

**TOTAL QUALITY MANAGEMENT PRACTICES AND ORGANIZATION
PERFORMANCE OF LOGISTICS COMPANIES: A CASE OF CONSOLBASE
LIMITED MOMBASA, KENYA**

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DECLARATION

Declaration by the Candidate

The project is my original work and has not been presented for a degree in any other examination body. The research work should not be reproduced without my consent or that of Kenyatta University.

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Declaration by the Supervisor

This project has been submitted for examination with our approval as the Kenyatta University supervisors.

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DEDICATION

To my wife Winfred Mumbua, my daughters Benita and Abigail for love and support during my studies.

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I acknowledge Dr. Lawrence Wainaina, my supervisor, for the dedicated professional guidance offered to me in the course of my research work. I cannot forget to mention my family, employer and friends and particularly my class mates for the team spirit.

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ABBREVIATIONS AND ACRONYMS

CBK	Central Bank of Kenya
CFS	Container Freight Services
HACCP	Hazard Analysis Critical Control Unit
KEBS	Kenya Bureau of Standards
KRA	Kenya Revenue Authority
KNH	Kenyatta National Hospital
MFI	Micro Finance Institutions
PDSA	Plan- Do- Study- Act
QIP	Quality Improvement Processes
QMP	Quality Management Process
ROA	Return on Assets
ROI	Return on Investments
RRA	Rwanda revenue Authority
SCM	Supply Chain Management
SPC	Statistical Process Control
SQC	Statistical Quality Control
TQC	Total Quality Control
TQM	Total Quality Management
LPI	Logistical Performance Index
UBS	Uganda Bureau of Standards
URA	Uganda revenue Authority

OPERATIONAL DEFINITION OF TERMS

- Customer Focus:** The orientation of an organization to pay keen attention to improving customer satisfaction with a view of increasing their loyalty and retention.
- Employee improvement:** Also referred to as employee development, process where employer arrange for trainings to equip the employee with new skills relevant to achieve set goals.
- Logistical Performance Index:** It's a measurement of how prompt goods and services are delivered to the final user.
- Process Improvement:** Proactive tasks of closing performance gaps, that identify, analyze and implement variation to add value to current process
- Strategic Planning:** Management activities used to set priorities, focus energy and resources towards a common goal.
- Supply Chain Management:** This process entails moving goods from the producer to the consumer, it entails various persons and business to complete the supply circuit.
- Total Quality Management:** Philosophy that integrates all organizations function such as finance, human resource, marketing, customer service with a view of meeting customer requirement and company objective.

ABSTRACT

The logistical companies have a complex supply chain management (SCM) that requires huge resources to implement because of the scope of internal functions as well as external parties' operations. It is upon this statement that the study embarked on examining the effect of total quality management (TQM) and organization performance of logistics companies. The logistical firms over time have not been able to assess their quality aspect in goods and service delivery. The study identified: employee improvement, customer focus, strategic planning and process improvement as the objectives related to total quality management and organization performance of logistical firms. The theories used for study and in line with objectives are: Deming Theory, Crosby Theory of Total Quality management and the Contrast Theory. A descriptive design survey was used for the study. The study population was the employees at the Consolbase Limited in the two branches offices. A sample size of 130 was extracted by the use of Slovenes formula and stratified sampling used. Piloting was done to determine reliability and validity by use of 10 respondents. The data was collected by the use of questionnaires as the primary data collection instrument. The analysis was done using the SPSS software. The study concluded that employee improvement contributed to organization performance to a great extent through: rewarding and recognition system, on job training and teamwork cooperation. Secondly, the customer focus through feedback mechanism had a moderate effect on organization performance. The strategic planning component through medium and long term goals impacted on the fruitful achievement of the objective. Process improvement through cleanliness, frequent maintenance of equipment and fool proofing activities impacted the organization performance. The study recommends that organization should harness the teamwork cooperation by having team building activities and on job training on frequent basis. The study recommended that the organization should involve individual employees in their own goal-setting process to give them autonomy over their goals. The organization should create a customer-focused culture by having policies and technologies that make it easy for employees to form relationships with customers. The organization should consider which initiatives will have the greatest impact on its business and which will help improve its position the most. The organization should engage its employees in a valuable way, distributing responsibility and accountability closer to the work itself. Align internal business processes to deliver better external customer outcomes.

