

Total Quality Management (TQM) in Practice at a Private Higher Education Institution in the Philippines

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Abstract- Continuous quality improvement requires a commitment to constant assessment of the technical and administrative procedures in search of better organizational methods and processes towards quality educational services. The main objective of this research is to highlight the benefit of Total Quality Management (TQM) implementation in a Private Higher Educational Institution (PHEI) relation to customer and employee satisfaction as well as to operational effectiveness. It utilized descriptive-survey design using both descriptive and inferential analyses. Various groups of stakeholders were surveyed. Customers assess that there is high standard of quality in the services rendered. Customers' satisfaction is positively affected by the standard of quality in the educational services. The employees across departments are generally satisfied with the administration and management of the Institution. Continuous improvement is evident, and the quality educational service delivery is due to workers empowerment. There are no significant variations on the perceived customer satisfaction among internal stakeholders. However, significant variations are found relative to employee satisfaction and effective operation.

Keywords- Private higher education institution, total quality management, stakeholders' satisfaction, operational effectiveness, descriptive-survey design, Philippines.

I. INTRODUCTION

Total Quality Management (TQM) is a management philosophy which focuses on the work process and people. Its major concern is satisfying customers and improving the organizational performance. It involves the proper coordination of work processes which allows for continuous improvement in all educational business units with the aim of meeting or surpassing customer's expectations. It emphasizes the totality of quality in all facets of an educational organization to reduce waste and rework resulting to reduce cost and increased efficiency in production.

TQM is applicable to any organization irrespective of size, and motives, even the public sector organizations are fast adopting this ideology in order to make them effective in meeting public demands. However, the adoption of the ideology by most organization has been hampered due to their non compliance with the procedures and principles of TQM implementation. While some organizations, run TQM like a program which they expect to function and perform the magic all by itself, others have used a half-hearted approach to it, by using some bits and pieces of the principles.

The vital role of quality in higher education in a highly competitive environment has approved, and administrators and educators of Higher Education Institutions are continually seeking for ways to have more effective and meaningful educational instruction. Administrators have started to establish quality sector to improve the quality, standards of their higher education, and to make their educational system more effective. Recently, one philosophy has emerged in the concepts of quality and management, named as Total Quality Management. TQM has been successfully implemented in some Higher Education Institutions (HEIs), and it has improved the quality of higher education in those institutions. Since, this institution has decided to do an assessment of its quality work and this task has defined in the form of this thesis work, the researchers found that this evaluation could be done in the form of a benchmarking with TQM philosophy. Therefore, the aim here is to compare the quality work of this university with the principles of a TQM approach [1].

Moreover, the system of higher education is found efficacious in making available to the society a dedicated, committed, devoted and professionally sound team of human resources to decide the future of any nation. This is possible only when the principles of quality management are inculcated in the system of higher education. Total Quality Management (TQM) is inevitably common factor that will shape the strategies of higher educational institutions in their attempt to satisfy various stakeholders including students, parents, industry and society as a whole. The paper is a theoretical attempt to explain the application of TQM in tertiary education. It deals with issues pertaining quality in higher education and moves on to identify variables influencing quality of higher education. It also conceptualizes a model for application of TQM in higher education [2].

Determining quality in education is a monumental exception considering the underlying beneficiary is us, Humans. It is the quality of education that shapes incessant wealth and

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security of both societies and their people [3]. What is really the relevance of education for the evolution of brilliance and proficiency of a person that will lead to a progressive economy should not be subverting. This has used a powerful scheme for the improvement of higher education in almost all countries all over the world. The higher educational system was proven effective in producing remarkable professionals to rule the nation in the future. But then, quality improvement is a constant process.

Thus, perception on index rate and execution is necessarily precedent. In order to enhance quality service, educational institution needs to know the necessities. These necessities, must be understand the essence of the characteristics. However, people foresee quality variously, and to specify that in order to give verdict to quality, and correspondingly improve quality, it is vital to find out the characteristics of quality. Thus, it is crucial to determine the characteristics of quality for the measurement of the education process [4].

