TOTAL QUALITY MANAGEMENT PRACTICES AND PERFORMANCE OF
SAVANNAH CEMENT LIMITED, KENYA

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APRIL, 2019
DECLARATION

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DATE: 

This research project has been submitted for the course examination with my approval as the University supervisor.

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DEDICATION

This project is dedicated first and foremost to the Almighty God whose providence, grace, and care I cherish. I sincerely dedicate this work to my son, Caleb, my wife Betty and daughter, Lisa for their understanding while I was away from them pursuing the studies and for their support. If it were not for you I would not have gone this far. May God bless you all.
ACKNOWLEDGEMENT

I am indebted to thank The Almighty God for having brought me this far. His abundant love, care, and grace not only instilled in me the courage that carried me throughout the master’s degree program but also cultivated in me profound hope and faith that my prayers will be answered at last. I have a special mention for my supervisor, Mr. Shadrack Bett for his patience and advice throughout the project development process. I am greatly indebted to him for his guidance, support and the timely comments to this research work. To the teaching fraternity, your words of encouragement and advice were very crucial.

Not forgetting Kenyatta University for its enabling studying environment, reputation and the facilities that made this a reality. My most sincere gratitude to my employer who stood with me even when faced eminent moment challenges, the memory of their teamwork and tenacity will forever reside in my heart and remain befitting monument of courage.
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# ABREVIATIONS AND ACRONYMS

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<th>Description</th>
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<tbody>
<tr>
<td>CI</td>
<td>Continual Improvement</td>
</tr>
<tr>
<td>ISO</td>
<td>International Organization for Standardization</td>
</tr>
<tr>
<td>KAM</td>
<td>Kenya Association of Manufacturers</td>
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<td>ROA</td>
<td>Return on Assets</td>
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<td>ROE</td>
<td>Return on Equity</td>
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<td>ROI</td>
<td>Return on Investment</td>
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<td>ROS</td>
<td>Return on Sales</td>
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<td>SPSS</td>
<td>Statistical Packages for Social Science</td>
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<td>TQM</td>
<td>Total Quality Management</td>
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OPERATIONAL DEFINITION OF TERMS

Continuous Improvement  the gradual, consistent and regular improvement of quality, efficiency and effectiveness of a firm’s operations

Quality  the type, durability, reliability, validity and affordability of a firm’s goods and services

Total Quality Management  this is the cumulative and multi-sectoral service and product quality monitoring, enhancement and management

Employee involvement  this is the direct and indirectly engagement of staff in improvement of service and product quality in a firm

Customer Focus  this is a philosophy that involves seeking to satisfy and being guided by consumer needs, expectations and market trends

Top management commitment this is the support, dedication and management direction provided by the leadership of an organization to inform, guide and support quality products and services
ABSTRACT

A firm’s performance is a function of how well managers use quality management practices to improve the quality of products and services. In today’s global environment, organizations are constantly looking for ways to expand and improve their businesses in terms of quality to enhance performance. Quality management practices have been used by manufacturing firms in Kenya to improve on performance. However, customers are still complaining that the quality of manufactured products has been compromised. Quality management practices contribute greatly to business improvement as a whole through making awareness in each and every part of an organization in order to remove errors and minimize waste. Manufacturing industries have thus resulted in making use of various total quality aspects to ensure profitability. The main objective of the study was to establish the effect of total quality management practices on financial performance of Savannah Cement Limited, Kenya. The specific objectives were to establish how product continual improvement, customer focus, employee empowerment and top management commitment influence performance of Savannah Cement Limited Cement in Kenya. The study will be guided by Resource based view theory, quality improvement theory and the total quality management theory. This research study used the descriptive research design. The target population composed of 150 management staffs employed by Savannah Cement Limited in Kenya. The staffs were drawn from the three main departments which include manufacturing, administration and sales, marketing and distribution. The study employed a census on all the population elements. This is because the population was relatively small to carry out sampling. The study used a semi-structured questionnaire administered using a drop and pick later method. Data collected was purely quantitative and it was analyzed by descriptive analysis. The descriptive statistical tools such as Statistical Package for Social Sciences (SPSS Version 21.0) and MS Excel was used to extract frequencies, percentages, means and other central tendencies. Tables and figures were used to summarize responses for further analysis and facilitate comparison. A multiple regression analysis was conducted to show the strength of the relationship between the variables. The study established that customer focus ($\beta=0.480$, $p=0.000$) had significant influence on performance. Top management commitment ($\beta=0.304$, $p=0.001$) had direct and significant effect on performance. Continuous improvement ($\beta=0.141$, $p=0.039$) had positive and significant effect on performance. Employee involvement ($\beta=0.663$, $p=0.000$) had significant effect on performance. The study concludes that customer focus had significant influence on performance. Top management commitment had direct and significant effect on performance. Continuous improvement had positive and significant effect on performance. Employee involvement had significant effect on performance. The study recommends that the top management team of Savannah Cement need to increase customer focus by valuing both internal and external customers to the firm. The top management team of all other cement producing companies with operations in Kenya should show their commitment towards TQM policies and principles so as to significantly influence performance of their firms. The top management team of all cement producing companies should have continuous improvement in all the operations and activities undertaken. The management of Savannah Cement Ltd should put in place measures to improve on performance appraisal and feedback given to employees.
CHAPTER ONE
INTRODUCTION

1.1 Background of the Study
To succeed in today's environment, managers need to integrate their goals effectively to compete in the dynamic, global economy and focus on the final customer as the driver for improvements. According to Lakhal, Pasin and Limam (2006), supply chains compete based upon cost, quality, time and responsiveness. Supply chain improvement tools include, but are not limited to process improvement tools of flow charting, flow diagrams, service blueprints, process analysis, process re-engineering, link charts, multi-activity analysis, backward chaining, and Gantt charts.

Globally, manufacturing firms apply quality management practices mainly for meeting customers’ satisfaction. However, supply chain management is seen as a way of improving competitive performance through integrating internal functions of a firm with the external operations of the suppliers, customers and other members of the supply chain network (Lee and Kincade, 2003). This might lead to changes in the traditional structure of the organization. Supply chain management has shifted focus to coordination and configuration of processes that are essential in manufacturing of products in time and ensuring quality products and service delivery to customers.

Quality aspects have become one of the most important factors in global competition today. Increasing demand by customers for better quality of product in market place has encouraged many companies to provide quality product and services in order to compete in the marketplace successfully. To meet the challenge of this global competition, many businesses have invested substantial resources in adapting and implementing quality management practices in their operations. Quality management is viewed as a strategy to meet or exceed
customer’s requirements and expectations. Quality management seeks excellence in all aspects of business through organization-wide continuous improvement, commitment by all, and customer focus. It is a firm-wide management philosophy of continuously improving the quality of the products, services and processes by focusing on the customers’ needs and expectations to enhance customer satisfaction and firm performance (Anderson, Rungtusanatham and Schroeder, 2004).

The manufacturing sector, globally, is being pushed by unprecedented change arising from challenges associated with delivering quality products and services, leading to the adoption of ISO certification to enhance performance (Arauz & Suzuki, 2004; Klefsjo, Bergquist & Edgerman, 2006). These influences include pressure from the government to ensure that manufacturing firms are producing high quality products that meet the demands of consumers (Quazi et al., 2002). Barney (2007) posits that superior performance comes as a result of management strategies aimed at improving the quality of products and services. Performance measures that actually demonstrate the value of an organization’s management systems can be difficult to develop, use, and interpret, and different researchers have different views about performance.

Although quality itself does have consistent positive relationship with better performance, there is little commonality in how performance is measured and defined. Organizational performance is a recurrent theme in the theory of quality enhancement, and it is of significant interest to academics and practitioners (Venkatraman & Ramanujam, 1986; Feng et al., 2007). Factors such as employee satisfaction, firm performance, product quality, and efficiency and business results are linked to the firms’ performance measures (Madu et al., 1999; Feng et al., 2007).
In this study, business performance measures are used to prove that quality management system (ISO certification) helps in stepping up efficiency in the company, leading to high performance. For the purpose of this study, performance measures were defined in terms of productivity, efficiency, firm performance and employee satisfaction, in that order. These performance measures have been used in previous studies by Yusuf and Saffu, 2005; Quizi and Padijo, 1998, Arumugam et al., 2008, and Zakuan et al., 2010. These quality measures have been used by previous studies as indicators of a company’s performance and it was established that they have impact on performance (Prajogo & Brown, 2004, Arumugam et al., 2008 Arumugam et al., 2008, Zakuan et al., 2010). Superior performance in an organization is driven by its resource profile and possession and deployment of distinctive, non-substitutable resources that are difficult to imitate (Wernefelt, 1984).

Quality is an important consideration for executive thinking. There is an increasing awareness by senior executives, of the fact that quality is an important strategic issue, which should be implemented at all levels of the organization (Crosby, 1979; Oakland, 2000). Quality management system is defined as a set of coordinated activities to direct and control an organization to continually improve the effectiveness and efficiency of its performance”. Per Oakland (2003), an organization should make strategic decision to adopt a quality management system based on the organization’s strategy, objectives, structure, size, products and services offered. This is also true in the Manufacturing sector.

In general, Total Quality Management (TQM) is a management philosophy which is used by organizations who strive to improve their efficiency and competitiveness in the business marketplace. TQM quality factors include top management commitment and involvement, employee empowerment and culture. These factors are known by some writers as the soft aspects of management, while the hard aspects include factors such as improvement tools, techniques and systems (Wilkinson, 1992; Oakland, 1993, 2000). Various quality factors are
identified by various scholars based on their experiences in working as consultants, managers or researchers (Thiagarajan et al., 2001). The core ideas of total quality management (TQM) were introduced in the mid-1980s by, most notably, W. Edwards Deming, Joseph Juran and Kaoru Ishikawa (Hackman and Wageman, 1995). Whilst it is acknowledged that TQM is not a clear-cut concept (Hackman and Wageman, 1995), TQM is generally understood as an integrated organization strategy for improving product and service quality (Waldman, 1994). Since the mid-eighties TQM has been (over) sold as a near-universal remedy for a range of organizational problems, including improved organizational performance. In general, Total Quality Management (TQM) is a management philosophy which is used by organizations who strive to improve their efficiency and competitiveness in the business marketplace. TQM quality factors include top management commitment and involvement, employee empowerment and culture. These factors are known by some writers as the soft aspects of management, while the hard aspects include factors such as improvement tools, techniques and systems (Wilkinson, 1992; Oakland, 1993, 2000). Various quality factors are identified by various scholars based on their experiences in working as consultants, managers or researchers (Thiagarajan et al., 2001).

