certificates and masters degrees from the relevant field in their work positions. This means the researcher considered the level of education when selecting respondents to participate in the survey. This was the key factor given the fact that the survey was administered through the questionnaires besides obtaining quality data. In relation to the

study, this finding indicated that respondents were knowledgeable and therefore had the capacity to provide reliable and meaningful information.

Figure 4.2: Shows a histogram for the academic qualifications,



Source: Primary data

From figure 4.2 above, shows that the degree holders were the majority as per the respondents, followed by the ones that had diplomas, who were closely followed by the certificate holders and lastly, few had post graduate qualifications. In addition, to the no respondents were found not to have any qualifications.

4.2 Customer focus and the performance of an enterprise

The respondents were asked through the questionnaire to state the extent to which they thought customer focus as an attribute of total quality management was helpful in the performance of an enterprise.

4.2.1 Treatment of customers

The respondents were asked to state the extent to how well they thought their enterprise treated their customers.

Table 4.4: Do we treat our customers well

| Opinion | Frequency | Percentage |
|----------------|-----------|------------|
| Strongly agree | 22 | 50 |
| Agree | 11 | 25 |
| Fair | 11 | 25 |
| Total | 44 | 100 |

Source: Primary data, 2015

From table 4 above, the study shows that the enterprise as per the respondents to the greatest percentage agree that the enterprise and all its employees treat their customers well. This is indicated by a majority response rate at 22(50%) who strongly agreed that their customers were treated well, 11(25%) agreed while the other 11(25%) believed that their customers where treated fairly not too bad not too good. In addition, none of the respondents stated that their customer where treated badly or unfairly. According to Wilkinson, et al. (1998), the concept of total quality management has many principle as depicted by other authors, there he tries to summarise the into the following generalised principles, such as customer orientation hence Quality means meeting customer requirements, customers are both external and internal, and the orientation of quality management is to satisfy customers. This customer orientation provides a common goal for all organisational activities and members and incorporates both quality of design and conformance to quality specification, and this can be summarised into how well customers were treated.

4.2.2 How customers believe we treat them

The respondents were asked to state the extent to which their customers believed they treated them.

Table 4.5: Do our customers believe we treat them well

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 20 | 45.5 |
| Agree | 19 | 43.2 |
| Fair | 5 | 11.4 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 5 above, the study shows that the customers who normally interact with the enterprise to the greatest percentage strongly agree that they are treated well. This is revealed by the majority 20(45.5%), while 19(43.2%) agree and lastly 5(11.4%) believe they are treated fairly hence nothing special. In addition no customer believed they were treated unfairly or bad. According to Wilkinson, et al. (1998), suggests that enterprises need to have TQM principles such as customer orientation, where quality means meeting customer requirements, customers are both external and internal, and the orientation of quality management is to satisfy customers.

4.2.3 How does it feel to be one of our customers?

The respondents were asked to state the extent to which it felt to be one of the customers of the enterprise.

Table 6: How does it feel to be one of our customers

| Opinion | Frequency | Percentage |
|--------------|-----------|--------------|
| Very good | 18 | 40.9 |
| Good | 22 | 50.0 |
| Fair | 4 | 9.1 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

According to table 6 above, the respondents were made to imagine themselves as customers that interacted with the enterprise and how it felt like. To greatest percentage they felt good to be placed in such a position, this can be reflected by majority percentage of 22(50%), while 18(40.9%) felt very good and lastly 4(9.1%) felt indifferent hence fair in comparison with their imagination.

4.2.4 How do our employees believe our customers should be treated?

The respondents were asked to state to which extent their employees believed their customers should be treated.

Table 4.7: How do our employees believe our customers should be treated

| Opinion | Frequency | Percentage |
|--------------|-----------|--------------|
| Very well | 21 | 47.7 |
| Well | 7 | 15.9 |
| Fair | 16 | 36.4 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

According to table 7 above, the study shows that employers in such enterprises believe that customers should be treated very well, that is happy customer happy business, this can be reflected in the majority percentage of 21(47.7%) as per respondents while 16(36.4%) believed customers should be treated fairly and lastly 7(15.9%) believed that they should be treated fairly to avoid any special or unequal treatment of the customers.

According to Dean and Bowen's (1994) as cited in Wilkinson, et al. (1998), Customer focus is really about understanding the customer's world and what your organization does to improve it. If your employees don't understand the customer and what makes your company different you are missing a significant opportunity to improve performance. Hence employers had to understand the customer before they could impact the same theory in their employees.