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

The context of performance to the logistical companies and other allied players is examined in the context of ability of having a smooth flow of information materials through-out the stipulated chains (McLaurin, 2007). The performance of logistical companies has two major angles of examination: the financial and operational performance. Tilokavicahi et al (2012) conjectures that the competitive advantage of logistical management relies greatly, on the operational performance. In as much as there are two major categories of performance in logistical management, it can be stated that operational performance impacts more and positively on the financial performance. The major performance indicators are pegged on inventory management, order processing, transportation, distribution and information flow (Talib & Rahman, 2010).

Performance of logistical companies can be summarized also to the theme of satisfying customer needs in course of logistical operations. Salaheldin (2009) examined the various parameters for performance to be: logistical costs, production lead time, vendor activities and orders. The transport network has always been pegged on manufacturers, distributors and third party players in pursuit of efficient delivery of goods and services. The transport sector players are tossed into two tough choices: decreasing transport costs and improving service delivery choices of customers. This leaves the logistical companies with the balancing act of performance and efficiency (Chao & Lin, 2006). Performance as a management methodology in the end relies upon the business execution strategy (Kushwaha & Barman, 2010).

In the past seven decades there has been an evolution in terms of quality aspects in products and services of various companies and organizations. One notion of interpretation of quality is that it is a standard or level of satisfaction of a process or a product. Agus (2011) conjectures that total quality management as an all-round process involving the members in an organization and system processes in the improvement of quality. TQM has emerged as a niche in quality that has representation of philosophical framework in both public and private sector enterprises (Chang, 2009). The TQM philosophy has stressed on vital components: consistency, integration, systematic-ness and all-inclusive perspective of members in an organization. It is worth noting

that TQM is more of a continuous process since its value based and utilizes talents and minds of all personnel in an organization (Drucker, 2001).

TQM history emanates from Japan in 1949, when the government through its technocrats made attempts to study quality control. The technocrats under the umbrella called Japanese Scientists and Engineers purposively provided educational programs with end objective of promoting quality control in the various firms found in Japan (Juran, 1990). The reason for aggressive program in quality control was because the words 'Made in Japan' were associated with low quality products. In the year 1950, quality control Guru, Dr. W.E. Deming was invited to conference from USA to enhance the quality control aspects but it didn't impact greatly on most Japanese firms. In the year 1954, Dr. J.M. Juran, was invited from USA to Japan in leading a seminar in Quality Control. This led to birth of the term TQM which was titled 'Year of TQM'. The years of TQM in reference were 1955-1960 (Drucker, 2001). The TQC was given more preference during these years and so was the re-invention of quality control activities backed by the top management in respective firms (Hayes, 2005). Ishikawa (2000) in his own observance elicited that TQC extended beyond quality of management.

In USA, TQM was pioneered by Dr. W.E. Deming and Dr. J.M. Juran in the 1960's. The American Government saw threat from Japanese manufacturing firms who had more focus on quality than them. This meant that Japan made products and processes were taking lead in the Global market place (Juran, 2002). Surprisingly the threat of quality products from Japanese manufacturing was only realized in the 1970s (Garvin, 2006). This necessitated the pioneers of quality control in America to initiate TQM techniques to counter short comings like less than maximum capacity products, less preventive and maintenance on equipment. The Gurus in QC in USA: Deming (1992), Crosby (2002) Feigenbaum (2000), Juran (1995) and Gavin (2006) later on created an attention to better involvement of the management and staff as a whole entity in qualitative process hence focus to TQM. Modarress and Ansari (2001) carried out a survey on the 285 USA manufacturing firms. The preliminary findings depicted that majority of the firms had not fully embraced the quality control measures. This finding also depicted that not all the staff were fully involved in the TQM process. The underlying reason for not fully adopting the TQM is lack of top management in quality control programs (McLaurin, 2007).