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1.1.1 Total Quality Management Practices

Quality management can be viewed as a management approach made of its principles, practices and techniques (Dean & Bowen, 1994). The principles are a set of fundamental assumptions that explain how the firm is viewed together with its relations to customers, competitors and suppliers. The practices are seen as the activities performed to show and symbolize the principles, such as collecting customer information, improving work processes and managing employees. The techniques are viewed as the procedures and infrastructure for conducting certain practices (Dean & Bowen, 1994).

Quality management practices have been investigated extensively by various researchers (Kaynak, 2003). Although a plethora of practices have been described, similarities among practices can be discerned. The distinct generic practices proposed in quality management literature are: top management commitment and support, organization for quality, employee training, employee participation, supplier quality management, customer focus, continuous support, improvement of quality system, information and analysis and use of statistical techniques (Kaynak, 2003). Although a plethora of practices have been described, similarities among practices can be discerned. The distinct generic practices proposed in a large set of articles are: top management commitment and support, organization for quality, employee training, employee participation, supplier quality management, customer focus, continuous support, improvement of quality system, information and analysis, and statistical quality techniques use (Magutu, Mbeche, Nyaoga, Nyamwange Nyaanga and Ogoro, 2010).

Yang (2006), quality management practices including quality management, process management, employee empowerment and teamwork, customer satisfaction management, quality goal setting and measurement supplier’s cooperation and quality tools training have positive effects on customer satisfaction and that the adoption of QM principles is an effective means by which companies can gain competitive advantage. The implementation of
the QM practices also helped companies to improve their image, employee’s satisfaction and quality awareness. Quality management practices in the supply chain are critical for maintaining a competitive edge in the marketplace and reducing operating costs (Mohamed et al., 2008). Implementation of quality management practices result in reduced set up time, allowing improved schedule attainment and correspondingly faster response to market demands (Flynn and Flynn, 2005). This helps in synchronizing, to a greater extent, the whole supply chain (Tutuncu and Kucukusta, 2008).

Quality management practices are key ingredients in achieving quality services to customers, some of the quality management practices used by manufacturing firms are: continuous improvement, benchmarking, supplier partnering, International Organization for Standardization (ISO), Six Sigma, ‘Poka Yoke’ and Quality awards. Implementation of quality management practices enables companies to improve their internal operations in an efficient manner; this is however considered a requirement to become competitive in the global market place. Total quality management is an organizational wide process which requires changes both in production and decision making processes, employee training and development, participation as well as involvement (Jung and Wang, 2006).

1.1.2 Organizational Performance

According to Lesbian (2006), performance refers to a combination of monetary and non-monetary indicators which present information on the scale of achievement of objective and outcome. Rust, Zahorik and Keiningham (2002) observed that, financial performance of organizations can be increased by improving quality performance. Their study showed that organizations whose principles relate to quality are guided by focus on value created for customer.

Performance measures refer to that process of gathering, analyzing and or reporting information regarding an individual, group, organization, system or component on its
outcome for decision making. Most often, performance objectives serve as a tool to help understand, manage, and improve how programs or organizations operate and the extent to which they effect desired change (Brown 2015). Moreover, performance is monitored through the model of Plan-Do-check-Act (Tarque’s, 2004). This section was critical to the organization since it suggested to them whether there was a continuous improvement in terms of customer satisfaction, market share, productivity, cost reduction, and profitability.

Terrein (2012), argued that as world markets are becoming more and more integrated, the service business is coming under burly pressures to ensure that their quality presentation is up to date. Organizations therefore, are adopting the practices of total quality management to edge out the competition. They measure their performance in dimensions of costs, profits, productivity, employee relation and market share. It is through satisfied customers that repeat sales and loyalty is achieved. Total employee involvement in the organization system increases the standard of quality for the goods and services offered to customers. Customers get more satisfied hence make repeat sales which result in customer loyalty.

Integrated system contributes a vital pillar to the performance of any organization. Systems that put into consideration all the activities of the organization tend to better manage its activities much better translating to higher chances of favorable output. Sometimes, organizations fail to realize the measures of performance due to lack of fact based decision making or very many unnecessary processes or failure to empower their employees. Total quality management is the solution to address all the organization measures successfully.

Sila (2007), argued that TQM helps improve the quality of products and establishes a secure production process. Continuous improvement, which is a feature of TQM, reduces the product cycle time thus improving performance. Customers get satisfied and hence develop
their intimate relationship with the organization hence customer loyalty. The loyalty then translates to better sales and better market share in the business environment.

1.1.3 Cement Manufacturing Firms in Kenya
Ngui (2008) indicates that the economic recovery strategy for employment and wealth creation report, the manufacturing sector in Kenya is a major source of growth, still with high potential for growth and investment. The role of the manufacturing sector in Vision 2030 is to create employment and wealth. Manufacturing sector makes an important contribution to the Kenyan economy and currently employs 254,000 people, which represents 13% of total employment with an additional 1.4 million people employed in the informal side of the industry. With reference to World Manufacturing Production (2014), there are over 1000 manufacturing firms in Kenya, this sector is mainly agro-based and characterized by relatively low value addition, employment, and capacity utilization and export volumes partly due to weak linkages to other sectors The intermediate and capital goods industries are also relatively underdeveloped, implying that Kenya’s manufacturing sector is highly import dependent.

In Kenya, there are six cement manufacturing firms namely: Savannah Cement Limited, Rhino Cement Foundation, East African Portland Cement Company, Mombasa Cement Company and National Cement Company limited. Apparently, more than 90% of all cement manufacturers in Kenya today are located within Machakos County and mainly in Athi River. With a ready market for cement in Nairobi and Machakos among many other adjacent towns in Kenya, there is no doubt that cement companies in this part of Kenya will always continue to flourish (KAM, 2013). Other cement companies have recently been set up and are yet to be quoted in Kenya’s statistics, namely; Ndovu cement and Rai cement.

Recently, Kenya has experienced a tremendously growth which has led to increased commercial construction boom. This is because of increased foreign investment, extensive
government and donor-funded spending on the country’s mega infrastructure projects. Thus, per capita consumption (PCC) of cement increased at an average rate of 10.7% to 83.9 (Kgs) in 2011 from 50.0 Kgs in 2006 despite relative stagnation in annual population growth. The rapid demand for cement has heightened the need for quality management practices to ensure compliance of quality rules and regulations to provide quality goods and services to the customers (Dyer and Blair Bank, 2012).

In an article, Ndetto (2014) stated that “quality management practices play a pivotal role in enhancing financial performance of cement manufacturing firms. According the Kenya Association of Manufacturers (KAM) report, most cement manufacturing firms are ISO certified and adhere to the professional set standards and regulations on quality issues. The implementation of quality management practices in most manufacturing firms in Kenya is done by managers who ensure a lean and efficient staff, strategic quality planning, leadership, customers focus and supplier quality management training, knowledge and process management.

1.2 Statement of the Problem
In the recent past, the country has seen rapid growth in the construction industry in all parts of the country and especially in the real estates and road sectors. This has spread the market demands of cement products within the country (Dyer & Blair, 2012). As a result, most cement manufacturing firms supply chain costs have increased by about 10%, (Kestrel capital Report, 2002). This, according to East Africa Cement Producers Report (2010-2014), is affecting the profitability of cement manufacturing firms in Kenya. Consequently, a number of approaches such as outsourcing, quality management systems and vendor managed inventory management have been tried as a way of improving supply chain performance but with minimal success (Dyer & Blair, 2012).
Towards this end, a number of cement manufacturing firms have started investing in Total Quality Management as a way of addressing supply chain performance. According to McMahon (2001), TQM is capable of positively influencing supply chain performance. This is in agreement with Nazirn (2006) findings which established that TQM is positively related to financial performance. Another study by (Omufira, 2001) also confirms the positive association between TQM and performance. Some cement firms have adopted TQM activities but it’s not yielding the best results in Kenya.

In Kenya, there have been efforts to improve quality in manufacturing firms; this is aimed at achieving quality goods and services to meet the ever-growing needs of customers. Ogada (2012) studied the importance sugar manufacturing companies attach to quality management improvements. The quality management principle that was largely practiced was top management commitment indicating that they are crucial in providing clear and consistent leadership. Rono (2013), found that the challenges to effective implementation of lean manufacturing can be managed well and through training of the lean manufacturing concept, its implementation in the organization will be successful. These studies were however did not address issues of total quality management practices in relation to performance of all cement manufacturing firms in Kenya. This study therefore sought to establish the effect of total quality management practices on the performance of Savannah Cement Limited.

1.3 Objectives of the Study

1.3.1. General objective

The main objective of the study was to establish the effect of total quality management practices on the performance of Savannah Cement Limited.

1.3.2 Specific Objectives

The specific objectives included;
i. To find out the extent to which employee empowerment affects performance of Savannah Cement Limited, Kenya.

ii. To establish the effect of top management commitment to quality on performance of Savannah Cement Limited, Kenya.

iii. To establish how continual improvement influences performance of Savannah Cement Limited, Kenya.

iv. To investigate the relationship between customer focus and performance of Savannah Cement Limited, Kenya.