4.2.5 Good customer satisfaction or focus contribution to success of the enterprise

The respondents were asked to state the extent to which they thought good customer satisfaction led to the success of the enterprise.

Table 4.8: Does having a good customer satisfaction or focus contribute to the overall success of the business

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 26 | 59.1 |
| Agree | 10 | 22.7 |
| Neutral | 8 | 18.2 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 8 above, the study shows that there is a strong belief that customer satisfaction leads to the overall success of the business to a greater extent. This is revealed by a majority response at 26(59.1%) hence they strongly agree, while 10(22.7%) agree, lastly 8(18.2%) were neutral whether customer satisfaction could contribute to the overall success of the business. According to Dean and Bowen's (1994) as cited in Wilkinson, et al. (1998) states that a review of the total quality management literature suggests that it's key principles are customer focus, continuous improvement etc hence for an enterprise to be successful each of the principles is the implemented through a series of practices, such as for customer focus practices.

4.3.0 Team work and the performance of an enterprise

The objective number two of the study was to determine the effect of team work on the performance of the enterprise.

4.3.1 Are you in favour of team work during daily operations?

The respondents were asked to state whether they were in favour of team work in their daily operations in the enterprise. This section is intended to establish teams help enterprise perform better. The responses were in the tables as follows.

Table 4.9: Are you in favour of team work during daily operations

| Opinion | Frequency | Percentage |
|--------------|-----------|--------------|
| Yes | 41 | 93.2 |
| No | 3 | 6.8 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 9 above, the respondents of this study accepted that they were in favour of team work. This can be shown through the majority percentage that said yes to favour team work in their daily operations hence that is 41(93.2%), while the minority 3(6.8%) were not in favour of team work in their daily operation depending on certain factors they highlighted.

This is accordance to Thompson and Strickland (2003), who state that, TQM is a philosophy of managing a set of business practices that emphasizes continuous improvement in all phases of operations, 100 per cent accuracy in performing activities, involvement and empowerment of employees at all levels, team based work design, benchmarking, and fully satisfying customer expectations. Therefore team work as mentioned by Thompson and Strickland (2003), is important in the daily operations of any business so that total quality management can be met for better performance of an enterprise. This can be supported through the works of Wilkinson, et al. (1998) who states that, to become successful in business, teamwork is also a key element of TQM. With the use of teams, the business will receive quicker and better solutions to problems. Teams also provide more permanent improvements in processes and operations.

4.3.2 Do teams reduce the load of tasks to be done hence being more productive?

The respondents were asked to state whether teams reduced the load of tasks that were to be done.

Table 4.10: Do teams reduce the load of tasks to be done hence being more productive

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 9 | 20.5 |
| Agree | 28 | 63.6 |
| Neutral | 6 | 13.6 |
| Disagree | 1 | 2.3 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 10 above, shows the majority of the respondents at 28(63.6%) agree that teams in an enterprise reduce the load of tasks to be done hence being more productive, followed by those who strongly agree to the cause at 9(20.5%), then they were closely followed those that were indifferent hence they were neutral at 6(13.6%) and lastly those who disagreed at 1(2.3%) that teams don't reduce the load of tasks to be done. This means that the enterprise had employees who believed that that the load of work to be done can be reduced. This findings supports the literature according Ivancevich, et al. (2014), which states that the purpose of team building is to enable work groups to get their work done more effectively, to improve their performance. The work groups may be existing or relatively new command and task groups. The specific aims of the intervention include setting goals and priorities, analysing the ways the group does its work, examining the group's norms and processes for communicating and decision making and examining the interpersonal relations within the group. This is support for the literature hence (Guzzo and Dickson, 1996 as sited in Stewart, et al. (1999)) which states that A team is a collection of individuals who exist within a larger social system such as an organisation, who can be identified by themselves and others as a team, who are independent, and who perform tasks that affect other individuals and groups, hence reducing load of tasks in an enterprise.

4.3.3 Do teams create more bonding and better employee relations at work?

The respondents were asked to state the extent to which teams created more bonding and better employee relations at work.

