PERCEPTIONS OF SUPPORT STAFF I OF CHIEF MINISTER DEPARTMENT (KUCHING) ON THE FACTORS AFFECTING TOTAL QUALITY MANAGEMENT PRACTICES

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Corporate Master in Business Administration
2011
PERCEPTIONS OF SUPPORT STAFF I OF CHIEF MINISTER DEPARTMENT (KUCHING) ON THE FACTORS AFFECTING TOTAL QUALITY MANAGEMENT PRACTICES

AGNES SABANG

A dissertation submitted in partial fulfillment of the requirements for the degree of Corporate Master in Business Administration

Faculty of Economics and Business
UNIVERSITI MALAYSIA SARAWAK
2011
DECLARATION AND COPYRIGHT

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I hereby declare that this research is the result of my own investigations, except for quotations and citations which have been duly acknowledged by references and bibliography is appended.

Signature:

Date:

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Universiti Malaysia Sarawak (UNIMAS)

2011
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Nama : Agnes Sabang
Student ID : 09031592
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ABSTRACT

The purpose of conducting this study is to investigate on the perceptions of Support Staff I of Chief Minister Department (Kuching) on the factors such as employees perceptions towards Total Quality Management (TQM), management commitment and leadership, employee knowledge on TQM and employees’ involvement in TQM activities that affect TQM practices. Questionnaires are used as an instrument to collect the data from a sample of 177 respondents. Perception Index is be used to measure the respondent’s perception on TQM. Chi-Square is used to test the statistical significance of the observed association in cross tabulation in order to determine whether a systematic association exists between the two variables. Pearson Correlation Coefficient is used to test the significance of the relationship between Perceptions of Support Staff I and factors affecting TQM practices (e.g. employees perceptions towards TQM, management commitment and leadership, employee knowledge on TQM and employees’ involvement in TQM activities). It is revealed in this study that majority of the staffs have positive perceptions on TQM.

Chi-Square test finding discloses that distribution of respondent perceptions towards TQM and factors affecting TQM practices is significantly different. Pearson Correlation shows that there is relationship between distribution of respondent perceptions and social demographic factors (gender, age, race, level of education and years of services). It indicates that demographic factors have moderate relationship with staff perceptions. Recommendation are made based on the finding which takes into consideration the important role played by the employees in the organization.
ABSTRAK

CHAPTER ONE
INTRODUCTION

1.0 Introduction

Everybody knows that for an organization to sustain its strategic position there must be a certain element of Quality Management adopted to run the business. Thus, the mission of quality services in both private and public sector organizations is driven by the need to survive and remain competitive. Many organizations that adopted quality management practices have experienced an overall improvement in organization performance such as attitude, commitment, and effectiveness. All types of industries, both public and private sector, have reduced costs, increased process efficiency, and improved the quality of their products and services by working to meet the needs of the people they serve through the application of total quality management (TQM) principles.

TQM is both a philosophy and a set of management guiding principles for managing an organization. It is a management approach which aimed at incorporating awareness of quality in all organizational processes (Savolainen, 2000). Much research has been done with regards to the implementation of total quality management. Pheng and Jasmine (2004) have pointed out that with the adoption of TQM there is the benefits of higher customer satisfaction, better quality products, and higher market shares. Customer satisfaction is one of the prime objectives of TQM and it is the most widely discussed approach to directing organizational efforts towards the goal of customer satisfaction.

Berry (1991) defined the TQM process as a total corporate focus on meeting and exceeding customer’s expectations and significantly reducing costs resulting from poor quality by
adopting a new management system and corporate culture. It emphasizes on towards achieving excellence in organizations.

1.1 Background of Study

1.1.1 Total Quality Management (TQM) Concepts

The origin of TQM can be traced back to early 1920’s production quality control ideas, and the concept was developed in Japan in the late 1940’s and 1950’s and pioneered by Americans quality gurus’ such as Crosby (1979), Deming (1986), Freigenbun (1991) and Juran (1993). They have developed certain prepositions in the field of TQM, which have gained significant acceptance throughout the world. Their insights provide a good understanding of the TQM philosophy, principles and practices. Although some similarities are found in their thought in such field, it has been found that these quality gurus have different views about TQM. Worldwide, there are several Quality Awards such as the Deming Prize (1996) in Japan, the European Quality Award (1994) in Europe and the Malcolm Baldrige National Quality Award (1999) in the United States of America. Each award model is based on a perceived model of TQM and the three award models are different from each other and each has its own characteristics.