1.4 Research Questions

This study sought to answer the following research questions:

i. To what extent does employee empowerment affect performance of Savannah Cement Limited, Kenya?

ii. What is the effect of top management commitment to quality on performance of Savannah Cement Limited, Kenya?

iii. How does continual improvement influence performance of Savannah Cement Limited, Kenya?

iv. What is the relationship between customer focus and performance of Savannah Cement Limited, Kenya?

1.5 Significance of Study

The findings of this study will assist the cement manufacturing firms to understand the factors influencing the success of TQM Practices initiatives as well as the various challenges that they face in implementing TQM Practices within their organizations. It would also provide managers with ways of utilizing TQM Practices as strategic tool for increased efficiency and effectiveness as a way of lowering production costs and continuous improvement of their product quality. This study will assist quality practitioners in proposing ways of performance optimization by effective resource allocation, and determining management practices which are key contributors of firm performance. The study is invaluable to the various stakeholders in the manufacturing industry such as the construction industry, real estate investors, home owners, the government, and local citizens in different ways.
The study will be significant to scholars and researchers by provide information on service and product quality practices in Kenya as well as adding to the body of knowledge on TQM practices in Kenya; its benefits and challenges, driving factors and potential. It could therefore serve as a point of reference for the researchers as they conduct studies on TQM Practices and other related topics. Enhanced performance would lead to reduced costs that will trickle down to real estate investors, road contractors and individual home owners who need cement for construction of new buildings of renovations. These lowered costs will consequently increase consumption and create employment for local citizens who work in the construction industry.

The findings of the study would equally enable policy makers to devise TQM Practices and performance policies that are based on empirical evidence. The study could therefore help the cement manufacturing industry to understand and appreciate the role played by quality management in improving supply chain performance leading to increased customer satisfaction and loyalty. This study will also assist researchers in the area of Total Quality and performance management systems in the manufacturing industry.

1.6 Scope of the Study
The study sought to establish the effect of total quality management practices on the performance of cement manufacturing firms in Kenya. The study was carried out in one of the firms; Savannah Cement Limited. The TQM practices focused on include employee empowerment, top management commitment to quality, continual improvement and customer focus. The unit of observation was Savannah Cement Limited while the unit of analysis was management employees at the Savannah Cement Ltd.

1.7 Limitations of the study
The respondents were uncomfortable giving very critical information that they felt it will expose their organization’s weaknesses or for fear of victimization. The respondents were assured of handling of information with utmost confidentiality.
The study was limited to four TQM practices and assesses their effect on performance. These practices include employee empowerment, top management commitment to quality, continual improvement and customer focus. There are other practices but these are the core. The study will be conducted in one of the 6 cement manufacturing firms in Kenya. It is believed that this is a sufficient representative of the sector players.

1.8 Organisation of the Study

The project comprised of five chapters. Chapter one involved background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, and significance of the study, limitation of the study, assumptions of the study and organization of the study.

Chapter two examined the introduction, theoretical review and empirical review. Chapter three dealt with research methodology under; introduction, research design, target population, sampling design, rationale for sample selection, data collection instruments, questionnaires, validity of the research instrument, reliability, data analysis and ethical considerations. Chapter four gave the analysis and interpretation of the collected data. Chapter five summarized the analyzed findings drawing necessary conclusions and recommendations.
CHAPTER TWO
LITERATURE REVIEW

2.1 Introduction
This chapter reviewed literature, which is related to and consistent with the objectives of the study. Important theoretical and practical problems are brought out; relevant literature on the aspects pertaining to the relationship between total quality management practices and performance are discussed.

2.2 Theoretical Review
The study was guided by Resource based view theory, quality improvement theory and the total quality management theory.

2.2.1 Resource based view theory
Theory Resource-Based View Theory postulates that internal organizational resources that are valuable, rare, inimitable and without a substitute are a source of sustainable competitive advantage (Penrose, 1959), and therefore enhance performance. The Resource-Based View Theory suggests that performance is driven by the resource profile of the firm, whereas the source of superior performance is embedded in the possession and deployment of distinctive resources that are difficult to imitate (Wernerfelt, 1984).

Resource-Based View Theory posits that firms achieve sustainable competitive advantage if they possess certain key resources and if they effectively deploy these resources in their chosen markets (Barney, 2007). O’cass et al. (2004) argue that a company’s specific characteristics are capable of producing core resources that are difficult to imitate and which determine the performance variation among competitors. The Resource-Based View Theory further says that the fundamental sources and drivers of a firm’s competitive advantage and superior performance are mainly associated with the attributes of their resources and
capabilities, which are rare, valuable, difficult to imitate and not substitutable. The Resource-Based View (RBV) Theory postulates that a firm’s performance depends on its specific resources and capabilities (Fotopoulos, Kafetzopoulos & Psomas, 2009).

According to Barney (2001), a firm develops competitive advantage by not only acquiring but also developing, combining, and effectively deploying its physical, human, and organizational resources in ways that add unique value and are difficult for competitors to imitate. The Resource-Based View Theory postulates that competitive advantage comes from the internal resources that are possessed by an organization (Wernerfelt, 1984). The Resource-Based View Theory is an economic tool used to determine the strategic resources available to a firm and that the fundamental principle behind the theory is that the basis for competitive advantage of a firm lies primarily in the application of a bundle of valuable resources at the firm’s disposal (Wernerfelt, 1984; Orlando, 2000).

The assumption of RBV models is that a corporation is a bundle of resources. A firm’s resources include all tangible and intangible assets that enable the firm to conceive of, develop and implement strategies that improve its efficiency and effectiveness (Daft, 1983; Johnson et al. 2004). Tangible resources are physical substances that an organization possesses, such as facilities, raw materials and equipment. Intangible resources include corporate brand name, organizational values, networks and processes that are not included in normal managerial-accounting information. Unlike tangible resources, intangible resources, like product quality, are more likely to generate superior performance (Rouse & Daellenbach, 2009; Kenneth et al., 2011). The Resource-Based View Theory is largely based on behavioral and sociological paradigm and considers organizational factors and their fit with the environment as the major determinants of success.
Strategic models with this internal orientation have a strong ‘inside-out’ approach that considers internal process variables (such as quality improvement, product development, and flexibility and cost efficiency) as the most potent success factors.

Barney (2007) suggests that to transform a short run competitive advantage into a sustained competitive advantage requires that these resources be heterogeneous in nature and not perfectly mobile. This in effect results to valuable resources that are neither perfectly imitable nor sustainable without great effort (Hockman & Grenville, 2004). Barney (2007) pointed out that if these conditions hold, the firm’s bundle of resources can assist the firm sustain above average returns. This theory is relevant to this study because quality management practices are a resource for creating quality image, which an organization uses to improve the firm’s performance. The quality management practices must be valuable, rare, inimitable and not substitutable for manufacturing firms to achieve competitive advantage and thus realize performance.

According to Klassen & Whybark (1999), the theoretical implications for environmental management are multifaceted. Of primary importance is the fact that environmental and economic performances are related to one or more strategic resources yielding multiple competitive advantages. The environmental policies can be associated with superior performance if the prerequisite strategic organizational resources have been developed as a part of the management initiatives. For example, a firm may put continuous improvement in place to achieve international certification for quality in terms of a standard like the ISO 9000.

This strategic resource can be transferred and applied to the implementation of preventive environmental technologies (Hart, 1995), providing a theoretical basis for integrated approaches, such as total quality environmental management (Willig, 1994). In the RBV, a
A distinction has emerged between resources and capabilities (Makadok, 2001). A resource is an observable (but not necessarily tangible) asset that can be valued and traded as a brand or a patent. A capability, on the other hand, is not observable and is hence intangible and hard to value (Karthi et al., 2012). Two key features distinguish a capability from a resource: one, a capability is firm-specific since it is imbedded in the organization and its processes; and, two, the primary purpose of a capability is to enhance the productivity of the other resources that the firm possesses (Makadok, 2001). Since organizational resources reflect a great deal of the features of capabilities, this study also focused on the performance implications of some internal attributes of the firms (Barney, 2001), in this case organizational capabilities, continuous improvement and customer focus.

In disparity, the critical argument of the Resource-Based View Theory is that rare, inimitable, non-substitutable resources create a firm’s heterogeneity, and that successful firms are those that obtain and preserve valuable and peculiar resources that result to a company’s good performance arising from the sustainable competitive advantage that arises thereof (DiMaggio & Powell, 1991). Organizational preparedness determines what kind of quality management systems to pursue, since the resources that an organization has will influence what the firm does or does not do. The strategies so undertaken will then influence the performance of the firm and help the firm gain a competitive advantage in the market place, resulting to enhanced performance. Therefore, this theory supports variables of continuous improvement, customer focus, and the commitment of the top management.

2.2.2 Quality Improvement Theory

Quality Improvement Theory postulates that a feature of quality management doctrine is that it places responsibility for manufacturing organizations squarely at the door of top management (Deming, 1986). The theory states that the management is responsible for the systems, and that it is the system that generates 80 percent of the problems in firms (Hill,
Deming (1986) noted that no quality management system could succeed without top management commitment; it is the management that invests in the processes, creates corporate culture, selects suppliers and develops long-term relationships.

Deming’s Quality Improvement Theory provides business with a plan to eliminate poor quality control issues through effective managerial techniques. It’s a fact that management’s behavior shapes the corporate attitude and defines what is important for the success and survival of the firm. Hubert (2000) has detailed the theoretical approach of Deming (1986) in respect to the quality management system, and it envisages the creation of an organizational system that fosters cooperation and learning to facilitate the implementation of process management practices. This, in turn, leads to the continual improvement of the processes, products, and services and helps to instill employee satisfaction. These are critical to promoting customer focus and ultimately, helping in the survival of any organization.

