

Improving Service Quality in Hotels in Uganda through Total Quality Management

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Abstract

Original Research Article

The hotel industry is a dynamic one in which the guest dictates the pace and type of service. Service quality is one of the competitive priorities which enable hotels in the hospitality industry to survive. This paper aims to establish the relationship between Total Quality Management and Service Quality in hotels in Uganda, Kampala. The hypothesis that certification helped hotels to have higher performance levels is verified. This study will help managers and researchers to take decisions based on factual data and consider the importance of total quality management in the hotel sector. The main aim of this project is to analyze the motives and impact on the decision of hotels to embark or not on the implementation of a total quality management system. In order to achieve this goal, the research assessed the enablers and results of a total quality management in hotels in Uganda. Hotels considered in this study are Serena Hotel, Metropolitan Hotel and Fairway Hotel. The Serena Hotel and Metropolitan Hotel are considered because they have been winners of several awards such as the Certificate of Excellence by Trip Advisor or the National Quality Award and enjoy a very good position in the market and Fairway Hotel has ISO 9001, ISO 14001 and ISO 22000 certification. This research work showed whether the performance of the certified Serena Hotel was higher compared to the non-certified Metropolitan Hotel and Fairway Hotel. The employee satisfaction/dissatisfaction in the certified Serena Hotel was also addressed in this research work.

Keywords: Total Quality Management, Service Quality, Hotel sector.

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INTRODUCTION

The hotel sector is the third pillar of the economy and has been a key factor in the overall development of Uganda. The industry outperformed most other sectors and contributed significantly to economic and employment growth over the past years. The hospitality sector, combines restaurants, hotels, travel and tourism, generated jobs for 27,161 people at the end of March 2018 and contributes around 8% to GDP [13]. The number of tourists has increased significantly from 103,000 in 1990s to 920,000 in 2018 [14] and it was expected to be around 950,000 in 2025, representing an increase of 3.3% over 2018. The Ministry of Tourism and Leisure is targeting 2 million tourists' arrivals by 2015, under its Uganda Hotel Sector Strategic Plan (2019-2025). Uganda has to compete with countries like Kenya, Seychelles, Reunion Island, Maldives and Bali to attract the maximum number of tourists especially those who spend in our country. Hotels should imperatively have a differentiating tool in order to maintain a competitive edge over their competitors [8]. Customers in this sector are becoming increasingly demanding about quality of

products and services and they are cost conscious as well now. Hence a well-developed and implemented quality program or initiative with a focus on the customer can offer significant benefits to hotels. In this line, some hotels have contributed by embracing the idea of quality management and initiated various programs to improve the quality. Quality system standards offer useful guidance for the effectiveness of the processes and provide in depth consideration of what needs to be controlled [10].

Uganda has emerged as an important tourist destination in Africa. Hotel development was one of the main priorities of the Ugandan Government in the late 1990s. The number of hotels has seen a dramatic increase from 90 in 1994 to 215 in 2018 [14].

Service quality is defined as the extent to which customer expectations, needs and demands are met. Since quality is so vital to the hospitality sector, it is important to evaluate the progress of quality management and its impact on service quality. Even though ISO 9000 standards were adopted a long time back by Ugandan industries, it is still in an

early stage of implementation within the hotel industry [3]. The number of hotels in Uganda which have been certified to ISO is relatively low, compared to other countries. Service quality can increase the competitiveness of hotel establishments as well as their profitability through process standardization, waste reduction, a more effective service, and fewer errors. Hotels operate in a highly competitive market [5]. It is vital therefore to ensure high quality standards and to communicate these standards to customers. Specific tools can be used to measure service quality, a continual process, which allows enhancing and improving services [7]. Implementation of the ISO 9000 can be used by management of organizations to improve performance and higher quality output. There are also other quality systems, such as Zero Defects, Total Quality Management, Malcolm Baldrige National Quality Awards (MBNQA), and the Six Sigma approach.