Owen (2001) states that “Total and continuous quality development is viewed as a journey which has no real beginning or ending” [5]. Thus, it is a constant endeavor for the management to sustain a criterion in the institutions. TQM is a managerial instrument to resolve the issues associated to services as well as tactics in the academic industry and it can conform to the standard the education industry [6]. The accentuate of quality maintenance in higher education has increased as the numbers of students are climbing up and at the same rate, their anticipation are getting high, as they have to settle the tuition fee, so they looking forward for a suitable result [7]. Meanwhile, Seymour (1992) has clearly defined the kinds of quality and implements them generally to the higher education institutions. TQM method is viewed as suave beginning of Quality procedures [8].

The quality of education as processes in the form of the learning and teaching knowledge activity; where quality of outputs is in the form of the enlightened students that shifts out of the organization. Furthermore, Ali et al., (2010) Declared that the Quality of education takes into account external environment where institutions work [2]. Also, internal environment where education and learning get situate and home environment of learners. The quality of education opportunities would depend on the accomplishment of programmer objectives based on aspects of teaching and learning, student support and direction, learning and resources, and quality management and enrichment [9]. Higher education can play a crucial role in the economic and cultural reconstruction and development of the nations. For hundreds of years, the universities and effective educational systems are development factors and agents of change in their communities. Over the last ten years, a lot of innovative experiments are being done to improve the performance and introduced several laws and constitutions for both academic and educational standards aimed to further develop and improve its ability to compete consistently by successive

governments, realizing the importance of this sector for socio-economic and cultural development and this requires an ideal governance and service delivery, but the system of higher education in Jordan must be reshaped, the strength must be maintained, but the weaknesses must be addressed and developed, to serve a new social order, to meet the pressing national needs, and to respond to a context of new realities and opportunities [10].

According to Sila (2007), TQM helps in improving the quality of products and also reduces the scrap, rework and the need for buffer stock by establishing a stable production process. He argued that TQM will reduce the cost of production and time of production. This means quality is a significant element of production or services in keeping the customers satisfied. There are different definitions and competing views of the term quality by different people and the common element of the business definitions is that the quality of a product or service refers to the perception of the degree to which the product or service meets the customer's expectations. The American Society of Quality sees quality as being subjective, with different individuals having their own perception of it. To them, quality can be seen as having two meanings – the characteristics of the product or service ability to satisfy a particular need or a product or service devoid of faults. It can be defined as a state of conformance to valid requirements where valid requirements are defined as conditions that meet the needs of customers, measurable and achievable [11]. An organization's quality management implementations are of two folds: a) Satisfying customer's expectation; and b) Improvement in the overall business efficiency [12].

According to Juran (1988), the basic goal of quality management is the elimination of failures; both in the concept and in the reality of products, services and processes. This does not only mean that product, services and processes will fail in fulfilling their function but that their function was not what the customer's desire. Failure must be prevented in quality management and to handle this there should be planning, organizing and controlling [13].

Continuous improvement means ‘a commitment to constant examination of the technical and administrative processes in search of better methods. Turney and Anderson (1989) defined continuous improvement as the relentless pursuit of improvement in the delivery of value to customers [14]. This was supported by Dean and Bowen (1994), who argued that customer satisfaction can be attained only through the relentless improvement of processes that create product or service. TQM is concerned with the continuous improvement in all the process of production, from the levels of planning and decision making to the execution of work by the front line staff. The principle behind the idea of continuous improvement is basically the idea that mistakes can be avoided and defects can be prevented. Thus, the quest to deliver quality services requires continually updating of the services, to meet the demands of the customers and remain competitive. Columban College, Inc., in this research,

needs to update its service orientations by benchmarking with TQM schools. This can only be supported with an ideology which is focused on satisfying customers demand and which allows for continuous improvement [15].

A successful TQM environment requires a committed and well-trained work force that participates fully in quality improvement activities. Such participation is reinforced by reward and recognition systems which emphasize the achievement of quality objectives. On-going education and training of all employees supports the drive for quality. Employees are encouraged to take more responsibility, communicate more effectively, act creatively and innovatively. As people behave the way they are measured and remunerated, TQM links remuneration to customer satisfaction metrics.