Deming (1986) believed in a systematic approach to problem-solving and promoted the widely known Plan-Do-Check-Act cycle. The Plan-Do-Check-Act (PDCA) cycle of continuous improvement is a universal quality improvement concept whose aim is to constantly improve performance, thereby reducing the difference between customer requirements and the performance of the manufacturing firms (Goetsch & Davis, 2006). The theoretical essence of the Quality Improvement Theory focused on quality concerns in the creation of an organizational system that fosters cooperation and learning for facilitating the implementation of process management practices, which, in turn, leads to performance (Anderson et al., 1994). Oakland (2004) stressed that the responsibilities of top management should take the lead in changing processes and systems. Leadership plays a crucial role in ensuring the success of quality management because it is the top management’s responsibility to create and communicate the vision to move the firm toward performance improvement.

Top management is responsible for most quality problems; Kamanda (2010) asserts that it should give employees clear directions on what is considered acceptable work, and provide
the methods to achieve it. These methods include an appropriate working environment and climate for work that is free of fault finding, blame or fear and instead provide clarity of issues, communicate effectively and provide appropriate environment for work to enhance performance (Lamport et al., 2010).

The top management should be committed to applying the principles and practices of System of Profound Knowledge (SOPK), where a business can simultaneously reduce costs through reducing waste, rework, staff attrition and litigation while increasing quality, customer loyalty, worker satisfaction and ultimately, profitability (Deming, 1986). Deming’s Quality Improvement Theory is relevant to study in that it supports the variable of system automation enhance quality of products and services through continuous improvement, employee training and which organizations can use to realize performance. This theory is applicable to the study because total quality management is a comprehensive and structured approach to organizational management that seeks to improve the quality of products and services through ongoing refinements in response to continuous feedback.

2.2.3 Total Quality Management Theory

Deming (1987), argued that for any organization to realize total quality management, it must incorporate fourteen items to its operation. It include: creating a firmness of principle for improving goods and services, adopting new thinking, ceasing trust on inspection to attain quality, stopping the practice of presenting business on cost alone; minimizing whole price by working with particular supplier, advance continuously and evermore every method for planning, manufacturing and service, establish on job training, implementation and introducing leadership, driving away panic, allowing free interaction of staff, doing away with slogans, encouraging staff to achieve the objectives, eliminating statistical goal for administration, doing away with barriers that deny people delight of workmanship and doing away with the annual evaluation on advantage scheme. Rather, a vigorous programme of education and self-improvement for everyone and positioning everybody in the organization
to work towards accomplishing the transformation should be instituted. The theory puts into perspective the ultimate goals of total quality management of focusing on customer satisfaction, increasing firm’s productivity while reducing costs, hence would form a strong basis for the research study.

Juran developed 10 steps to excellence improvement in quality which include: Building attentiveness of chance to improve, setting-objectives for development, organizing to attain objectives, providing guidance, carrying out assignments to resolve problems, communication of progress, giving gratitude, communicating the outcome, keeping achievement, maintaining impetus. The theory advances that the application of TQM in the manufacturing firms would translate to better outputs in terms of customer satisfaction, productivity, market share, profit and cost.

2.3 Empirical Review

2.3.1 Employee Empowerment and Performance
Employees do not decide on how they are to be managed, but when implementing change to management styles one cannot expect that all employees was pick it up and accept it because management sees the need to make the change. It is imperative that management keep employees in the picture at all times when decisions are being made regarding TQM, which should encourage participation and help ease transition. When the identification of the tools for a system to be used is complete it should be ensured that the right training is given to the right people. This is to emphasize the benefits of why their using them and how they are using them. Training given to the right people has been proven to minimize the misuse of the tools and techniques (Otunga, 2007).

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 innovate. As people behave the way they are measured and remunerated, TQM links
remuneration to customer satisfaction metrics. Employee involvement is a matter of courtesy asking people’s opinion before making decisions that affect them. Employee involvement is a very simple process. If a decision is made affecting the employees, it is always better to consult them as they may have some intelligent ideas to offer and this was help in building up the relations and creating a conducive environment for better results. In the study, employees who indicated that their organizations were one of the best performers reported double the level of engagement compared to employees who reported average organizational performance. Fifty-three percent of those who saw their organizations as top performers were highly engaged while only 8 percent of those who reported their organizations as under-performing were engaged (IUCEA, 2010).

It is important that the organization find ways to clearly communicate successes that demonstrate how the organization is performing, and especially to find ways to socialize stories of superior performance. Clear, well-planned, high-impact messages can help employees not only see the connection between their work and these successes, but also understand how they support overall organizational performance, which ties directly to engagement levels. Clearly, engaged employees understand the value of ensuring a positive customer experience and are more likely to demonstrate their commitment by delivering high quality products and services. Customer and employee-driven experiences that highlight great customer satisfaction and loyalty need to be effectively shared throughout the company. Like the connection to organizational performance, the connection to positive customer experiences is vital to healthy engagement levels (Magutu et al., 2010).

In discussing about employee performance improvement through involvement versus fear and insecurity in Kenyan organizations Mutisya (2010) highlights those participatory measures such as team-working and high-involvement work practices demonstrate improvements in performance, but can also have less positive outcomes for employee and
social well-being. Performance changes may occur because participation leads to changed attitudes which lead to higher performance. Alternately, changes to behavior and performance may be achieved not through attitude changes but through fear and an insecure or intensified work environment. One explanation for these contradictory results is that participation schemes are sometimes introduced as part of restructuring packages. When employees are faced with an insecure environment, participation may induce compliance and not the attitude changes necessary for employees' commitment to the enterprise. If this is so, behavioral changes may not be of the order anticipated.

The degree of influence accorded to employees is also important. Low levels of participation with little employee autonomy have been identified as a reason for disappointing results. Where employees' expectations have been raised by introducing participation, but there is little real improvement in employee influence, workers may express resentment and dissatisfaction. Where participation is only from the top down, workers may feel that they are being lectured and not listened to. Even where participation is from the bottom up, workers may feel that management is using their ideas, with no return seen by employees (Mutisya, 2010).

2.3.2 Top Management Commitment and Performance
Top management can be referred to as the corner stone of a successful Quality Management System programme. Wahid and Corner’s (2009) study on service firms in Malaysia established that ISO implementation is a critical factor on performance. The study ranked the support and involvement of the top managements a most critical factor. The conclusion made from the results of the 83.33% of the respondents interviewed stated that the success and sustainability of ISO 9001 is influenced by top management.

Javed (2015), conducted a study whose objective was to empirically investigate the impact of top management commitment on the success of quality management. The Correlation
analysis explained a positive moderate relationship between top management commitment and success of quality management. That is, top management commitment is positively related to the success of quality management in an organization. Kiprotich (2014), studied on the degree, to which top management sets up quality management objectives and strategies, provides and allocates necessary resources, contributes in quality improvement efforts, and assesses quality management implementation and performance. Quality Management System is a way of life for a company. It has to be introduced and led by top management.

Kiprotich (2014), noted that attempts to implement QMS often fail because top management doesn't lead and get committed - instead it delegates and pays lip service. 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. These systems and methods guide all quality activities and encourage participation by all employees (Sturman, 2014).

Top Management in organizations maintains the leadership responsibility for the quality management systems, with involvement of all organizational staffs. This responsibility includes; ensuring the availability of resources to all staff to ensure improved service delivery is achieved for the realization of the organization’s vision and mission. Establishing and reviewing the quality policy and quality objectives quarterly to ensure compliance to the quality standards (Matata, 2015). Leaders should provide a clear vision of the organization’s future and set challenging goals and targets. It is only through unity of purpose and direction of employees that achieves organization’s objectives. Leader should maintain internal environment where people can get fully involved by establishing trust and eliminating fear. Cole & Phil (2011) defines leadership as the process of influencing others to understand and
agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives.

Lee (2011), investigated top management commitment role in maintenance of ISO 9001:2008 and in outcomes of Quality Management System in Algeria, practices and implementation in two large service organizations. The investigation concerned with top management commitment and leadership from different approaches such as involvement in quality improvement, providing necessary resources and showing steady commitment to quality perfection. Through applying different analysis techniques, the results showed a variation in extent of top management commitment role in ISO 9001:2008 maintenance and TQM system and practices between the two organizations. The respondents of the first company reflected higher positive statements on their top management. The final conclusion of the study emphasized on the positive role of top management in ISO 9001:2008 maintenance and TQM system outcomes (Lee, 2011).

An investigation into ISO 9001:2008 certified public universities operating in Kenya and Uganda to identify the most important factor for the implementation of TQM revealed that management leadership and commitment are imperative factors in implementation of TQM (Gudo, 2016). From a service quality approach Mustafa (2011), found that leadership as TQM construct has a strong positive association with service quality in the commercial banks in Malaysia. The same degree of importance of management leadership is supported by findings of a study conducted by Charles Kombo Okioga, (2012). Outcomes of the study showed visionary leadership as one of most four critical human resource related factors that promise successful TQM implementation in high education institutes in Kenya. The authors discussed vitality and criticality function of visionary leadership in high education institutions. This importance occurs in involvement of top executives in creating sustains and customer orientation work dimension and presenting apparent quality values in their institutes. The positive impact of leadership in TQM in high education has been outlined in a
study that assigned weights to the criteria of the Malcolm Baldrige National. It is therefore apparent that top management support is pertinent to the success of Quality Management System implementation in organizational settings. If leadership roles in TQM aren’t taken up by Chief Executive Officers (CEO’s) and their line senior managers, nothing much in ways of changes would be implemented and any such won’t stand the test of time.

2.3.3 Continuous Improvement and performance
Continuous improvement in manufacturing sector has received tremendous changes since the industrial period. In developing countries, the concept is slowly penetrating into small and large organization due to increased demand of products and services in the market that necessitate companies to produce them effectively and efficiently based on minimal costs. Continuous improvement (CI) is defined as a collection of activities that constitute a process intended to achieve performance improvement. In manufacturing, these activities primarily involve simplification of production processes, chiefly through the elimination of waste (Beretta, 2002). Continuous improvement is gradual never-ending change, whereas continual improvement is incremental change. Both types of improvements are what the Japanese call Kaizen. In service industries and the public sector, the focus is on simplification and improved customer service through greater empowerment of individual employees and correspondingly less bureaucracy (Bessant, 2006). Continuous improvement, as the name implies, adopts an approach to improving organizational performance, with small incremental steps, over time. In this approach, it is not the size of each step which is important but the likelihood that the improvements will be ongoing (Carpinetti & Oiko, 2007).