In Europe, there are various countries which have been on the forefront of initiating TQM related processes. The most notable countries are UK, France, Italy and German. The automotive industry in Europe has seen tremendous improvement in sales globally (Lewis, 2004). The Volkswagen brand from German had had an expansion and patents across five continents in the world: Europe, Africa, East Asia, South America and North America. The adoption of TQM has given competition to automotive leaders from Japan like Toyota and Yamaha brands (Saha, 2001).

In developing countries, the TQM aspect hasn't been fully embraced in system processes. The developing countries products are synonymous with poor quality. A half a century ago some countries were associated with good products, but now have shoddy products like Brazil (Sohal et al., 2001). The poor performance in TQM is associated with lack of political good will, lack of commitment by Government agencies in regards to quality control, inadequate education and training (Lakhe *et al.*, 2008). In the last one decade there has been observance in increased competition, increased custom consciousness and changes in export-import policies and various regional market integrations. This has necessitated some developing countries like Egypt, South Africa, Philippines and Cambodia to embrace Quality Improvement Processes (QIP). Some companies in developing countries have re-oriented themselves and obtained collaboration from foreign companies of developed nations to bring in a new boost in quality drive (Davies & Wilson, 2005).

In Kenya, TQM has been used extensively in various sectors like banking, health care and energy sector. The health care provision in Kenya has been a private-public partnership since independence. The TQM model has constantly been applied to meet customers' needs and services. The TQM model in healthcare has had two main components: delivery of quality medical and medicinal outcome and quality service delivery by health workers (Nayanatara, 2011). In regards to the banking sector, there has been an explosive use of TQM model by emerging MFIs in Kenya so as to meet the stipulated CBK regulations and also to be able to upgrade to fully pledged banks. Quality management principles (QMP) have been embraced by MFI for TQM and improvement of the banking process (Dondo, 2013).

1.1.1 Organization Performance

The performance of logistics companies is usually examined in terms of the financial performance indicators like ROA, ROE, working capital, inventory turnover, Quick ratios and customer satisfaction. The adoption of the TQM in the logistics companies has necessitated an improvement in the supply chain processes and increased competitiveness as an edge in both local and global market (Chang, 2009). Vanichchinchai and Igel (2010) conjectured that there is great need for logistics companies to adopt a modern TQM approach to reduce system flaws and strengthen organizations competitiveness. Bailey (2011) posits that TQM focuses on six major fundamental principles which are: customer, human resource management, leadership, strategic planning, process management and information analysis.

The organization performance is examined in the form of efficiency. The efficiency levels of logistical performance are examined in the ratio of normal input levels and output level (Brian, et al, 2010). The input level of logistical operations are the resources utilized like time, labour, technological processes and order. The organization performance can further be stated to be an aggregation of the measurements in multi-dimensional aspect. The other multi-dimensional aspects are customer retention, return on investment and sales growth (Hancott, 2005).

1.1.2 Total Quality Management Practices

Agus (2015) observe that TQM practices are an integrated effort to attain and sustain a high-quality service based on the maintenance of continuous improvement of process and error prevention at all levels and in all functions of an organization, aiming to meet and even surpass customer needs and expectation. Gharakhani *et al.* (2013) observe that the practices in managing total quality involves a systematic way of improving the quality in all aspects of firm's management so as to enhance performance in that firm in relation to quality, satisfaction of customers and increasing profits. Therefore, the implementation of management of quality practices benefits can be seen on increasing the effectiveness of an organization and enhancing its system operational efficiency. In this study TQM practices adopted included; employee improvement, customer focus, strategic planning and process improvement.

One of the most preferred strategies involved in TQM is the employee improvement (Feigenbaum, 2000). Employee motivation in an organization can take the form of discussion, brainstorming, use of quality control tools and the teams involved in quality line of production

working regularly. The quality control entails a group of volunteering employees in the production line teaming up with their supervisors to solve quality problems that may emanate in course of work. The quality control groups has traditionally been of eight to ten members who made decisions and come to consensus for the right approach towards the quality management of services and products. The quality control groups entail preset processing and general solving of quality problems (Salaheldin, 2009).