Service quality is a crucial aspect of satisfying tourists because services are an important part of the tourism experience [2] divided a service into two distinct components: core, and peripheral or secondary services. It was suggested by [2] that it is the peripheral services that customers use to differentiate between similar service providers. Services have four unique characteristics: intangibility, perishability, inseparability and heterogeneity [1]. Customer satisfaction is very important for survival of the organization and to ensure a good market share [4]. stressed that in order to attract customers, a firm has to serve their needs and retain them. Failure to achieve this may yield to customer complaints and loss of customer loyalty. The ultimate result of this is low competitiveness of the firm, yet today's survival in the market place is guaranteed by a firm's ability to outpace its competition [9]. To determine the best strategy for improving service quality and customer satisfaction. This study used the service quality performance model developed by [11]. This model promotes customer satisfaction and eliminates resource wastage.

RESEARCH METHODOLOGY

This study was divided into two parts

The first part analyzed the reasons justifying the implementation of quality systems. It also involves assessing the influence and implication of total quality management system in certified Serena Hotel and non-certified Metropolitan Hotel and Fairway Hotel. The departments considered were quality, human resource, finance/administration, beauty and spa, front office, maintenance, food and beverage, housekeeping, recreation and entertainment. The whole population of managers was considered.

The second part was to determine improvement objectives in terms of priority by using the service quality performance model developed by

[12]. This model promotes customer satisfaction and eliminates resource wastage. It consists of measuring the employee satisfaction in the Serena Hotel from each department with a population size of 496 employees, excluding the managers.

In this study, a combination of the questionnaire method and telephone follow up and personal interview were used to gather data. Pilot testing of the questionnaires was carried out from the respective target populations. Problems identified in the questionnaire were amended accordingly.

Questionnaires were designed and distributed to all participants involved in the study. The respondents were given two weeks to complete the questionnaire. The response rate for questionnaire of part A was 100% and that of part B was 89 %.The reliability of the data gathered from the questionnaire was analyzed using Cronbach alpha which should have a value equal to or more than 0.7. On receipt of the questionnaire, these were checked, edited and coded and statistical analysis was performed.

RESULTS

Serena Hotel was among the first hotels in Uganda to hold all the three important Total Quality Management Systems such as ISO 9001, ISO 14001 and ISO 22000. Serena Hotel got its first certification in 1999. The hotel has a quality leader who directs all the quality related work and acts as a facilitator as well. An internal audit is performed on a monthly basis and an external audit is performed every 3 months to check the degree of compliance with the quality requirements. The audit is useful for future decision-making processes, since it serves as the basis for the elaboration of a report that identifies possible improvement actions. Both Metropolitan Hotel and Fairway Hotel have based their Total Quality Management Systems on ISO 9001, and have also adopted HACCP, which is a framework for food safety management system in its restaurants and hotels. Metropolitan Hotel and Fairway Hotel have not opted for certification. According to Metropolitan Hotel, quality is the basis for good work, and this can be achieved through internal assessment. They both conduct internal and external audits of their quality system. In case of Metropolitan Hotel, internal audit is conducted monthly and external audit is conducted every 3 months. As far as Fairway Hotel is concerned, internal audit is conducted every 2 weeks and external audits is conducted on a yearly basis.

Similarly Fairway Hotel owns no certification because it considers that the hotel's brand is well known internationally and therefore the brand on its own offers the customer an image of quality which also confirms the statement of Metropolitan Hotel. In any case certified or non-certified, the adoption of ISO is a good chance for these hotels to find a start in achieving

Total Quality Management and to provide a high service quality and ultimately achieve business excellence. Periodic and regular audits help the hotels

to improve its service and to find areas that need improvement. The reasons for seeking a quality system for the three hotels are shown in the table below.

Table-1: Reasons for seeking quality system

Motives		Serena Hotel	Metropolitan Hotel	Fairway Hotel
		Rank		
1	Customer Requirements	8	6	6
2	Improving the firm's control and efficiency	2	1	3
3	Improving the quality image projected to the market	1	3	5
4	Good start toward total quality	4	4	2
5	Improving the quality of services delivered	3	2	1
6	Reducing the number of Faulty products/services	7	5	7
7	Consolidating and increasing market share	9	8	8
8	Desire to create quality awareness in the firm	6	7	4
9	Belief that certification would give an advantage over competitors	5	9	9