Among the key approaches to CI in the recent past years include among others; Total Quality Management, Six Sigma, Just-In-Time, Lean Logistics, Global Sourcing, and Supply Chain Management. Best in class firms are employing these processes and continue to set the pace for new entrants making it very hard for them to compete. Manufacturing and service are often different in terms of what is done but quite similar in terms of how it is done (Carpinetti
Total quality management (TQM) is an integrative philosophy of management for continuously improving the quality of products and processes. TQM is based on the premise that the quality of products and processes is the responsibility of everyone involved with the creation or consumption of the products or services offered by an organization, requiring the involvement of management, workforce, suppliers, and customers, to meet or exceed customer expectations (Opondo, 2010).

Six Sigma is a set of tools and strategies for process improvement originally developed by Motorola in 1986 and became well known after Jack Welch made it a central focus of his business strategy at General Electric in 1995. Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in manufacturing and business processes. It uses a set of quality management methods, including statistical methods, and creates a special infrastructure of people within the organization who are experts in these very complex methods (Opondo, 2010).

Each Six Sigma project carried out within an organization follows a defined sequence of steps and has quantified financial targets (cost reduction and/or profit increase). The maturity of a manufacturing process can be described by a sigma rating indicating its yield or the percentage of defect-free products it creates. A six sigma process is one in which 99.99966% of the products manufactured are statistically expected to be free of defects (3.4 defects per million). Motorola set a goal of "six sigma" for all of its manufacturing operations, and this goal became a byword for management and engineering practices used to achieve it (Opondo, 2010).

Just in time (JIT) is a production strategy that strives to improve a business return on investment by reducing in-process inventory and associated carrying costs. To meet JIT objectives, the process relies on signals or kanban between different points in the process,
which tell production when to make the next part. Lean Manufacturing is an approach to production which arose in Toyota between the end of World War II and the seventies. It comes mainly from the ideas of Taiichi Ohno and Toyoda Sakichi which are centered on the complementary notions of Just in Time and Autonomation, all aimed at reducing waste (Nadia, 2005).

A series of tools have been developed mainly with the objective of replicating Toyota success: a very common implementation involves small cards knows as kanbans. Lean manufacturing is a management philosophy derived mostly from the Toyota Production System (TPS) (hence the term Toyotism is also prevalent) and identified as "Lean" only in the 1990s. TPS is renowned for its focus on reduction of the original Toyota seven wastes to improve overall customer value, but there are varying perspectives on how this is best achieved. The steady growth of Toyota, from a small company to the world's largest automaker, has focused attention on how it has achieved this success. It is evident from acronyms like ‘Toyotism’, Lean is centered on preserving value with less work (Oakland, 2004).

Lean Logistics is the continuous improvement of value stream to the customer and continuous elimination of waste in the internal and external logistics through lean practice. The value stream and the elimination of waste include the core idea of Just-in-time: delivering the right product, at the right quantity, at the right quality, at the right time, at the right place at an affordable cost. Continuous improvement concerns to Kaizen, as the foundation of Lean System (Patrizia et al, 2004).

The internal logistics deals with the movement, storage and handling of materials within the operation and external logistics deals with the supply of materials (inbound) and distribution of products (outbound). “Business logistics covers all handling and storage activities that
facilitate the flow of goods from point of origin of raw material to the point of final consumption of product, as well as information flow that put products in motion, with purpose of providing adequate service level to customer at a reasonable cost (Oakland, 2004).” All elements of Lean Systems such as adding value, elimination of waste, inventory reduction, flow, stability, stability and leveling are present in Lean Logistics.

Global sourcing is the practice of sourcing from the global market for goods and services across geopolitical boundaries. It often aims to exploit global efficiencies in the delivery of a product or service (Opondo, 2010). These efficiencies include low cost skilled labor, low cost raw material and other economic factors like tax breaks and low trade tariffs. Common examples of globally sourced products or services include: labor-intensive manufactured products produced using low-cost Chinese labor, call centers staffed with low-cost English speaking workers in the Philippines and India, and IT work performed by low-cost programmers in India and Eastern Europe. While these are examples of low-cost country sourcing, global sourcing is not limited to low-cost countries (Oakland, 2004).

2.3.4 Customer Focus and Performance
A strong link between the delivery of high quality goods and services and profitability through customer satisfaction was found by Nganga (2010). The study defined Customer satisfaction as the degree to which a firm’s customers continually perceives that their needs are being met by the firm’s products and services. Soltani (2005) espouses that an organization must identify customer relationship to measure customer needs and expectations; involve customers in quality improvement and determine customer satisfaction. The availability of customer complaint information to managers and the degree of the use of customer feedback to improve product quality reveal the level of customer focus in an organization. As customer expectations are dynamic, an organization needs to survey customer expectations regularly and modify its operations accordingly.
An extensively covered element within the TQM literature is customer focus and (in association herewith) customer satisfaction. Given the increasing focus on the creation of competitive advantages it is argued, that quality ought to be defined from an external perspective of customer expectations, rather than from predetermined internal specifications (Murata, 2006). Throughout the empirical literature, there is a general agreement that quality does not solely rely on the organization's ability to produce products with correct technical specifications. In order to stay competitive, the organization must be able to respond and adapt to changing customer preferences and needs (Brah et al., 2001). It is thus important that every employee in the organization is involved and committed towards establishing and sustaining a high level of customer satisfaction. The supportance of having a high degree of customer focus in SMEs is likewise addressed in the study conducted by Ahire and Golhar (1996), who furthermore argue that the focus on customers may be stronger in SMEs due to their proximity to and close relationship with the customers.

It is a necessity that both current as well as future needs of the customers are understood and met, when creating and sustaining a customer oriented organization. This implies that the organization actively must establish a variety of mechanisms, enabling efficient ways of letting customers contact the organization with product inquiries and related questions, as well as establishing channels from which the organization can obtain knowledge about customer preferences. In order to gain full advantage of this knowledge, it is important that incoming information and changes in customer preferences are analyzed and understood (Nganga, 2010).

### 2.4 Summary and Gaps

<table>
<thead>
<tr>
<th>Author</th>
<th>Study</th>
<th>Objectives</th>
<th>Key Findings</th>
<th>Knowledge gaps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tata &amp; Prasad,</td>
<td>Cultural and structural constraints on total quality management</td>
<td>To determine cultural and structural constraints on total quality management</td>
<td>Organizational culture affects performance</td>
<td>The study did not measure the effects of the constraints on performance</td>
</tr>
<tr>
<td>(1998)</td>
<td>implementation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Authors</td>
<td>Title</td>
<td>Focus</td>
<td>Relationship</td>
<td>Notes</td>
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<tr>
<td>Prajogo &amp; McDermott, (2005)</td>
<td>The relationship between total quality management practices and organizational culture</td>
<td>To establish the relationship between total quality management practices and organizational culture</td>
<td>Total quality management practices affects organizational culture</td>
<td>The study focus on culture while the present study will focus on performance</td>
</tr>
<tr>
<td>Lindsay &amp; Evans, (2007)</td>
<td>Managing for Quality and Performance Excellence</td>
<td>To find out how quality management affect business performance</td>
<td>Quality management significantly affects performance</td>
<td>The study was done in a developed world while the present study will be done in Kenya</td>
</tr>
<tr>
<td>Terziovski and power (2007)</td>
<td>Increasing ISO 9000 certification: a continuous improvement approach</td>
<td>To find out how culture, management responsibility, employee involvement affect performance</td>
<td>There is a positive relationship between continuous improvement and quality culture and a firm’s performance</td>
<td>The study did not consider quality management practices and its effects on performance</td>
</tr>
<tr>
<td>Ab-Wahid and Corner (2009)</td>
<td>Critical success factors and problem in ISO maintenance</td>
<td>To find out the critical success factors in ISO maintenance</td>
<td>There is a positive relationship between strategic, financial, and continuous improvement and a firm’s performance</td>
<td>The study did not find out how CSF influence performance</td>
</tr>
<tr>
<td>Bell and Omachonu (2011)</td>
<td>Quality system implementation process for business success</td>
<td>To find out how Quality system implementation affect performance</td>
<td>There is significant linkage between improved documentation, firms performance and organizational performance</td>
<td>The study did not consider performance of cement manufacturing firms</td>
</tr>
<tr>
<td>Anyango; Wanjau, and Mageto, (2013) Kenya</td>
<td>Assessment of the relationship between ISO 9001 certification and performance of</td>
<td>To find out the relationship between ISO 9001 certification and performance of</td>
<td>There is positive relationship between financial HRM, firms</td>
<td>The study was biased towards quality managers, who may have been subjective, whereas</td>
</tr>
<tr>
<td>manufacturing firms in Kenya</td>
<td>manufacturing firms in Kenya</td>
<td>performance, HRM and control measures and a firm’s performance</td>
<td>the current study used quality assurance managers and internal auditors</td>
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Source: Author, 2018

2.5 Conceptual Framework
This would show a logically developed, described and elaborated network of interrelationships among variables deemed to be the integral part of the dynamics of the situation being investigated (Kothari, 2004). The dependent and independent variables for this research can be diagrammatically represented as shown in the figure;
Independent Variables

- Continual improvement
  - Process improvement
  - New products and services
  - Modernization

- Customer Focus
  - Customer needs
  - Market forces
  - Customer service quality

- Employee empowerment
  - Capacity building
  - Sensitization
  - Engagement/involvement

- Top management commitment
  - Participation in organization
  - Open correspondence
  - Investment improvement

Dependent Variables

- Organizational Performance
  - Market share
  - Profit
  - Cost of operation

Figure 2.1: Conceptual Framework
Source: Researcher (2018)
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presented the methodology that was used to carry out the study. It further describes the type and source of data, the target population and sampling methods and the techniques that was used to select the sample size. It also describes how data was collected, analyzed and presented.