Second, the element of customer focus is a component of TQM in logistical companies. The customer focus can take various forms of improving the customer perceptions and experience. This can be done through market research and customer feedback mechanism. Market research entails an in-depth methodology of having focus on the customer. It's through market research and design that a firm can be able to identify a sudden rise of customer needs. It is through the market research and design that the quality needs of the customers can be identified and not forgetting design review (Talib and Rahman, 2010). It is through market research that a firm can have a preview of customer taste and preferences in the near future (Han, 2006).

Third, process capability is also part and parcel of TQM process. The process capability analysis entails the quantification of process variability which reflects to improvement of quality process. An improvement of process capability involves increasing the level of manufacturing parts and the technical know-how of the process involved in the quality control process. Process capability also entails study to related facilities and parts in the quality control process are within the economically required tolerances (Chao and Lin, 2006). The process capability is usually determined by the statistical quality control tools (Scagliarni, 2011). The statistical process control can be used in the achievement of process guidance, process stabbing and provision of information vital for decision making process. The most vibrant statistical quality control tool is the PDSA cycle which depicts an all-round management of process control.

Since the inception of quality control and TQM in the 1960s the Japanese have emphasized the aspect of cleanliness (Best & Neukauser, 2006). Cleanliness has been likened to quality of product because it creates the first and greatest impression to the customer. In USA, the aspect of cleanliness is a critical element of determining food and drinks consumed by both humans and animals. The food and Drug Administration Agency (FDA) is much concerned about quality of food and drugs under its jurisdiction in terms of cleanliness. Some of the sampling points are

microbial hazards, processing compliance and label compliance (FDA, 2007). In regards to microbial hazards, a system called the HACCP is used to monitor food safety and has been made mandatory in the US legislation (NIAID, 2003). This illustrates that cleanliness is part and parcel of process control improvement.

Last but not least, strategic planning is also a component of TQM process. There are various forms of strategic plans: marketing plan, financial plan, product development plan and human resource plan (Valerei, 2012). Absence of a strategic quality plan leads to an enormous waste of money, time and effort in dealing with faulty designs, defects, customer complaints and general field failures. The vital components that need to be included in a strategic quality plan are performance and reliability. In design of strategic quality plan, the objectives should be geared towards efficiency and effectiveness of process activities of the firm (Metri, 2005).

1.1.3 Consolbase Limited Company

Consolbase limited as the case study company is located in Coastal Mombasa city of Kenya. As a fully registered CFS company, it has myriad services: containers freight solutions, cargo handling services, standardizing operational procedures in freight and Security cargo service. It has a 75,000 sq ft covered warehousing for cargo. It also has 10 acres of secured open yard for other off dock facilities. Coupled with 350 workers (210 of whom are permanent and rest casuals) the company has been able to work and collaborate with various statutory authorities in the East of Africa: RRA, KRA, KEBS, URA, and UBS and the Kenyan Onsite port police officers. With over 15 years in logistical management, Consolbase has delved deeper and now recognized as a Multi-faced CFS conglomerate (Consolbase.or.ke).

Trade globally is majorly depended on shipping. Most cargo in international trade is handled by logistics firms playing different roles in the big supply chain, For the years 2011 to the year 2017 the level of imported cargo that was handled at Kenya Ports Authority (KPA) grew tremendously from 770,804,000 TEUs to 1,100,000,000 TEUs thereby outgrowing the existing infrastructure, this necessitated the licensing of the dry port referred to as Container Freight Stations (CFS).

CFS handle imports from port to decongest the port creating temporary storage under customs control. They are regulated by the government bodies: KPA, KRA, KEBS, KEPHIS among

others that ensure taxes and duty are duly paid where necessary before the cargo gets into Kenyan market. It is of more importance to ensure the quality of import meets the required standards as per the Kenyan law (KPA Bulletin our Corporate World, 2010).