Thus, the implementation of TQM further ensures that organizations change how they perform activities so as to eliminate inefficiency, improve customer satisfaction and achieve the best practice, and constant improvement in the effectiveness of operation is essential but not a sufficient factor for organization to be profitable. This research is an empirical attempt to explain the implementation of TQM in a Private higher education institution (PHEI) in the Philippines, and deals with issues related to quality in higher education, and identify variables influencing quality in terms of stakeholders' satisfactions and operational effectiveness.

II. OBJECTIVE OF THE STUDY

The main objective of this research is to highlight the benefit of TQM implementation in a Private Higher Education Institution (PHEI) in the Philippines by examining the basic principles of TQM for continuous improvement and management of educational services. Specifically, the study seeks to: (1) analyze the stakeholders' perceptions on the implementation of TQM in terms of the three major added values such as customer satisfaction; employee satisfaction; and operational effectiveness; (2) infer the significant variations on the perceived implementation of TQM across groups of stakeholders; (3) deduce implications towards quality assurance practices.

III. METHODOLOGY

The researchers used the descriptive-comparative research design. This design allows the researcher to draw inferences concerning differences in the perceptions of the participants under investigation. It is based from the formulation and testing of hypothesis. Participants were drawn from the entire population of study in this research due to time, financial and human resource constraints. Thus, it is believed that the sample will provide the researchers with more reliable results. A total of one hundred eighty-two (182) participants were involved in this study. There were 22 administrators, 54 non-teaching staff, 56 teaching staff in the college, and 50 teaching staff in the basic education.

A questionnaire is a research instrument consisting of series of questions and other prompts for the purpose of gathering information from respondents. Most often, it is designed for statistical analysis of the responses. According to Sekeran, (2003), 'a questionnaire is a pre-formulated written set of questions to which respondents' records their answers, usually within rather closely defined alternatives'. A questionnaire was structured for this research and was administered to the front line staff of the studied department/groups [16]. These questionnaires were handed directly to the participants by the researchers which gave the researchers the privilege to introduce the topic and encouragement in answering the questionnaire. The closed ended questions helped the researchers to analyze the information gotten without difficulties using a 5 point Likert scale. This research used past findings on the effects of TQM on organizational performance which served as basis for selecting variables used for establishing the effects of TQM implementation in the educational organization. Validity here is established through published measures for the concept of TQM. The researchers sought permission and approval of the school president to allow the data gathering from stakeholders. The researchers took into account the ethical issues such as the confidentiality of the data gathered and the anonymity of the respondents in the administration of the questionnaires. The data gathered were recorded, tabulated, and analyzed by means of the following statistical measures: Percentage, Mean, and One-Way Analysis of Variance at .05 level of confidence.

IV. RESULTS AND DISCUSSION

The perceived implementation as a test of TQM on the performance and satisfaction level of stakeholders is relative to customer satisfaction, employee satisfaction and operational effectiveness.

In terms of the perceived customer satisfaction as one of the effects of TQM, the stakeholders strongly agree that the customers see high standard of quality in the service they rendered, and despite complaints, customers still avail the services of the school/ department. Moreover, the customers speak well of the quality of the services to others. The school/ department responds quickly to customer complains, and the school/ department honors its commitment and guarantees to all customers. Furthermore, the stakeholders agree that the customers do not complain about the services, and the defect of customers is a result of poor service. Thus, the overall assessments of the various groups are 4.46 or strongly agree (admin), 4.09 or agree (teaching staff-college), 4.17 or agree (non-teaching staff), and 4.07 or agree (teaching staff-basic education). The overall assessment in relation to the perceived customer satisfaction is collectively computed as 4.20 (strongly agree).