In light of the answers, it was obvious that both the improved quality image (external factor) and efficiency and good start towards Total Quality Management (internal factors) are the most important issues, which means that quality is not only motivated by external factors as mentioned in literature [6]. Besides, all have to do with developing a quality system in order to approach Total Quality Management and improve service quality which would in turn enhance the hotel's image. Therefore it can be concluded that internal reasons are the most important. For the successful implementation of a Total Quality

Management system, there are eight enablers that are required namely: Leadership, policy and strategy, customer focus, human resource management, process management, supplier's management, information and analysis and continuous improvement. The level of implementation of these enablers does not differ much in the three hotels. However, there were a slight difference in the level of implementation of the following; Leadership, policy and strategy, human resource management and process management. These factors determined how successful the hotels are in achieving their aim.

Table 2: Comparison table of level of leadership in hotels Serena, Metropolitan and Fairways

Leadership Attributes	Serena Hotel		Metropolitan Hotel		Fairway Hotel	
	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
The management wishes a new management style where quality is brought to every department	4.60	0.516	4.70	0.489	4.60	.516
Higher management actively directs the quality management program	4.40	.516	4.40	0.699	4.70	.483
Managers actively communicate a quality commitment to the employees	4.50	.516	4.60	0.516	4.60	.516
Employees are encouraged to help implement changes in the organization	4.50	.527	4.60	0.516	4.40	.516
Managers and supervisors motivate their employees and help them perform at a high level in their tasks	4.50	.527	4.20	0.632	4.60	0.516

From Table 2, it can be seen that the management of the three hotels is highly responsible for quality activities but there is a difference in the level of involvement and commitment; Fairway Hotel has been more successful; Serena and Metropolitan Hotels need to work on their relationship. Top management of Metropolitan Hotel should increase their involvement in activities associated with the quality system by joining employees in the internal audit course or being a member of improvement team. Top management of

Serena and Metropolitan Hotels should be involved in more open discussions, dialogues and meetings with employees especially at the lower level so as to get their views and feedback and to show them that top management are serious and committed to the quality effort. This will foster a closer relationship between top management and employees, which at present employees feel is lacking. It will also improve communication between management and employees and this will create a better relationship for both parties.

Table-3: Comparison table of level of policies and strategies in hotels Serena, Metropolitan and Fairway

Policies and Strategies	Serena Hotel		Metropolitan Hotel		Fairway Hotel	
	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
Development and implementation of strategies and plans based on data concerning customers' requirements and the firm's capabilities	3.90	0.876	4.00	0.667	4.50	0.527
The management sets objectives for managers, and the latter set objectives for its department	4.80	0.422	4.50	0.707	4.60	0.516
The management communicates its strategy and objectives to the whole staff	4.10	0.738	4.90	0.316	4.60	0.527
The entire workforce understands, and is committed to the vision, values and quality goals of the organisation	3.40	0.516	3.50	0.707	4.50	0.568
Managers and supervisors motivate their employees and help them perform at a high level in their tasks	4.00	0.817	4.10	0.738	4.10	0.738
Results are evaluated by comparing them with the planned results, in order to make improvements	4.30	0.675	4.00	0.816	4.60	0.516

The strategies of the hotel are focused on quality. The management actively develops quality plan which is then translated into specific activities for each department. In general, the work environment of Fairway Hotel was very well designed for the employees to achieve the objectives, whereas that of hotels Serena and Metropolitan needs improvement. The objectives set for the employees involve only the middle management so it is recommended to take the

employees at other levels also on board. It was observed that the development and implementation of the strategic planning based on quality has a lower mean in hotels Serena and Metropolitan. This goes in line with the study of [5] who found that 73% of managers believed that implementation is more difficult than development. However such is not the case for Fairway Hotel perhaps because it is an international chain affiliated hotel.

Table-4: Comparison table on customer focus in hotels Serena, Metropolitan and Fairway

Policies and Strategies	Serena Hotel		Metropolitan Hotel		Hotel	
	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
The organisation is involved in the research of what are the customer needs and expectations	4.10	0.568	4.20	0.632	4.10	0.738
Management communicates customer needs and expectations throughout the organisation	4.50	0.707	4.60	0.516	4.50	0.527
Management and supervisors support activities improving customer satisfaction	4.20	0.789	4.30	0.823	4.50	0.527
Management has developed a program to maintain good customer relationship	4.50	0.527	4.50	0.527	4.60	0.516

All the three hotels recognize the value and importance of finding out what are the customers' needs and expectations in order to improve their service quality level.