Consolbase ltd is one of the leading CFS in Mombasa County, Changamwe, approximately 3 km from KPA along refinery road. This firm has 3 reach stacker 45T each, 6 Forklift, and ware house racking system. Consolbase handles Containerized cargo, including in and out of gauge, normal, refrigerated, and dangerous. Moreover they handle project cargo, bulk cargo, units, and machines. With its flat structure of management, Consolbase has two residing directors, eight departmental manager, and 200 support staff apart from casual staff contracted on need basis, Consolbase profile (2018).

1.2 Problem Statement

In Kenya, the performance of logistical segment has been fluctuating from a 2.3 Logistical Performance Index (LPI) figure in 2007 to a high value of 3.3 LPI in 2016. However in the beginning of the year 2017 the LPI value plummeted to 2.7 value (World Bank, 2017). The Shippers Council of Eastern Africa (SCEA) in 2016 stated that the country's ability to trade globally, depends on the quality of logistics services. Majority of the respondent who were both local and international through a survey conducted indicated that quality and performance of logistical services Kenya was below average (SCEA, 2016).

It is estimated that the maritime transport accounts for 80% of the world's voluminous trade (UNCTAD, 2014). Various continents have been linked strategically through the ports at the sea coastline. In order to meet the international ISO qualification standards and stay abreast in market competition, there is need for logistical firms, as part of maritime transport players, to institute and apply TQM measures for increased performance (Zhao & Goodchild, 2010). The logistical companies are at the heart of global trade and are faced with myriad compliance challenges. They are required to be up to date with the latest international standards and practices involved in logistical system processes (Kushwaha & Barman, 2010). The ultimate goal of logistical companies is to satisfy the customers by ensuring that goods are delivered on time, with little or no damages and at a fairly priced value (Vanichchinchai & Igel, 2009).

Past studies have focused on TQM with other sectors like health care, banking, energy and Agri-business but no comprehensive study has been done to link TQM and its sub sequential performance with logistical companies. Wamuyu (2015) conducted a study on TQM and Kenyan health care. The study entailed use of medical professionals at Kenyatta National Hospital (KNH) and Nairobi hospital in Kenya, as respondents. Through factor analysis the study found out that risk perception, customer satisfaction, staff training and management support had positive influence of TQM. Zain et al (2016) in Yemen used 125 questionnaires sent to branch managers of Micro Finance Institutions (MFIs) to establish role of TQM in MFIs. The study showed that TQM had significant positive effect on management of MFIs in the Middle East countries and supported the Resource Based Views theory. In 2008, Najafabadi conducted a study of effect of TQM on higher learning institutions. The university college of Boras in Sweden was the case study and involved the whole administrative structure. The study found out that when TQM methods were focused on the teaching methods at the university college, there was improved performance in higher level of education.

The logistical companies have a complex supply chain management (SCM) that requires huge resources to implement because of the enlarged scope of internal functions as well as external parties operations. The Kenyan government has heavily invested in the improvement of cargo handling processes at port of Mombasa, lest it is forgotten the numerous ICD spread across the country. Consolbase as a player in the SCM in logistics at Mombasa therefore comes in handy for the study. The study intends to determine the effects of total quality management practices on the organizational performance with a focus of logistical firms.

1.3 Objectives of the Study

1.3.1 General Objective

The study objective was to examine effect of total quality management practices on organization performance of logistical companies with a case study being Consolbase limited.

1.3.2 Specific Objectives

The specific objectives of the study were;

- i. To establish the effect of employee improvement on performance of Consolbase Limited.
- ii. To explore the effect of customer focus on performance of Consolbase Limited.

- iii. To determine the effect of strategic planning on performance of Consolbase Limited.
- iv. To identify the effects of process improvement on performance of Consolbase Limited.

1.4 Research Questions

- i. What is the effect of employee improvement on performance of Consolbase Limited?
- ii. What is the effect of customer focus on performance of Consolbase Limited?
- iii. What is the effect of strategic planning on performance of Consolbase Limited?
- iv. What is the effect of process improvement on performance of Consolbase Limited?