All these principles if well implemented will result to improved business process. Basically, to achieve this, each of the principles is translated into practice using some core concepts. The effective use of these core concepts is determined by the efficiency of the top management leadership towards their drive or interest towards business excellence (Hoffherr et al. 1994).

Although this study is not a new subject to be discussed, it is relevant to the organization concerned in order to determine their assets and competitive edge. Before explaining why the
study is held in Chief Minister Department (CMD), Kuching it would be good to note that CMD is one of the departments in Sarawak State Civil Service. After the formation of Malaysia, the Sarawak Civil Service went through several schemes of services until the current System Saraan Malaysia (SSM), which focuses on performance, quality and productivity. The State Civil Service had undergone various reorganizations whereby there are more agencies or departments formed as the responsibilities of the civil service increases. As the functions of the Chief Minister’s Department expanded, more units were established especially in monitoring planning and development for the State. At present there are eleven (11) units and offices under CMD with a total staff strength of 672 employees ranging from JUSA, Management and professional group to Support Group I. Due to limited space and office expansion in Wisma Bapa Malaysia (WBM) building some of the department, being located outside the building within Kuching. The office location is at Wisma Bapa Malaysia, Petra Jaya, Kuching. The details are as per table below;
Table 1: Number of departments and employees in CMD for 2010

<table>
<thead>
<tr>
<th>No.</th>
<th>Units/Department</th>
<th>JUSA</th>
<th>P &amp; P</th>
<th>SS I</th>
<th>SS II</th>
<th>Total</th>
</tr>
</thead>
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<tr>
<td>1.</td>
<td>Human Resource Management</td>
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<td>24</td>
<td>98</td>
<td>46</td>
<td>169</td>
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<td>2.</td>
<td>Human Resource Development &amp; Quality</td>
<td>1</td>
<td>17</td>
<td>48</td>
<td>32</td>
<td>98</td>
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<tr>
<td>3.</td>
<td>Administration</td>
<td>1</td>
<td>18</td>
<td>31</td>
<td>64</td>
<td>114</td>
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<tr>
<td>4.</td>
<td>Public Relations &amp; Corporate Affairs</td>
<td>0</td>
<td>8</td>
<td>10</td>
<td>17</td>
<td>35</td>
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<tr>
<td>5.</td>
<td>State Implementation and Management</td>
<td>1</td>
<td>20</td>
<td>19</td>
<td>7</td>
<td>47</td>
</tr>
<tr>
<td>6.</td>
<td>Tropical Peat Research Laboratory</td>
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<td>8</td>
<td>16</td>
<td>11</td>
<td>35</td>
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<tr>
<td>7.</td>
<td>Internal Audit</td>
<td>1</td>
<td>17</td>
<td>35</td>
<td>11</td>
<td>64</td>
</tr>
<tr>
<td>8.</td>
<td>Pejabat Mufti</td>
<td>2</td>
<td>3</td>
<td>8</td>
<td>5</td>
<td>16</td>
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<tr>
<td>9.</td>
<td>Native Court</td>
<td>0</td>
<td>7</td>
<td>4</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>10.</td>
<td>Majlis Islam</td>
<td>1</td>
<td>17</td>
<td>16</td>
<td>1</td>
<td>35</td>
</tr>
<tr>
<td>11.</td>
<td>Majlis Adat Istiadat</td>
<td>0</td>
<td>3</td>
<td>15</td>
<td>7</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>8</td>
<td>142</td>
<td>318</td>
<td>204</td>
<td>673</td>
</tr>
</tbody>
</table>

Source: Sarawak State Estimate Book for 2010

1.2  Theoretical Framework

1.2.1  Total Quality Management (TQM) Principle

The basis to conduct this study will be based on the concept of TQM introduced by quality guru’s such as Deming (1986), Juran (1989), Crosby (1979) and Feigenbaum (1991). In TQM theory, it principles and concepts comprise the soft aspects of management which form the TQM principles and hard aspects include factors such as improvement tools and techniques and systems of TQM approach. TQM principles are the main factor to guarantee the implementation of TQM and it can be broadly classified into ten major headings as follows;
Total Quality Management 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 operation.