Comparison of human resource management in hotels Serena, Metropolitan and Fairways

The hotel industry is a labour intensive industry. Its success depends on the quality of its employees and their effective management in order to assist the organization to achieve its objectives. Employee involvement in decision making is not defined very well in Fairway Hotel and Metropolitan Hotel. But in case of Fairway Hotel, employees can contribute more in decision making that affect their work. This implies that the management of Fairway Hotel understands the benefits of involving employees

in the decision making process as best process innovation ideas and solutions come from the people actually doing the work. The empowerment condition seems better in this hotel. Employee empowerment is very weak and the staff is not satisfied in case of wages, facilities and work conditions in Fairway Hotel. Work condition and attention to other facilities are better in Fairway Hotel. Training programs in the three hotels are well implemented. Work skills and quality related programs are well organized and teamwork is encouraged by the management efficiently. The hotels provide many training sessions each month on quality oriented topics. However, the extents to which employees are trained in problem solving skills are relatively low in hotels Serena and Metropolitan.

Comparison level of process management in hotels Serena, Metropolitan and Fairway

The service processes are managed and controlled by performance tracking of the process. The planned results are monitored by continuously reviewing and checking the service for performance tracking. However the common problem observed in the three hotels is the use of quality measures to prioritize processes that need improvement for designing new service processes. Changes in the process are based on perception rather than factual indicators. In hotels Serena and Metropolitan, it can also be deduced that the employees who are actually involved in the process was not well versed to how to evaluate same. Also the employees in Serena and Metropolitan have difficulty in preventing the faulty practices most probably because they cannot visualize the entire process.

Analysis of employee importance-satisfaction survey

A successful total quality system results in the satisfaction of the customers and employee, social and financial impacts. However, the least effect was on financial performance since quality alone does not influence the financial performance. The dissatisfaction level is lowest in Fairway Hotel, resulting in surveying the employee satisfaction level and finding areas of improvement based on a new model of [6]. The performance control line model is mapped onto the performance matrix. Management attends only to the items located outside of the control lines, performance upper and lower control lines (PUCL; PLCL), for improvement. This decrease time and cost, and serves as an extremely powerful tool [6]. In this study, the items with the greatest loss function area became the priority items for improvement.