1.5 Significance of the Study

The main purpose of this research was to find out effect of total quality management on organizational performance. Total quality control of products and services of organization in Kenya has been an uphill task. In an effort to sort this challenge, there should be a collaboration of public and private sector to empower the need of quality control. This study will be important to various stakeholders as described below;

To the Central and County Governments of Kenya, the study will be of great importance to the government policy makers and partners by enriching them with knowledge on the TQM in their respective areas of operations. The recommendations from the study can be used in making guidelines and policies that are of great importance to all government lead programs and projects.

To the private and non-governmental organizations, the study will inform its partners and policy makers on the current status of quality control measures in Kenya and their subsequent form of operations. The study results shall guide the policy options, interventions and support to be instituted for improving the quality of market system not only in logistical sector but also in other vital sectors of the economy.

To the future researchers, the study will form a resource material for quality improvement process (QIP) and quality management process (QMP) related aspects of TQM. The concerns raised in the study are also expected to act as a reference point to various studies that could be used to strengthen diversity related to quality control and its principles in logistical processes.

1.6 Scope of the Study

The study was conducted at Consolbase Limited Company. It focused on TQM practices effect on performance of logistical companies. The theories that were used to guide the study included; Deming theory, crosby theory of total quality management and contrast theory. The research study adopted the descriptive survey design. The study population was the employees at the Consolbase Limited in the two branch offices. The study adopted the stratified sampling method. The data collection used questionnaires as primary source of the study. The research took four months from April 2019-July 2019.

1.7 Limitation of the Study

Some employees in Consolbase limited company were reluctant to give information and this had an impact on the validity of the data obtained. To overcome this, the researcher emphasized the aspect of high confidentiality. There were communication problems due to prevalence of low literacy level in the understanding of the study area.

1.8 Organization of the Study

The study examined TQM effect on organization performance of logistical companies in Kenya with a focus Consolbase company as the case study. The first chapter introduces the concepts of performance and total quality management. The total quality management is examined at international and local levels. The chapter examines the problem statement and the study objectives. This second chapter also brings out the theoretical and empirical review applicable to area of total quality management. The third chapter examined the research design, sampling method and the data collection and analysis process. The fourth chapter examined the data analysis. Descriptive analysis, correlation analysis and regression analysis were examined in the fourth chapter too. Finally, the fifth chapter concluded by examination of the summary of findings, conclusions, recommendations and areas of further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Chapter two examined the theoretical framework, empirical review, research gaps and conceptual framework of total quality management.

2.2 Theoretical Framework

The three theories used, are interlinked to the study objectives. The theories examined in the study are: Deming theory, Crosby theory of total quality management and the contrast theory.

2.2.1 Resource Based View Theory

The resource based theory was introduced by Wernfelt (1984), Rumelt (1984), and Barney (1986). According to Wilburn (2011), the resource-based theory assumes that the competitive advantage of an organization is based on the internal resources of the firm as well as competencies. The resource based theory focuses on the resource and the capabilities of an organization. Resources refer to the inputs towards the firm's production process and they may include equipment, capital, talented personnel among others. The theory assumes that an organization starts by looking at its resources and later assessing the potential for generation of value by having the right strategy in place to earn maximum value in a sustainable manner. Making organizational resources and capabilities the long term strategy relies on the internal resources of the firm as well as capabilities. The resource based theory holds that organizations that want to remain competitive should align their internal strategy with the ever-changing external environment (Kirchoff, 2011). The process of strategic development by Porter starts by looking at the relative position of an organization in an industry while the resource based theory is a strategy formulation process. According to Grant (2001), when the firm's external environment is in flux, the resources and capabilities of an organization give a stable foundation on which the firm defines its identity.