Table 4.11: Do teams create more bonding and better employee relations at work

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 5 | 11.4 |
| Agree | 25 | 56.8 |
| Neutral | 14 | 31.8 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 11 above, depending on the majority respondents at 25(56.8%) agree that teams create more bonding and employee relations, followed by those that were indifferent hence they were neutral at 14(31.8%) and lastly at 5(11.4%) strongly agree that teams create more employee bonding and relations. This finding supports the literature of (Maeliea and Balterzar, 2005 as cited in Mattick and Miller (2006)) which states that the openness of team members to hearing and considering others' ideas is paramount to creating an environment conducive to building effective teams and better employee relations. Reflected in this condition is the extent to which team members have an opportunity to give their input into forming of the team's new vision and even new goals. In essence the amount of influence that one has on the team's operation, on an ongoing basis, will lead to a positive and nurturing environment.

4.3.4 Do teams create healthy competition hence can help individual and make teams excel?

The respondents were asked to state the extent to which teams created healthy competition and make individuals excel.

Table 4.12: Do teams create healthy competition hence can help individuals and make teams excel?

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 19 | 43.2 |
| Agree | 17 | 38.6 |
| Neutral | 5 | 11.4 |
| Disagree | 3 | 6.8 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 12 above, majority of the respondents strongly agree at 19(43.2%) that teams create healthy competition hence can help individuals and make teams excel, followed by those who agree at 17(38.6%), the ones that were indifferent or neutral at 5(11.4%) and lastly those were against or disagreed at 3(6.8%) that teams do not create healthy competitions.

4.3.5 Do you think some individuals do less work than others in teams?

The respondents were asked to state the extent to whether they thought some individuals did less work than others in teams.

Table 4.13: Do you think some individuals do less work than others in teams

| Opinion | Frequency | Percentage |
|----------------|-----------|------------|
| Strongly agree | 14 | 31.8 |
| Agree | 6 | 13.6 |
| Neutral | 14 | 31.8 |
| Disagree | 10 | 22.7 |

| | | |
|--------------|-----------|--------------|
| Total | 44 | 100.0 |
|--------------|-----------|--------------|

Source: Primary data, 2015

From table 13 above, this shows that 14(31.8%) of the respondents think that some individuals do less work than others in teams, this made a tie with those that were neutral also at 14(31.8%), it was followed by those that disagreed at 10(22.7%), lastly those that agreed were 13.6 per cent. This finding is accordance to the literature of Ivancevich, et al. (2014), which states that according to team based rewards, people with strong individualism values become worried and sceptical about the so called freeloader who doesn't perform will but gets the same rewards as everyone else, therefore concludes that it's unfair to the hard working ones.

4.4.0 Benchmarking and the performance of an enterprise

The objective number three was to determine the influence of benchmarking on the performance of an enterprise. This section was intended see if the respondents got certain ideas from elsewhere especially competing business and incorporated them into the business for better performance of an enterprise.

4.4.1 Borrowing standards

The respondents were asked to state the extent to which the learned or borrowed standards for similar or competing businesses.

From the primary data availed by the respondents, showed that at a certain point in time they borrowed standards from a similar or competing business to enhance their personal skills in turn to enable the enterprise perform better. This can be shown by the majority percentage of 44(100%). This in accordance to Heizer and Render (1999), who state that benchmarking, is an ingredient in total quality management. It involves selecting a demonstrated standard of

performance, costs, products, services or practices that represent the very best performance for a process or activity very similar to your own. The idea is to develop a standard or benchmark against which to compare your performance. Hence this shows that it is important for one to compare oneself so that they can know where they belong and in turn improve their skills. According to Thompson and Strickland (2003), benchmarking is a tool that allows a company or a business to determine whether the manner in which it performs particular functions and activities represents industry ‘best practices’ when both cost and effectiveness are taken into account. Therefore it would be in accordance to any person that is involved in any form of business that is not a monopoly to be engaged in benchmarking to improve on their existing skills and ways of doing business.

4.4.2 Implementing what has been observed

The respondents were asked state the extent to which they thought implementing what has been observed from others improved the competitiveness of the business.