The results show that the test of TQM relative to customer satisfaction really measures how services being provided and supplied by internal stakeholders meet or surpass

a customer's expectation. Customer satisfaction is important because it provides the College with a metric that they can use to manage and improve their services. An unhappy customer tells between 9-15 people about their experience. In fact, 13% of unhappy customers tell over 20 people about their experience. Customer satisfaction is tightly linked to revenue and repeat purchases or enrollments. What often gets forgotten is how customer satisfaction negatively impacts the school. It's one thing to lose a customer because they are unhappy. It's another thing completely to lose customers because of some bad word of mouth. To eliminate bad word of mouth, the College need to measure customer satisfaction on an ongoing basis. Assessing changes in satisfaction will help management identify if customers are actually happy with the service. Thus, customers' satisfaction is positively affected by the standard of quality in the service, responding quickly to customers complains, commitment, and availability of the services of the school/ department. In return, the customers speak well of the quality of the services to others.

In relation to employee satisfaction, the employees across groups strongly agree that they are satisfied with the authority/ies in the school/ department. The management encourages and recognizes teamwork effort, recognizes their suggestions, individual effort is recognized in delivering quality service; they view their job as being flexible. Moreover, they strongly agree that regular training for workers is put in place, there is continuous improvement in the organization, and the quality service delivery is due to workers' empowerment. The employees agree that salary is a means of motivation in the company. Regular review of the salary scheme is put in place, mistakes are seldom made while responding to customer's request, they are involved in decision-making, and their advice is sought in making a decision for the organization. The overall assessments per group are 4.73 or strongly agree (admin), 4.17 or agree (teaching staff-college), 4.18 or agree (non-teaching staff), and 3.97 or agree (teaching staff-basic education). The overall assessment relative to employee satisfaction is collectively computed as 4.26 (strongly agree).

Employee satisfaction is used to describe whether employees are happy and contented and fulfilling their desires and needs at work. Many measures purport that employee satisfaction is a factor in employee motivation, employee goal achievement, and positive employee morale in the workplace. The results further show that employee satisfaction is, quite simply, how content or satisfied employees are with their jobs. These reveal that the employees are satisfied relative to compensation, workload, training and development, engagement or involvement in decision-making, perceptions of management, flexibility, teamwork, resources, etc. These things are all important to institutions who want to keep their employees happy and in return reduce turnover, but employee satisfaction is only a part of the overall solution. In fact, for some organizations, satisfied employees are people the organization might be

better off without. Thus, employee satisfaction covers the basic concerns and needs of employees. It is a good starting point, but it usually stops short of what really matters.

As to operational effectiveness, the stakeholders across groups strongly agree that services of the school/ department are readily accessible to the customers; accessibility of services to customers aids the efficiency in operation, the school/ department keeps to its scheduled activities, the school/ department handles the request of customers promptly, the delays and cancellation of services are usually due to uncontrollable factors. Fast decision-making is made to avoid delays and cancellation of quality services, the management commitment to quality encourages effective operation, the employees' commitment to quality encourages effective operation, their job flexibility contributes to effective operation and the suppliers operation aid the efficiency in the operations. The overall assessments per group are 4.80 or strongly agree (admin), 4.35 or strongly agree (teaching staff-college), 4.39 or strongly agree (non-teaching staff), and 4.17 or agree (teaching staff-basic education). The overall assessment relative to effective operation is collectively computed as 4.43 (strongly agree).

Operational effectiveness reveals any kind of practice which allows an organization to maximize the use of their inputs by developing products and delivering services at a faster pace than competitors or reducing defects, for example. Operational effectiveness is often described in four components: Leading and controlling functional performance, measuring and improving the process, leveraging and automating process and continuously improving performance. Accessibility of the services refers to the design of products, devices, services, or environments for stakeholders. The concept of accessible design and practice of accessible development ensures both "direct access" and "indirect access" meaning compatibility with a person's assistive technology. Accessibility is viewed as the "ability to access" and benefit from some system or entity. Moreover, job flexibility contributes to effective operation. Flexibility is about an employee and an employer making changes to when, where and how a person will work to better meet individual and departmental needs. Flexibility enables both individual and department needs to be met through making changes to the time (when), location (where) and manner (how) in which an employee works. Flexibility should be mutually beneficial to both the employer and employee and result in superior outcomes. Formal flexibility policies are officially approved human resources policies, as well as official policies that give supervisors discretion to provide flexibility. These are all incorporated in the institutional handbook or responding to a customer in a prompt and professional manner is very important for many reasons. Departments rely on their customers to keep a dealing running smoothly. In order to keep customers satisfied, they expect their concerns to be handled professionally, effectively and swiftly. This is why it is very important to respond to customers request in a prompt and