The resources of an organization are categorized into two; tangible and intangible resources where tangible resources comprise of physical assets; equipment, cash, bonds, land, inventory vehicles, and machinery. Tangible resources are the resources that are available to the organization but not to the customers. Tangible resources are prone to being damaged by people

or by natural occurrences. On the other hand, intangible resources are non-physical resources and show the future worth of the firm, and are essentially more important than the tangible resources. Intangible organizational resources include copyrights, patents, franchisees, and trademarks. These resources create a sustainable competitive advantage. Organizations achieve competitive advantage the resources of the firm should be valuable, rare, difficult to imitate, as well as able to be exploited by the organization (Wilburn, 2011). The resource based theory has two basic assumptions; organizational resources heterogeneity, that is the systematic difference between organizations in an industry regarding the resources the firms control as well as resource immobility which maintains that resources are relatively stable among organizations.

Although the resource based theory has limitations such as the lack of managerial implications or operational validity, infinite regress, and that the applicability of the theory is too limited, that is, the resource based theory does not apply to smaller firms (Barney & Clark, 2007). Unique organizational resources eventually result in better performance as a result of superior competitive advantage. An organization with rare resources chose to adopt new technologies to make their resources difficult to imitate. The resource-based theory will guide the objective that seeks to establish the influence of technology adoption on organizational performance of Consolbase Limited. Adoption of technology enables the differentiation of products and services and thus an organization can widen its customer segment and to fulfill the unmet needs of the customers. According to Barney (2001) adoption of technologies and particularly new technologies helps the firm to exploit the core competencies by providing products and services that improve value to customers. Organizational resources are inputs into the production process and include capital, finances, equipment, employees' skills, goodwill and gifted managers.

The importance of the theory is that it demonstrates that, on the basis of their resource capacity, Consolbase Limited implement their TQM practices. The resource-based perspective (RBV) is a management paradigm that can be used by Consolbase Limited to assess the strategic tools they can use to boost their performance.

2.2.2 Deming Theory

This theory was postulated by Dr. William Edwards Deming after the Second World War (Hatum et al., 2006). Deming as a pioneer in statistical quality control borrowed the idea from fellow scholar, Walter Stewart, who was a statistician at the Bell Telephone laboratories of New

York in 1940s (Chan *et al*, 2008). According to this theory, the improvement in quality of product and processes translates eventually to increased productivity and competitiveness. Deming argued that goods and services of low quality meant that there was a long run high cost involved in production process. Low quality goods translated to loss in position as a competitive product and market leader (Beck *et al*, 2008).

Deming Theory pegs upon 14 points programs in regards to total quality control that was developed by Deming (Cinite, 2008). The 14 point program of TQM are: constant improvement of products and services, newer adoption of philosophy, ceasing the dependence on mass inspection, ending the practice of awarding business based on price tag, constant improvement of system processes, instituting modern training on the job, instituting modern ways of supervision, driving out fear in work force, instituting good communication in various departments, elimination of numerical goals for the work force, elimination of work standards and numerical quotas, elimination of barriers for hourly work, instituting vigorous education and training and finally creation of top management that can push for the other 13 points noted. Out of the original scholars in quality it can be stated that the 14 points instituted by Deming they cover the four study objectives: employee improvement, customer focus, strategic planning and process improvement (Armstrong, 2006).

There are various shortcomings that can be pin pointed out of this theory. Deming did not give recognition to employees so that they can dedicate more time to quality work. The emergence of human resource element which currently plays pivotal role to individual work performance was not factored in the theory. Another aspect of employee performance is the individual commitment and motivation.

2.2.3 Crosby Theory of Total Quality Management

It was advanced by Philip Crosby in 1979 (Wodman, 2008). Crosby stated that quality was solely driven by element of prevention. This theory emphasized that there exists only one level of quality with zero defects. The presence of defects in products or process deprives off the quality in it. In as much as Deming believed that defects were inevitably, Crosby believed in strategies that could deal with errors rather than strategies that could prevent errors. This theory examined quality in four areas: conformance to requirements, prevention in the system process,

zero defects in performance standards and the price of non-conformance (Schwarz & Huber, 2008).