Table 4.14: Does implementing what has been observed from others improved the competitiveness of the business

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 22 | 50.0 |
| Agree | 19 | 43.2 |
| Neutral | 3 | 6.8 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 14, the study shows to a great extent implementing what has been observed from others improves the competitiveness of the business, this can be observed from the majority who strongly agree at 22(50%), followed by those that agree at 19(43.2%), lastly those that

were indifferent or neutral to the perception that implementing what had been observed from others improved the competitiveness of the business at 3(6.8%). This is accordance to the literature for instance it's in accordance to Thompson and Strickland (2003), who state that the objective of benchmarking are to identify the best practices in performing an activity, to learn how other companies have actually achieved lower costs or better results in performing benchmarked activities, and to take action to improve a company's competitiveness whenever benchmarking reveals that its costs and results of performing an activity do not match those of other companies (either competitors or non competitors). Thus, benchmarking has quickly come to be a tool not only for comparing a company against rivals on cost but also for comparing itself to others on most any relevant activity or competitively important measure. (Thompson and Strickland, 2003)

4.4.3 Does benchmarking help you understand where you are in relation to a particular standard?

The respondents were asked to state to which extent they thought benchmarking helped one understand where one is in relation to a particular standard.

Table 4.15: Does benchmarking help you understand where you are in relation to a particular standard

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 4 | 9.1 |
| Agree | 27 | 61.4 |
| Neutral | 13 | 29.5 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 15 above, the study shows that majority of the respondents agree that benchmarking can help you understand where you are in relation to a particular standard, this can be shown by the majority percentage at 27(61.4%), followed by those that were indifferent or neutral at 13(29.5%) and lastly 4(9.1%) strongly agreed that benchmarking can help you understand where you are in a particular standard. This is accordance to Heizer and Render (1999), where they state that benchmarking is an ingredient in total quality management. It involves selecting a demonstrated standard of performance, costs, products, services or practices that represent the very best performance for a process or activity very similar to your own. The idea is to develop a standard or benchmark against which to compare your performance, hence this provides an insight of where you are in relation to a particular standard. This also in accordance to the literature of Thompson and Strickland (2003), who state that Benchmarking entails doing cross-company comparisons of how basic functions and processes in the value chain are performed, how materials are purchased, how suppliers are paid, how inventories are managed, how the quality control function is performed, how customer orders are filled and shipped, how employees are trained, how payrolls are processed, and how maintenance is performed and comparing the costs of these activities. The objective of benchmarking are to identify the best practices in performing an activity, to learn how other companies have actually achieved lower costs or better results in performing benchmarked activities, and to take action to improve a company's competitiveness whenever benchmarking reveals that its costs and results of performing an activity do not match those of other companies (either competitors or non competitors).

4.4.4 Attributes or characteristics of your competitor.

The respondents were asked to state to which extent having some of the attributes or characteristics of your competitor will give you a bigger market share.

Table 4.16: Do you think having some attributes or characteristics of your competitor will give you a bigger market share

| Opinion | Frequency | Percentage |
|----------------|-----------|--------------|
| Strongly agree | 26 | 59.1 |
| Agree | 14 | 31.8 |
| Neutral | 4 | 9.1 |
| Total | 44 | 100.0 |

Source: Primary data, 2015

From table 16 above, the study shows that majority of the respondents strongly agree at 26(59.1%) that having some attributes or characteristics of your competitor will give you a bigger market share, followed by those that agree at 14(31.8%) and lastly those that were neutral were the least at 4(9.1%). According to (Thompson and Strickland, 2003) ,benchmarking has quickly come to be a tool not only for comparing a company against rivals on cost but also for comparing itself to others on most any relevant activity or competitively important measure. Hence this will lead to a bigger market share through having similar attributes to those of your competitor that has made them excel.This is accordance to best practicesllp (2015) which states that the process of measuring products, services, and processes against those of organizations known to be leaders in one or more aspects of their operations. Benchmarking provides necessary insights to help you understand how your organization compares with similar organizations, even if they are in a different business or have a different group of customers. Additionally, benchmarking can help you identify areas, systems, or processes for improvements—either incremental (continuous) improvements or dramatic (business process reengineering) improvements hence this will lead to a bigger market share through acquisition of competitors attributes.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter presents a summary of the findings of the study and the goes ahead to present the conclusion and recommendations from both the respondents and researcher's perspective in relation to the existing literature.

5.1 Summary of findings;

5.1.1 Customer focus on the performance of small and medium enterprises

The findings revealed that the greatest percentage of the respondents treated the customers they interfaced with in their daily operations well and up to the satisfactory level, the respondents most of whom were employees who face the customers directly believed that the customer were fond of them and that they believed that the customer believed they were treated to first class standards, in addition to the way the respondents believed they treated customers, it was assumed that if they were to be the customers themselves to would be satisfied with the way they were treated hence it was assumed that if they were the customers they feel quite good if not very good for the services that were rendered. In conclusion, it was also stated that their employers believed that for a business to be successful measured by its performance the customers had to be treated well so as to satisfy their needs and encourage their return hence better performance. This was noted by Wilkinson, et al. (1998), where they stated that enterprises need to have TQM principles such as customer orientation, where quality means meeting customer requirements, customers are both external and internal, and the orientation of quality management is to satisfy customers.