TQM has been defined as both a philosophy and a set of guiding principles that represent the foundation of a continuity improving organization. TQM is a management philosophy that seeks to integrate all organizational functions (marketing, finance, design, engineering, and production, customer service, etc.) to focus on meeting customer needs and organizational objectives. TQM views an organization as a collection of processes. It maintains that organizations must strive to continuously improve these processes by incorporating the knowledge and experiences of workers.
The simple objective of TQM is “Do the right things, right the first time, every time”. TQM is infinitely variable and adaptable. Although originally applied to manufacturing operations, and for a number of years only used in that area, TQM is now becoming recognized as a generic management tool, just as applicable in service and public sector organizations. Therefore, to ensure the success of TQM implementation, all the above principles have to be implemented fully.

1.3 Problem Statement

The government efforts to introduce a quality culture is reflected in the efforts of MAMPU and The Prime Minister’s Department through adoption of such official policies and guidelines issued by The Prime Minister’s Department in the form of Development Administration Circulars (DACs) since 1991 which become an instrument in the adoption of the quality management. Although some changes in Chief Minister’s Department (CMD) since the adoptions and implementation of quality management practices, the services provided by CMD still do not fully meet the customer needs and staffs in the department do not really understand the meaning of the TQM concept and its benefit to their organization.

The evidence of these issues are derived from an interview with an officer in charge of Customer Relationship Management (CRM) Section, HRMU of CMD on 10 November 2010, where customer complaints on quality on various services provided by the organization still being unsatisfactory. Such complaints related to Human Resources are obtained through HRM Call Centre, Talikhidmat and gathered from HR Focal Point meeting with various departments and agencies in State Civil Service. Information on customer satisfactions is obtained via customer complaint form provided by the department.
1.4 Research Objectives

The study is conducted to determine the perceptions of SS I on factors affecting total quality management practices in Chief Minister’s Department, Wisma Bapa Malaysia, Kuching.

1.4.1 Specific objectives of this study are to:

i. Identify the level of perception of SS I towards factors affecting TQM practices

ii. Determine the association between the perception of SS I towards the factors affecting TQM practices (this is tested using Chi-Square test)

iii. Identify the characteristics of the sample used in this study

1.5 Hypothesis

Hypothesis is an unproven proposition or possible solution to a problem. Hypothetical statements state probable answers to research questions. The purpose of this exploratory study was to obtain a better understanding of the relationships between SS I perception and factors affecting TQM practices in the CMD. Therefore, researcher has made two hypotheses regarding the study as follows;

Hypothesis 1

$H_1$: Support Staff I in Chief Minister’s Department have positive perception on TQM

$H_0$: Support Staff I in Chief Minister’s Department have negative perception on TQM

Hypothesis 2

$H_0$: There is no significant difference between perceptions and demographic factor

$H_1$: There is significant difference between perceptions and demographic factor
1.6 Scope of study

The study will focus on the Perceptions of Support Staffs I on factors that affect Total Quality Management Practices in five (5) Units under Chief Minister's Department of Kuching, Sarawak namely the Human Resource Management Unit, Human Resource Development & Quality Unit, Administration Unit, Public Relations & Corporate Affairs Unit and State Planning Unit. These Units chosen because they are located at Wisma Bapa Malaysia building and actively implement quality initiatives at their workplace.

1.7 Significance of the study

The purpose of conducting this study is to obtain a better understanding of the extent to which TQM principles inculcate within the departments of Chief Minister's of Kuching. From this study, the researcher had outlined the significant of the study as follows;

1.7.1 Significance to organization

The result of this research will enable the management of departments under CMD to determine the needs of staff training or exposure towards TQM to increase their knowledge as well as achieve better performance in their work. In addition, the result of this research can be as reference for organizations planning to implement TQM in their workplace and can be as guidance for planners and trainers in designing training programmed or modules to introduce to their staff.
1.7.2 Significance to staff

The result of this study will determine the SS I level of knowledge of the basic principles of TQM as practiced in CMD. As well as the application of the concept of TQM in their daily work. Furthermore, the results of the research will enable the management of CMD departments to be more aware of their standards of quality control and understand how their staffs perceived quality management in their daily tasks.

1.8 Limitation

In conducting this research, there are several limitations or constraints that might affect the accuracy of the results. There are including;

1.8.1 Time Constraint

The method of questionnaire distribution and collection that being used to get feedback from the respondents may consume a longer time. Some of the respondent may just simply answer the question and some of them may not want to bother, therefore, there is a tendency that incomplete responses will be obtained.