professional manner. If a customer feels disrespected or like their problem was not resolved effectively then they may spread a bad word about your business or file complaint with other agencies. This leads to a bad reputation for the school. If one can see things calmly and from the customer's point of view, you are much more likely to succeed in gaining good word of mouth, and a feel good factor for the customer also.

The variations on the perceived effect of TQM across groups of participants are analyzed. There are no significant variations on the perceived customer satisfaction among internal stakeholders because the computed F-value of 1.582 is lower than the F-critical value of 3.0088. Thus, the null hypothesis is accepted. This means perceived customer satisfaction is met across departments within the College. However, significant variations are found relative to employee satisfaction and effective operation because the computed values are greater than the critical values. Thus, the null hypotheses with respect to employee satisfaction and effective operation are rejected. This means that the internal stakeholders view employee satisfaction and operational effectiveness slightly different across groups.

The study implies that TQM as a principle involves the mutual cooperation of every stakeholder that aids the organizational process and it involves all the stakeholders of an organization. As a philosophy embracing all activities through which the needs and expectations of the customer and the community, and the objectives of the organization are satisfied in most efficient and cost effective way by maximizing the potentials of all employees in a continuing drive for improvement. This is reflected in the results relative to customer satisfaction, operational effectiveness and employee satisfaction. Continuous improvement requires a commitment to constant examination of the technical and administrative process in search for better methods. Thus, continuous improvement is the insistent pursuit of improvement in the delivery of value to customers, and customer satisfaction can be attained only through the relentless improvement of departmental processes that create service as reflected in the findings.

V. CONCLUSIONS AND RECOMMENDATIONS

Customers see high standard of quality in the service rendered. Although, there are some complaints, they will still avail the services of the school/ department. Moreover, they speak well of the quality of the services to others. There is high degree of satisfaction among customers. Thus, customers' satisfaction is positively affected by the standard of quality in the service. The employees across departments are generally satisfied with the authority/ies in the school/ department. This is reinforced teamwork effort, collaborations and active engagements among employees. Regular training for employees is put in place. Thus, continuous improvement is evident, and the quality service delivery is due to workers' empowerment. This means there is high degree of satisfaction among employees. The services

of the school/ department are readily accessible to the customers, which aid the efficiency in operation. There is systematic scheduling and planning of activities. Requests of customers are promptly handled. Job flexibility contributes to effective operation. Thus, operational effectiveness allows an organization to maximize the use of their inputs by developing products and delivering services at a faster pace than competitors. There are no significant variations on the perceived customer satisfaction among internal stakeholders. This means perceived customer satisfaction is met across departments within the College. However, significant variations are found relative to employee satisfaction and effective operation because the computed values are greater than the critical values. Thus, the internal stakeholders view employee satisfaction and operational effectiveness slightly different across groups. TQM as a philosophy embraces all activities through which the needs and expectations of the customer and the community, and the objectives of the organization are satisfied in most efficient and cost effective way. Continuous improvement requires a commitment to constant examination of the technical and administrative process in search of better methods.

The stakeholders should find ways and strategies to minimize complaints from customers to further increase satisfaction on the services which may result to continuous subscription of the services by the customers. The school administration should conduct regular review of the salary scheme. Involvement of employees in planning and decision-making should also be considered. The department should handle request of customers promptly. Fast decision-making should be made to avoid delay of quality service. Policies on job flexibility should be reviewed on a regular basis. A related study should be regularly conducted to monitor the implementation of TQM as tool for continuous improvement.

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