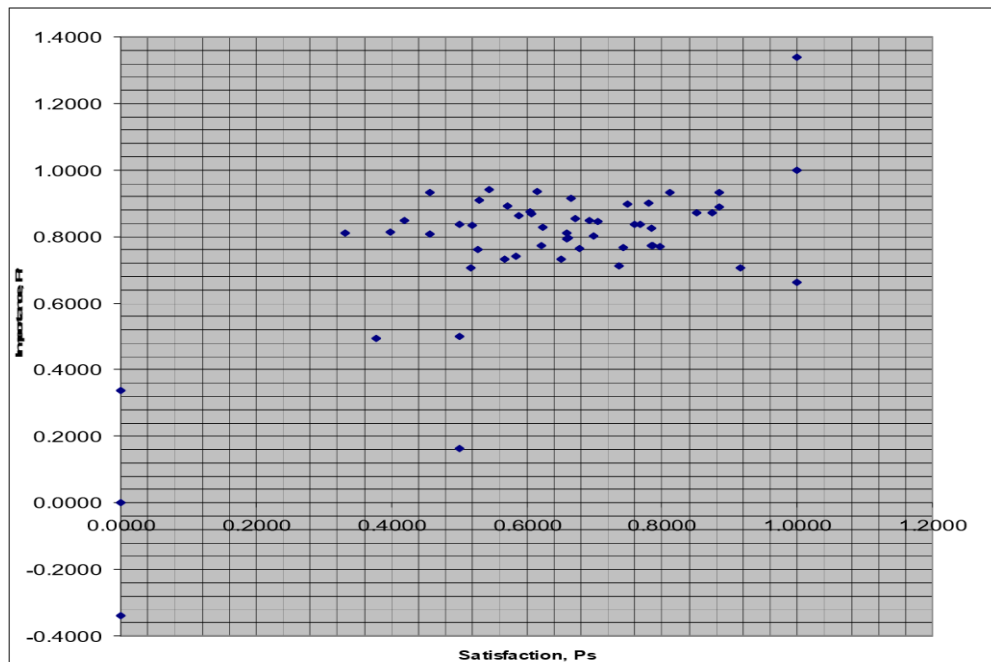


Fig-1: Performance matrix

Based on the performance matrix, it was observed a total of 7 items needed improvement. Because the resources of the businesses are limited, the 7 items cannot be simultaneously and completely

improved: thus it necessary to set a priority for improvement. There are no items above the PUCL which means that there are no extra resources spent.

Table-5: Improvement priority of case study

No	Items	Area, A_i	Priority
12	Provision of profit sharing	0.4798	1
35	Annual Bonus	0.4765	2
26	Voice of employee	0.4290	3
43	Pace of Work	0.3985	4
45	Policies for promotion and advancement.	0.3783	5
1	Parking	0.3515	6
44	Treat employees fairly	0.3142	7

The study revealed that out of the 46 items considered for the employee importance

satisfaction, 7 items fell below the performance lower control limit (PLCL). As indicated in table 5, 7 items

must be improved by Fairway Hotel in order to improve its service quality. The order of priority as shown should be followed given the limited resources that do not allow simultaneous improvement on all the seven items.

The employees would like to form part of the profit sharing plan to boost their morale. Besides it will be a good method to retain highly competent employees. Employees hope to receive stock allotments. Therefore, business should make it a priority to improve the fairness of the stock allotment system. The second is the annual bonus paid to the employees which needs to be improved. Annual bonus is the recognition of the hard work during the entire year. If the employees are satisfied with what they receive, they would not leave for other companies.

Since it would cost more to hire and train an employee rather than to retain, it would be advisable to determine fair bonus levels. The third is the voice of the employee. This can be improved by having proper communication flows and top management support to encourage employees to voice out their opinions. Empowering the employees will also help to make them feel more important and part of the team as they will be taking part in decision making.

Due to the problem of recession and frequent use of employee lay-offs by other hotels, it has created among employees a feeling of job insecurity. Therefore, top management should develop strategies to establish a job security system to allow employees working peacefully and ensure sustainable development of the business. Finally, employees often face problems related to unwanted overtime or changes in their shifts. Overtime impacts the personal life of the employee and thus produces negative emotions. Therefore hotels should plan carefully and minimize changes to scheduled shifts.

CONCLUSION

Working to improve the quality of service has a positive impact on the organization, its customers and employees as well. This impact leads to job commitment and satisfaction for both internal and external customers. Total quality management eventually leads to superior service quality if the right approach is adopted. The motives for adopting a total quality management system should be mainly internal than external in order to be successful. This research proved that certification does not necessarily help in developing key elements of the quality management to a higher extent and lead to better performance. Therefore, it might be a wise decision to pursue certification if only there is a demand from the customers.

The three hotels considered can easily implement total quality management if they focus more

on the enablers elaborated above. It can also be inferred that Total Quality Management System is more successful when it is implemented as part of a Total Quality Management programme rather than implementing a certified Quality Management System in isolation which Fairway Hotel demonstrated clearly.

Total Quality Management System is used as a means to achieve customer satisfaction; a survey was conducted to assess the employee satisfaction and identify areas of improvement at Fairway Hotel. This study will enable managers to prioritize improvement based on factual data rather than perception which would not necessarily tackle the root cause of dissatisfaction among employees. Another implication of this research would be to motivate employees to give their optimal performance.

Finally, this study was confined to five star hotels in Uganda and could be extended to lower star grading establishments. It would be interesting to expand the study to international hotels and compare the findings with hotels that are MBNQA or EQA certified. This study can also be extended to other classes of accommodation such as guesthouses and private bungalows in Uganda as self-catering accommodation are flourishing with the global recession.

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