5.1.2 Team work and the performance of an enterprise

The findings revealed that there was a strong favour and need for team work during the daily operations of the business, as was shown by majority percentage of the respondents who were

in favour of team work. In addition to the findings showed that apart from the respondents being in favour of teams, teams also reduced the load of tasks to be done hence making the individuals more productive this was due to the respondents belief that the load of work could be reduced, they also create more bonding and better employee relations at work hence making the work environment more harmonious, this also led to the evolving and the creation of healthy competition hence leading to excellence at both team and individual levels due to the presence of the above supporting factors this was shown by the majority percentage of the respondents. On the other hand, with above benefits and favour of team work in an enterprise, the respondents highlighted the presence of freeloaders in teams who were non performers while others toiled and in turn got the same pay or compensations which really reduce the moral of some respondents. In conclusions, the idea of team work was in favour with the majority of the respondents and in additional, it led to better performance of an enterprise through better productivity of the employees. This was also noted by Thompson and Strickland (2003), who noted that, TQM is a philosophy of managing a set of business practices that emphasizes continuous improvement in all phases of operations, a hundred percent accuracy in performing activities including team based work design which improves the productivity of the workers.

5.1.3 Benchmarking and the performance of an enterprise

The finding revealed that there is a strong inclination to or use of benchmarking hence borrowing or copying standards from competitors in the daily operations of the business or enterprise, this was shown by the majority percentage by the respondents which was a hundred percent. In addition to the above, the findings showed that the respondents believed that implementing what has been observed improved the competitiveness of the enterprise, since they there competitor's strength had been used to their advantage, the findings also showed that helped the respondents understand where they were in relation to a particular

standard, this meant that the respondents were able to know their strength and weakness, in case of strength to use it to their advantage and for weaknesses to work on them so as to catch up with the competitors, the findings also showed that there was a strong belief from the respondents that having some attributes or characteristics of your competitor will give you a bigger market share, this through a belief that customers choose competitors because they have attributes or characteristics that one does not have, so it was seen as desirable and important to have your competitors most affluent characteristics in order to be competitive. In conclusion, the findings show that benchmarking is influential in the performance of an enterprise because it picks up your competitors strength and also highlights the enterprises weaknesses, which once solved lead to better performance of the enterprise.

5.2 Conclusion

The findings showed that there strong use of benchmarking in the daily operations of the enterprise, this showed a strong desire borrow strategic standards so as to improve the performance of the business, they was also a strong desire for team work in the enterprise, with a strong belief that it reduced the load of work to be done and in turn made the employees more productive hence the majority support for team work, and lastly there was great consideration for customer satisfaction in the enterprise, therefore mostly their operations were customer oriented, so that the customers can feel like they being treated with first class services.

5.3 Recommendations

The study is not only intended for only academic purpose of the researcher because of the analytical nature and the depth of the issues raised herein but also help in guiding organisations in formulating and implementing their business strategy:

The enterprise, starting from the top leadership to the bottom employee, all should perform their daily operations while the greatest percentage is customer oriented, since customers will feel attached to the enterprise if they are treated with at most care and sophistication. Hence the more customers a business or an enterprise the more likely it is for the performance of the enterprise to improve.

The future business environment requires high productivity in terms of output and services tailor made to customers' specifications and tastes, therefore there will be great need for team work in such organisations which reduces the load of work, creating bonding amongst the employees hence helping the individual employees to be more productive and hence being more productive leads to the enterprise being more productive.

The enterprises should manage their ways of borrowing standards hence improve on the ways of benchmarking, which will let the enterprises know where they are in terms of standards, hence trying to implement what has been observed in order to be competitive in the similar businesses, in the context that it will give them a bigger market share since will have the attributes that their competitors have.

5.4 Areas for further research

The researcher carried out a study on the role of total quality management on the performance of small and medium enterprises, the researcher used the TQM wheel, which comprised of customer focus, benchmarking. Therefore, other researchers on the following areas, the effect of process design on customer satisfaction, the effect of product or service design and customer satisfaction, the importance of decision making tools in small and medium enterprises.