1.8.2 Unwillingness of respondents

Unwillingness of respondents to answer because some of the questions in the questionnaires are perceived by respondents as personal information. The respondents also have their personal time, so that just do not want to give any information. Therefore, as a result inaccurate data and would affect entire research results.
1.8.3 Level of understanding

Some of the respondents confused may be or may not comprehend with the questions asked. It is possible that the question is difficult and the respondents do not understand the questions. This usually will leave them no choice but to answer for the sake of answering. Therefore, the researcher could not gain the correct information from the respondents.
CHAPTER TWO
LITERATURE REVIEW

2.0 Literature Review

In this chapter a review of literature related to Total Quality Management philosophy will be discussed. First part of this chapter will be discussed the TQM definition and concept of Total Quality Management. Second part of the chapter will discuss further on previous research on various areas of Total Quality Management (TQM) practices such as management leadership and commitment, continuous improvement, employee involvement, reward and recognition and training towards TQM.

2.1 Definition Total Quality Management (TQM)

TQM has been defined as both a philosophy and a set of guiding principles that represents the foundation of a continuously improving organization. It integrates fundamental management techniques, existing improvement efforts and technical tools in a disciplined approach. TQM can be defined in a number of ways, and the details of different approaches can vary somewhat. The term Total Quality Management or TQM has many definitions. Some definitions of Total Quality Management are as stated in Table 2.1 below;

Table 2: Definition of Total Quality Management by Researchers

<table>
<thead>
<tr>
<th>Researcher(s)</th>
<th>Definition of Total Quality Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bacal (1996)</td>
<td>TQM engages all divisions, departments and levels of the organization. Top management organizes all of its strategy and operations around customer needs and develops a culture with high levels employee participation. TQM companies are focused on the systematic management of data in all processes and practices to eliminate waste and pursue continuous improvement.</td>
</tr>
<tr>
<td>Kanji (1996)</td>
<td>TQM is the way of life of an organization committed to customer satisfaction through continuous improvement varies from organization to organization and from one country to another, but has certain principles that can be</td>
</tr>
</tbody>
</table>
implemented to secure market share, increase profits and reduce costs

Total quality management is an established field of study where academics, consultants, engineers and quality practitioners have contributed their ideas towards its advancement. Numerous definitions with regards to TQM have been given by this group of people

Capezio & Morehouse (1995)  
Total Quality Management refers to a management process and set of disciplines that are coordinated to ensure that the organization consistently meets and exceeds customer requirements

Scheer (1994)  
TQM is a process ideally suited to being applied in operating breweries where quality is more than just a word management pays lip service to. TQM is a management process based on fundamental principles that focus an organization’s energy on always meeting customers’ expectations. But because it is a process—not simply a program, it requires long-term commitment to bring into play in every aspect of the Development.

Berry (1991)  
TQM process as a total corporate focus on meeting and exceeding customer’s expectations and significantly reducing costs resulting from poor quality by adopting a new management system and corporate culture. In short, emphasis must be given towards achieving excellence in organizations. However, there is no standard method as to how TQM should be implemented in a company.

2.2 Concept of Total Quality Management

The TQM philosophy provides the overall concept that fosters continuous improvement in an organization. Continuous improvements can be achieved through internal and external quality improvements (Dahlgaard et al., 1998). TQM calls for a cultural transformation that requires employee involvement at all levels and a spirit of teamwork among customers, suppliers, employees and managers. Employee involvement, participation and empowerment form the basis of TQM (Saylor, 1992). In general, TQM can be classified based on these six areas:

- management leadership and commitment
- continuous improvement
- total customer satisfaction
2.3 Management leadership, commitment and TQM

Stoner et al. (1995) defines management as the process of planning, organizing, leading and controlling the resources and the work of the members of the organization in order to reach a common goal. Quality management on the other hand is a management strategy for ensuring that all the activities which are necessary to design, develop and implement a product or service are effective and efficient with respect to the system and its performance. The work of quality management actually resulted from the quality gurus and their theories like Deming, Feigenbaum and Juran.

Deming, one of the quality gurus placed great responsibility and importance on quality management. He emphasizes quality at both the individual and company level and he believes that managements are responsible for 94% of most quality problems. He came out with a fourteen point plan and this plan is a complete philosophy which can be applied to small and large business organizations, both in the public, private and service sector.

According to Pheng and Jasmine (2004), the degree of support that management takes in the implementation a total quality environment is very critical to the success of TQM implementation and TQM cannot be fully implemented if there is lack of commitment from top management. Commitment of top managers in TQM implementation will enable the employees to follow their direction and way of working. This is a very crucial aspect because if the managers are committed in empowering the employees, the employees will be responsible for the quality of their work and this will go a long way to enhance continuous