3.2 Research Design

Research design is the basic plan that indicates an overview of the activities that are necessary to execute the research project. The research study applied the descriptive research design in the process of determining the findings in relation to the relationship between total quality management practices and performance of Savannah Cement Limited, Kenya. According to Cooper & Schindler (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon.

3.3 Target Population

A population is defined as a complete set of individuals, cases or objects with some common observable characteristics, (Mugenda & Mugenda, 2003). The target population was composed of the 150 management staffs employed at Savannah Cement Limited, Kenya. The structure in Savannah Cement Limited, Kenya has put staff in three main departments; manufacturing, sales, marketing and distribution and administration. The population characteristic is as summarized in table 3.1.
Table 3: Target Population

<table>
<thead>
<tr>
<th>Departments</th>
<th>Population</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td>Sales, Marketing and Distribution</td>
<td>50</td>
<td>33</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>80</td>
<td>54</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Savannah Cement Limited, Kenya (2018)*

3.4 Sample Size and Sampling Procedure

The sampling plan describes how the sampling unit, sampling frame, sampling procedures and the sample size for the study. The sampling frame describes the list of all population units from which the sample will be selected (Cooper & Schindler, 2003). The study employed a census on all the population elements. This is because the population was relatively small to carry out sampling. According to Mugenda and Mugenda (2003), census is appropriate where elements of the population are less than 200. Thus census was appropriate for this study.

Table 3.1: Sample Size

<table>
<thead>
<tr>
<th>Sections</th>
<th>Population (Frequency)</th>
<th>Sample Ratio</th>
<th>Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departmental heads</td>
<td>20</td>
<td>100</td>
<td>20</td>
</tr>
<tr>
<td>Assistant Departmental heads</td>
<td>50</td>
<td>100</td>
<td>50</td>
</tr>
<tr>
<td>Low management</td>
<td>80</td>
<td>100</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>150</strong></td>
<td></td>
<td><strong>150</strong></td>
</tr>
</tbody>
</table>

*Source: Researcher, 2018*

3.5 Data Collection Instrument and procedure

The study used both primary data. Primary data was collected using questionnaires. Semi-structured questionnaires were used to collect primary data from the respondents, administered to each member of the sample population. The questionnaire was carefully designed and tested with a few members of the population for further improvements.
3.6 Validity and Reliability of the Study

3.6.1 Validity
According to Mugenda and Mugenda (2003) Validity refers to the extent with which the instrument being used is measuring the concept set out to measure. For validity, the instrument was first subjected to an expert evaluation in which its adequacy was assessed given the study objectives. In addition, the questionnaire was subjected to a pilot survey to ensure clarity and understandability of the survey instruments. Results of the expert evaluation and pilot survey was used to update the study instruments.

3.6.2 Reliability
Reliability of a measure is concerned with the stability and consistency with which the instrument measures the concept. Stability gives an assurance on the extent to which results are consistent over time. On the other hand, internal consistency is concerned with the homogeneity of the items that measure the concept. For reliability, the study used survey items that have been tested for reliability by other researchers. In addition, by making use of data from the piloted questionnaires, internal consistency was measured through computation of Cronbach alpha coefficient which should be more than 0.7 if the research instruments are statistically significant (Hair et al. 2000).

3.7 Data Analysis and Presentation
Quantitative data collected was analyzed by the use of descriptive statistics using SPSS (Version 22) and presented through percentages, means, standard deviations and frequencies. The information was displayed by use of percentages, means and standard deviation. This was done by tallying up responses, computing the percentages of variations in response as well as describing and interpreting the data in line with the study objectives and assumptions through use of SPSS (Version 22) to communicate research findings. Content analysis was used to test data that is qualitative in nature or aspect of the data collected from the open
ended questions. In addition, the study will conduct a multiple regression analysis. The multiple regression equation is: \( Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon \): Whereby

\[
Y = \text{Performance of Savannah Cement Limited, Kenya}
\]
\[
X_1 = \text{Employee Empowerment}
\]
\[
X_2 = \text{top management commitment}
\]
\[
X_3 = \text{continual improvement}
\]
\[
X_4 = \text{customer focus}
\]
\[
\beta_1, \beta_2, \beta_3, \beta_4 = \text{Regression Coefficients}
\]
\[
\varepsilon = \text{Error term}
\]

3.8 Ethical considerations

Informed consent was obtained from all those participating in the study. Those not willing to participate in the study were under no obligation to do so. Respondents’ names was not indicated anywhere in the data collection tools for confidentiality and information gathered will only be used for the purposes of this academic study. The necessary research authorities were consulted and permission granted. The refereed materials and sources were cited accordingly.
CHAPTER FOUR
RESEARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the findings on the analysis of the collected data. The researcher collected primary data using questionnaires. The collected data was coded into SPSS software and the analysis was done using descriptive and inferential statistics.

4.1.1 Response Rate

A total number of 150 questionnaires were issued to respondents by the researcher. Out of these questionnaires, 114 of them were duly filled and returned to the researcher. This gave a response rate of 76%. This was in line with Babbie (2010) who revealed that a response rate of 70% and above is sufficient for analysis and interpretation of the findings.

4.2 General Information

The researcher examined the general information of respondents as indicated in sections below.

4.2.1 Gender of Respondents

The information regarding gender of respondents is shown in Table 4.1.

Table 4.1: Gender of Respondents

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>64</td>
<td>56.1</td>
</tr>
<tr>
<td>Female</td>
<td>50</td>
<td>43.9</td>
</tr>
<tr>
<td>Total</td>
<td>114</td>
<td>100</td>
</tr>
</tbody>
</table>

From the findings, most of the respondents 56.1% were male while 43.9% were female. The difference between these two gender categories however was not significant showing that the researcher maintained gender balance selecting the sample size.
4.2.2 Level of Education of Respondents

The researcher sought to find out the highest level of education of respondents who took part in the study as shown in Figure 4.1.

From Figure 4.1, most of the respondents 84% had degrees, 10% had masters and 6% had diplomas. This shows that respondents of the study were educated and thus able to read and interpret research questions as sought by the study. It can therefore be inferred that the information they gave on TQM and how it influence performance of their organization was reliable.

4.2.3 Length of Service

The number of years that respondents had worked at Savannah Ltd is shown in Figure 4.2.
Figure 4.2: Length of Service

From the findings, most of the respondents 45.6% had worked for 6-10 years, 43% for 11-20 years, 7.9% for 0-5 years and 3.5% for over 21 years. This shows that respondents of the study had been in an organization for a long period and thus knowledgeable.

4.2.4 Department Worked In
The researcher assessed the departments that respondents were employed to work. The findings are shown in Table 4.2.

Table 4.2: Department Worked In

<table>
<thead>
<tr>
<th>Department</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy</td>
<td>22</td>
<td>19.3</td>
</tr>
<tr>
<td>Finance</td>
<td>24</td>
<td>21.1</td>
</tr>
<tr>
<td>Human Resource</td>
<td>20</td>
<td>17.5</td>
</tr>
<tr>
<td>Administration</td>
<td>21</td>
<td>18.4</td>
</tr>
<tr>
<td>Customer service</td>
<td>27</td>
<td>23.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>114</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 4.2 indicates that most of the respondents 23.7% were in customer care department, 21.1% in finance, 19.3% in strategy, 18.4% in administration and 17.5% in human resources. Therefore, the study covered all departments within an organization hence representative views were established from respondents.

4.2.5 TQM Practices Employed
The researcher sought to find out some of the TQM practices employed in their organization. Respondents noted that the organization strived for continuous improvement in all activities and undertakings. Customer focus initiatives were in place to place more emphasis on customer needs and preferences.

4.3 Descriptive Statistical Analysis
The researcher used means and standard deviation to determine how TQM influenced financial performance as shown in subsequent sections.
4.3.1 Customer Focus
The study sought to determine how customers focus influenced financial performance. To achieve this objective, several statements were established and respondents were requested to indicate the extent of their agreement as shown in Table 4.3.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm has the capacity to satisfy customer needs and wants</td>
<td>3.76</td>
<td>0.887</td>
</tr>
<tr>
<td>The firm services meet the customer’s specific needs</td>
<td>3.62</td>
<td>0.712</td>
</tr>
<tr>
<td>The firm has embarked on a continuous improvement process to meet customers’ needs</td>
<td>3.79</td>
<td>0.764</td>
</tr>
<tr>
<td>The firm values both the internal and external customers</td>
<td>3.42</td>
<td>0.883</td>
</tr>
<tr>
<td>The firm has attracted new customers and retained its old customers</td>
<td>3.82</td>
<td>0.791</td>
</tr>
</tbody>
</table>

Respondents of the study agreed that the firm had attracted new customers and retained its old customers with a mean of 3.82 and standard deviation of 0.791. The firm had embarked on a continuous improvement process to meet customers’ needs as indicated by a mean of 3.79 and standard deviation of 0.764. The firm had the capacity to satisfy customer needs and wants as shown by a mean of 3.76 and standard deviation of 0.887. The firm services met the customer’s specific needs with a mean of 3.62 and standard deviation of 0.712. Respondents however were not sure whether the firm valued both the internal and external customers with a mean of 3.42 and standard deviation of 0.883. To build customer focus, the study established that the firm focused on the needs, wants and preferences of customers. Respondents noted that efforts were in place to undertake market research.