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APPENDICES

Appendix I: Introductory Letter

UGANDA MARTYRS UNIVERSITY NKOZI

BACHELORS DEGREE OF SCIENCE IN BUSINESS ECONOMICS

RE. ACADEMIC RESEARCH QUESTIONNAIRE

Dear respondent,

I am a student undertaking research study on: THE ROLE OF TOTAL QUALITY MANAGEMENT ON THE PERFORMANCE OF SMALL AND MEDIUM ENTERPRISES. (Case study: Ridar hotel)

The research is purely for academic purpose and requirement for the award of the Bachelors Degree of Science in Business Economics for Uganda Martyrs University. Please kindly answer these questions within the questionnaire.

I guarantee that all the information provided will be treated with at most confidentiality.

Thank for your cooperation.

Yours truly,

MUGISHA RAYMOND

Appendix II: Questionnaire

Dear respondent,

This questionnaire has been designed by a student of Uganda Martyrs University pursuing a Bachelors degree in Business Economics. This is going to investigate the role of total quality management on the performance of small and medium enterprises. This information given will be treated with at most confidentiality and solely for academic purposes only.

Section A: Background information

1. What is your gender or sex?

(a) Male (b) Female

2. Age?

(a) Below 18

(b) 18 – 25

(c) 26 – 35

(d) Above 35

3. Academic qualifications?

(a) Certificate (b) Diploma

(b) Degree (d) Post graduate qualifications

(c) None of the above

4. What is the nature of the business?

(a) Office supplies (stationery)

- (b) Catering services
- (c) Accommodation services
- (d) Information and communication services
- (e) Others, please indicate below

.....

Section B: Customer focus in the enterprise

5. Do we treat our customers well?

- (a) Strongly agree
- (b) agree
- (c) Fair
- (d) Disagree
- (e) Strongly disagree

6. Do our customers believe we treat them well?

- (a) Strongly agree
- (b) Agree
- (c) Fair
- (d) Disagree
- (e) Strongly disagree

7. How does it feel to be one of our customers?

- (a) Very good
- (b) Good
- (c) Fair
- (d) Bad
- (e) Very bad

8. How do our employees believe our customers should be treated?

(a) Very well

(b) Well

(c) Fair

(d) Bad

(e) Very bad

9. Does having good customer satisfaction or focus contribute to the overall success of the business?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

Section C: Team work and the performance of an enterprise

10. Are you in favour of team work during daily operations?

(a) Yes

(b) No

11. Do teams reduce the load of tasks to be done hence being more productive?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

12. Do teams create more bonding and better employee relations at work?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

13. Do teams create healthy competition hence can help individuals and make teams excel?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

14. Do you think some individuals do less work than others in teams?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

Section D: benchmarking and the performance of an enterprise

15. Do you have any business of similar form from which you borrow standards?

(a) Yes

(b) No

16. Does implementing what has been observed from others improved the competitiveness of the business?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

17. Does benchmarking help you understand where you are in relation to a particular standard?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

18. Do think having some of the attributes or characteristics or attributes of your competitor will give you a bigger market share?

(a) Strongly agree

(b) Agree

(c) Neutral

(d) Disagree

(e) Strongly disagree

The End. Thank you.

Appendix III: Work plan

| Activity | Duration | Where the activity will be done | Person in charge |
|---|----------|---|------------------|
| Preparation of instruments e.g questionnaire. | 1 week | Uganda Martyrs University) | Researcher |
| Pre-testing of the instruments like questionnaires. | 1 week | At the related enterprises and revision from experienced personnel. | Researcher |
| Data collection. | 4 weeks | In the field (at the enterprise selected hence ridar hotel) and in libraries. | Researcher |
| Data analysis | 3 weeks | Uganda Martyrs University | Researcher |
| Report writing | 3 weeks | Uganda Martyrs University | Researcher |

Appendix IV: Budget

| Proposed particulars | Quantity | Cost (UGX) |
|---|--|-------------------|
| Stationery (paper, pens, among others.) | 1 ream, 5pens, 4 pencils, 2 writing pads. | 20,000 |
| Photocopying, Printing and binding | 1 proposal, 2 draft copies and 2 final copies loose bound. | 60,000 |
| Transport | Once a week transport facilitation to Mukono. | 50,000 |
| Food and refreshments | | 20,000 |
| Airtime | | 10,000 |
| Miscellaneous | | 50,000 |
| Grand total | | 210,000 |

Appendix V: Data Collection Letter