4.3.2 Top Management Commitment
The researcher assessed how top management commitment as an aspect of TQM influenced financial performance. The findings are shown in Table 4.4.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The top management is committed to ISO standards</td>
<td>3.72</td>
<td>0.773</td>
</tr>
<tr>
<td>The firm has automated its critical success factors and critical processes</td>
<td>3.57</td>
<td>1.004</td>
</tr>
<tr>
<td>The top management has a good communication strategy</td>
<td>3.49</td>
<td>0.934</td>
</tr>
<tr>
<td>The firm has in place monitoring mechanism</td>
<td>3.78</td>
<td>0.823</td>
</tr>
<tr>
<td>The top management is committed to TQM improvement initiatives</td>
<td>3.65</td>
<td>0.798</td>
</tr>
</tbody>
</table>
The study established that the firm had in place monitoring mechanism with a mean of 3.78 and standard deviation of 0.823. The top management was committed to ISO standards as shown by a mean of 3.72 and standard deviation of 0.773. The top management was committed to TQM improvement initiatives as indicated by a mean of 3.65 and standard deviation of 0.798. The firm had automated its critical success factors and critical processes with a mean of 3.57 and standard deviation of 1.004. Respondents however were not sure whether the top management had a good communication strategy with a mean of 3.49 and standard deviation of 0.934. The researcher sought further to determine the challenges faced by in top management commitment. Respondents noted that inadequacy of resources was a one of the challenges faced by the top management in implementation of TQM in an organization.

4.2.3 Continuous Improvement

The study assessed how continuous improvement as a TQM practice influenced organizational performance. The findings are shown in Table 4.5.

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm has developed and published a clear corporate mission, beliefs and objectives</td>
<td>3.83</td>
<td>0.872</td>
</tr>
<tr>
<td>The firm always comes up with clear and effective strategies for achieving the mission and objectives</td>
<td>3.58</td>
<td>1.301</td>
</tr>
<tr>
<td>The firm encourages effective employee empowerment and participation in decision making and capacity improvement</td>
<td>3.63</td>
<td>0.982</td>
</tr>
<tr>
<td>The firm leadership has provided a healthy and conducive environment for continuous improvement</td>
<td>3.66</td>
<td>0.762</td>
</tr>
<tr>
<td>The firm leadership is committed to allocate the necessary resources for successful implementation</td>
<td>3.61</td>
<td>0.851</td>
</tr>
</tbody>
</table>

The study established that the firm had developed and published a clear corporate mission, beliefs and objectives with a mean of 3.83 and standard deviation of 0.872. The firm leadership had provided a healthy and conducive environment for continuous improvement with a mean of 3.66 and standard deviation of 0.762. The firm encouraged effective employee empowerment and participation in decision making and capacity improvement.
with a mean of 3.63 and standard deviation of 0.982. The firm leadership was committed to allocate the necessary resources for successful implementation with a mean of 3.61 and standard deviation of 0.851. The firm always came up with clear and effective strategies for achieving the mission and objectives as indicated by a mean of 3.58 and standard deviation of 1.301. Respondents were asked to indicate whether continuous improvement influenced performance. From the findings, most of the respondents 87% agreed that in deed continuous improvement resulted into better performance of an organization.
4.2.4 Employee Involvement

Employee involvement as a TQM practice was identified with several statements on the same. Respondents were asked to indicate the extent of their agreement with each of the statements as shown in Table 4.5.

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm human resource policy encourages employee involvement and gives authority in decision making</td>
<td>3.59</td>
<td>0.990</td>
</tr>
<tr>
<td>The firm encourages employee career development through training and education</td>
<td>3.75</td>
<td>0.861</td>
</tr>
<tr>
<td>The firm motivates rewards and looks after the employee well-being.</td>
<td>3.70</td>
<td>0.763</td>
</tr>
<tr>
<td>The firm conducts performance appraisal and gives feedback to employees</td>
<td>3.89</td>
<td>1.052</td>
</tr>
<tr>
<td>The firm encourages employees to set their own goals, judge their performance and take full responsibility for their actions</td>
<td>3.67</td>
<td>0.762</td>
</tr>
</tbody>
</table>

The study established that the firm conducted performance appraisal and gives feedback to employees with a mean of 3.89 and standard deviation of 1.052. The firm encouraged employee career development through training and education with a mean of 3.75 and standard deviation of 0.861. The study established that the firm motivated rewards and looks after the employee well-being with a mean of 3.70 and standard deviation of 0.763. The firm encouraged employees to set their own goals judge their performance and take full responsibility for their actions as shown by a mean of 3.67 and standard deviation of 0.762.

The firm human resource policy encouraged employee involvement and gave authority in decision making with a mean of 3.59 and standard deviation of 0.990. The study probed to understand whether employee empowerment as a TQM practice influenced organizational performance. From the findings, most of the respondents agreed on this showing that in deed, employee empowerment resulted into improvement in performance of an organization.
4.2.5 Organization Performance

Organizational performance was the dependent variable of the study. The findings are shown in Table 4.7.

Table 4.7: Organization Performance

<table>
<thead>
<tr>
<th>Performance</th>
<th>Mean</th>
<th>Std. Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved service delivery</td>
<td>3.88</td>
<td>0.764</td>
</tr>
<tr>
<td>Improved inventory management</td>
<td>3.91</td>
<td>1.006</td>
</tr>
<tr>
<td>Increased firm competitiveness and bigger market share</td>
<td>3.93</td>
<td>0.943</td>
</tr>
<tr>
<td>Enhanced quality service delivery in the firm</td>
<td>3.73</td>
<td>0.863</td>
</tr>
<tr>
<td>Waste reduction in operations</td>
<td>3.84</td>
<td>0.995</td>
</tr>
<tr>
<td>Improved employee operation efficiency reducing operation costs</td>
<td>3.77</td>
<td>0.787</td>
</tr>
<tr>
<td>Increased customer retention as a result of customer satisfaction</td>
<td>3.86</td>
<td>0.929</td>
</tr>
</tbody>
</table>

From the findings, TQM increased firm competitiveness and bigger market share with a mean of 3.93 and standard deviation of 0.943. TQM improved inventory management with a mean of 3.91 and standard deviation of 1.006. TQM improved service delivery with a mean of 3.88 and standard deviation of 0.764. TQM also increased customer retention as a result of customer satisfaction with a mean of 3.86 and standard deviation of 0.929. There was waste reduction in operations with a mean of 3.84 and standard deviation of 0.995. TQM enhanced quality service delivery in the firm with a mean of 3.73 and standard deviation of 0.863.

4.4 Inferential Statistics

Inferential statistics were employed to determine how TQM influenced performance. In particular, regression analysis was employed. The findings are indicated in subsequent sections.

Table 4.8: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.750*</td>
<td>.563</td>
<td>.544</td>
<td>.83125</td>
</tr>
</tbody>
</table>

From Table 4.8, the adjusted R square is 0.544 which signifies that 54.4% change in performance is explained by the TQM practices put in place. Thus, there are other factors apart from TQM that have an influence on performance which future studies should focus on.

Table 4.9: ANOVA

| Sum of Squares | df | Mean Square | F | Sig. |
Table 4.9 shows that value of $F$ calculated at 5% level is 35.108 while $F$ critical is 2.455. Since the value of $F$ critical is less than $F$ calculated, this shows that the overall regression model had significant influence in prediction of how TQM influenced performance.

### Table 4.10: Regression Coefficients

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>1.085</td>
<td>.540</td>
<td>2.009</td>
<td>.315</td>
</tr>
<tr>
<td>Customer Focus</td>
<td>.480</td>
<td>.136</td>
<td>.049</td>
<td>.000</td>
</tr>
<tr>
<td>Top Management Commitment</td>
<td>.304</td>
<td>.089</td>
<td>.625</td>
<td>.001</td>
</tr>
<tr>
<td>Continuous Improvement</td>
<td>.141</td>
<td>.050</td>
<td>.362</td>
<td>.039</td>
</tr>
<tr>
<td>Employee Involvement</td>
<td>.663</td>
<td>.080</td>
<td>.844</td>
<td>.000</td>
</tr>
</tbody>
</table>

The established equation from Table 4.10 above becomes;

$$Y = 1.085 + 0.480X_1 + 0.304X_2 + 0.141X_3 + 0.663X_4$$

Thus, all other factors held constant, performance of Savannah Cement Ltd would be at 1.085. Customer focus ($\beta=0.480$, $p=0.000$) had significant influence on performance. Top management commitment ($\beta=0.304$, $p=0.001$) had direct and significant effect on performance. Rao et al., (2006) noted that top management commitment is one of the major determinants of successful TQM implementation.

Continuous improvement ($\beta=0.141$, $p=0.039$) had positive and significant effect on performance. According to Joiner and Brian (2007), continuous improvement attracts more employees into this concept which in turn leads to the continued search for more improvements and thus continuous improvements. Employee involvement ($\beta=0.663$, $p=0.000$) had significant effect on performance.

On overall therefore, TQM had positive and significant influence on performance. Moghimi and Anvari (2014) evaluated the relationship between TQM and financial performance of 40 Iranian cement companies, a descriptive survey was carried out on the effects of TQM on
financial performance of cement firms. The findings of the study revealed a positive relationship between TQM and financial performance of cement manufacturing firms in Iran.
CHAPTER FIVE
SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter summarizes the findings of the study in line with the objectives. The conclusions drawn from the key findings are also presented in line with the study objectives. The chapter also presents recommendations based on key findings for policy and practice. Areas for further studies are also pointed out to help future scholars and academicians.

5.2 Summary

5.2.1 Customer Focus

From regression results, customer focus ($\beta=0.480$, $p=0.000$) had significant influence on performance. Respondents of the study agreed that the firm had attracted new customers and retained its old customers with a mean of 3.82 and standard deviation of 0.791. The firm had embarked on a continuous improvement process to meet customers’ needs as indicated by a mean of 3.79 and standard deviation of 0.764. The firm had the capacity to satisfy customer needs and wants as shown by a mean of 3.76 and standard deviation of 0.887.

The firm services met the customer’s specific needs with a mean of 3.62 and standard deviation of 0.712. Respondents however were not sure whether the firm valued both the internal and external customers with a mean of 3.42 and standard deviation of 0.883. To build customer focus, the study established that the firm focused on the needs, wants and preferences of customers.

5.2.2 Top Management Commitment

Top management commitment ($\beta=0.304$, $p=0.001$) had direct and significant effect on performance. The study established that the firm had in place monitoring mechanism with a mean of 3.78 and standard deviation of 0.823. The top management was committed to ISO
standards as shown by a mean of 3.72 and standard deviation of 0.773. The top management was committed to TQM improvement initiatives as indicated by a mean of 3.65 and standard deviation of 0.798.

The firm had automated its critical success factors and critical processes with a mean of 3.57 and standard deviation of 1.004. Respondents however were not sure whether the top management had a good communication strategy with a mean of 3.49 and standard deviation of 0.934. Respondents noted that inadequacy of resources was a one of the challenges faced by the top management in implementation of TQM in an organization.

5.2.3 Continuous Improvement

Continuous improvement ($\beta=0.141$, $p=0.039$) had positive and significant effect on performance. The study established that the firm had developed and published a clear corporate mission, beliefs and objectives with a mean of 3.83 and standard deviation of 0.872. The firm leadership had provided a healthy and conducive environment for continuous improvement with a mean of 3.66 and standard deviation of 0.762. The firm encouraged effective employee empowerment and participation in decision making and capacity improvement with a mean of 3.63 and standard deviation of 0.982.

The firm leadership was committed to allocate the necessary resources for successful implementation with a mean of 3.61 and standard deviation of 0.851. The firm always came up with clear and effective strategies for achieving the mission and objectives as indicated by a mean of 3.58 and standard deviation of 1.301. From the findings, most of the respondents 87% agreed that in continuous improvement resulted into better performance of an organization.

5.2.4 Employee Involvement

Employee involvement ($\beta=0.663$, $p=0.000$) had significant effect on performance. The study established that the firm conducted performance appraisal and gives feedback to employees
with a mean of 3.89 and standard deviation of 1.052. The firm encouraged employee career development through training and education with a mean of 3.75 and standard deviation of 0.861.

The study established that the firm motivated rewards and looks after the employee well-being with a mean of 3.70 and standard deviation of 0.763. The firm encouraged employees to set their own goals, judge their performance, and take full responsibility for their actions as shown by a mean of 3.67 and standard deviation of 0.762. The firm human resource policy encouraged employee involvement and gave authority in decision making with a mean of 3.59 and standard deviation of 0.990.

5.3 Conclusion

5.3.1 Customer Focus

The study concludes that customer focus had significant influence on organizational performance. The firm had attracted new customers and retained its old customers. The firm had embarked on a continuous improvement process to meet customers’ needs. The firm had the capacity to satisfy customer needs and wants. The firm services met the customer’s specific needs.

5.3.2 Top Management Commitment

The study also concludes that top management commitment had significant influence on organizational performance. The firm had in place monitoring mechanism. The top management was committed to ISO standards. The top management was committed to TQM improvement initiatives. The firm had automated its critical success factors and critical processes.
5.3.3 Continuous Improvement

The study concludes that continuous improvement had significant influence on organizational performance. The firm had developed and published a clear corporate mission, beliefs and objectives. The firm leadership had provided a healthy and conducive environment for continuous improvement. The firm encouraged effective employee empowerment and participation in decision making and capacity improvement. The firm leadership was committed to allocate the necessary resources for successful implementation. The firm always came up with clear and effective strategies for achieving the mission and objectives.

5.23.4 Employee Involvement

Employee involvement had significant influence on organizational performance. The firm conducted performance appraisal and gives feedback to employees. The firm encouraged employee career development through training and education. The study established that the firm motivated rewards and looks after the employee well-being. The firm encouraged employees to set their own goals judge their performance and take full responsibility for their actions. The firm human resource policy encouraged employee involvement and gave authority in decision making.

5.4 Recommendations of the Study

The study recommends that the top management team of Savannah Cement need to increase customer focus by valuing both internal and external customers to the firm. Emphasis should be given on the needs nd wants of customers in the market that demand products of Savannah Cement Ltd.

The study further recommends that the top management team of all other cement producing companies with operations in Kenya should show their commitment towards TQM policies and principles so as to significantly influence performance of their firms. The stop
management team in all cement production companies should have good communication strategies to positively influence performance.

The study recommends that the top management team of all cement producing companies should have continuous improvement in all the operations and activities undertaken. The study recommends that the management of Savannah Cement Ltd should improve on the developed and published a clear corporate mission, beliefs and objectives that are in place.

The study recommends that the management of Savannah Cement Ltd should put in place measures to improve on performance appraisal and feedback given to employees. The management of all cement manufacturing companies should put in employee involvement strategies to positively influence performance.

5.5 Suggestions for Further Studies

The findings from regression analysis indicated an R square of 0.563, which shows that 56.3% change in performance of Savannah Cement is explained by the TQM practices in place. Thus, there are other factors apart from TQM practices that influence organizational performance which future studies should focus on.

The main focus of the current study was on TQM and how it influences financial performance. To achieve this, the study used a case of Savannah Cement which is one of the listed firms on NSE that deals in manufacturing of cement. For detailed comparison of the findings and informed decision making, future studies should be done using a large sample size of cement manufacturing companies.
**REFERENCE**


Choi Kim and Lean pp.3 (2008) “The service quality dimensions and satisfactory relationships in South Korea”

Cohen M. Wesley and Levinther A. Daniel No. 397 “The economic journey” pp.569-596


http://dx.doi.org/10.1002/smj.4250160105


Parasuraman, A, Zeitham, Valerie A and Berry L. (1985) a conceptual model of service quality and its implication for future research, journal of marketing


**APPENDICES**

**APPENDIX I: RESEARCH QUESTIONNAIRE**

Kindly provide correct and useful data and fill appropriately as logically guided.

Please Tick as appropriate

**Part 1: Demographic factors**

1. Gender; Male [ ] Female [ ]

2. Respondent Level of education

   Diploma Level [ ] Degree level [ ] Masters Level [ ] other [ ]

3. Period of work at Savannah

   0-5 years [ ] 6-10 years [ ] 11-20 years [ ] 21 years & above [ ]
4. Please indicate your department

Strategy [   ] Finance [   ] Human Resource [   ] Administration [   ] Customer service [   ]
other (specify) ..............................................................

5. What are some of the Total Quality Management practices employed at your firm?

..................................................................................................
..................................................................................................
..................................................................................................

Part 2: Customer Focus

6. Using a scale of 1-5 where 1=Strongly agree, 2=Agree, 3=Neutral, 4=Disagree, 5=Strongly disagree, please indicate the extent to which you agree with the following statements

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The firm has the capacity to satisfy customer needs and wants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The firm services meet the customer’s specific needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The firm has embarked on a continuous improvement process to meet customers’ needs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The firm values both the internal and external customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The firm has attracted new customers and retained its old customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
7. From your observation kindly specify the specific responses that the firm has focused on to build Customer focus. .................................................................

........................................................................................................

Part 3: TOP MANAGEMENT COMMITMENT

8. Using a scale of 1-5, where 1=Strongly agree; 2=Agree; 3=Neutral; 4=Disagree; 5=Strongly disagree, please indicate the extent to which you agree with the following statements.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>The top management is committed to ISO standards</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The firm has automated its critical success factors and critical processes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Top management has a good communication strategy</td>
<td></td>
<td></td>
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<tr>
<td>The firm has in place monitoring mechanism</td>
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<tr>
<td>The Top management is committed to TQM improvement initiatives</td>
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9. From your observations what are some of the challenges that the firm faces in the top management commitment.................................................................

Part 4: Continuous Improvement

10. Using a scale of 1-5, where 1= strongly agree; 2=Agree; 3=Neutral; 4=Disagree; 5= strongly disagree; Please indicate the extent to which you agree with the following statements.
The firm has developed and published a clear corporate mission, beliefs and objectives  

The firm always comes up with clear and effective strategies for achieving the mission and objectives  

The firm encourages effective employee empowerment and participation in decision making and capacity improvement  

The firm leadership has provided a healthy and conducive environment for continuous improvement  

The firm leadership is committed to allocate the necessary resources for successful implementation  

11. In your view does continuous improvement influence operation performance of the firm in its service delivery?  

Yes [ ] No [ ]  

**Part 5: Employee Involvement**  

12. Using a scale of 1-5, where 1=strongly agree; 2=Agree; 3=Neutral; 4=Disagree; 5=strongly disagree; Please indicate the extent to which you agree with the following statements.
13. In your considered opinion does employees’ empowerment influence operation performance of the firm in its service delivery?

Yes [ ] No [ ]

**Part 6: Organization performance**

14. Using a scale of 1-5, where 1=Strongly agree; 2=Agree; 3=Neutral; 4=Disagree; 5=Strongly disagree, please indicate the extent to which you agree with the following statements.

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
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<tbody>
<tr>
<td>The firm human resource policy encourages employee involvement and gives authority in decision making</td>
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<td>The firm encourages employee career development through training and education</td>
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<td>The firm motivates rewards and looks after the employee well-being.</td>
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<td>The firm conducts performance appraisal and gives feedback to employees</td>
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<td>The firm encourages employees to set their own goals, judge their performance and take full responsibility for their actions</td>
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<tr>
<td>Statements</td>
<td>Strongly agree</td>
<td>Agree</td>
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<td>Disagree</td>
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<tr>
<td>Improved service delivery</td>
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<td>Improved inventory management</td>
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<td>Increased firm competitiveness and bigger market share</td>
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<tr>
<td>Enhanced quality service delivery in the Firm</td>
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<td>Waste reduction in operations</td>
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<td>Improved employee operation efficiency thus reducing operation costs</td>
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<td>Increased customer retention as a result of customer satisfaction</td>
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</table>

15. What are the other challenges does your organisation face in adopting total quality practices in enhancing performance?

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