The relevance of the Crosby theory is that it examines one of the study objectives: process improvement. The process improvement as the study objectives entails planning, thinking and process analysis for anticipation of errors and ways of preventing them. Crosby examined and likened errors in quality processes to bacteria. This theory also emphasized the six Cs in quality management: Commitment, Comprehension, Competence, Correction, communication and Continuance. The commitment is essential in an organization for it creates a prevention oriented culture. The competence aspect which is also essential in an organization is achieved through continuous education and training (Stewart et al., 2008). Communication in organization should be enhanced through the right documentation so as to create a comprehension of processes supporting quality. Through communication the competence of persons in an organization is enhanced. The correction processes entails mainly prevention of errors whereas the continuance aspect entails making the quality control process as way of life in an organization (Welikala *et al.*, 2008).

In as much as Crosby theory is still practiced there are some great short comings associated with it. The theory emphasizes on involvement and motivation of employees so that when targets are achieved there can be a celebration. The theory puts less emphasis on job training and education which creates avenues for problem elimination and prevention. Second, the theory emphasizes on numerical targets which are more short term at the expense of medium and long term. There exist some differences in the Deming's theory of quality control and Crosby's theory of quality control. Deming's theory of quality control emphasizes on statistical processes control while Crosby theory emphasizes the company wide motivation (Zain *et al*, 2001).

2.2.4 Contrast Theory

This theory was postulated by Holand, Harvey and Sherif (lee et al, 2000). It examines attitudes of customers before and after product / service use. This theory basically presents the post usage evaluation process. The pre and post usage expectation impact greatly on the performance of product in market (Reimer & Kuehn, 2005). This theory posits that any surprise effect that occur during usage of a product can be exaggerated or magnified by the customers who use the product / service in question. This theory examines the experience in discrepancy in the direction it takes.

When an advertisement raises product expectation and the customers' expectation is slightly less, the product or service is likely to be rejected as totally unsatisfactory. Conversely, when an advertisement under promises and it over delivers beyond expectations of customers there is the likelihood of positive disconfirmation and its perception magnified (Ekinci & Sirakaya, 2004).

The relevance of contrast theory lies in the elements of total quality control. The customer focus which goes hand in hand with system process improvement should be evaluated as they impact greatly on the perceptions of customers. The essence of countering rejections of products / service entails providing just right quality products (Petrick, 2000).

In as much as several studies support this theory, there exists some criticism. The criticism emanates about where the contrast theory dwells more on customer reaction instead on reducing dissonance. The companies in the quality control process should focus on reducing dissonance since customers have a tendency of magnifying the difference that exists between expectation and performance of product or services (Yoo & Park, 2007).

2.3 Empirical Review

2.3.1 Employee Improvement and Organization Performance

Employee improvement comes in handy in that employees are rewarded by being punished. In an organization there exist two classes of customers for the business; internal customers and external customers (Homaid *et al*, 2015). The internal customers are employees who receive services and goods from others in the company. The packaging department in an organization is deemed an internal customer for the organization. The business should endeavour that no defective items in an organization are passed to internal customers (Rampersad, 2005).

In an effort to boost the TQM process in an organization the concept of team work should be emphasized (Sharma & Kodali, 2008). The teamwork in an organization can take the form of discussion, brainstorming, use of quality control tools and the teams involved in quality line of production working regularly. One of the most preferred strategies involved in TQM towards employee improvement is the quality circle (Feigenbaum, 2000). The quality circle entails a group of volunteering employees in the production line teaming up with their supervisors to solve quality problems that may emanate in course of work. The quality circle has traditionally been of eight to ten members who made decisions and come to consensus for the right approach

towards the quality management of services and products. The quality circles entails preset processing and general solving of quality problems (Salaheldin, 2009).

Numerous studies have indeed been done on Total Quality management and performance of various firms. Ngigi (2013) carried out a study on the effect of service quality on performance of paid television advertisement. The finding from the study proved there was a closer link between service quality and subsequent performance. Kyalo (2015) carried out a study of total quality management implementation and service delivery at Kenya Power in Kenya. Various departmental heads at Kenya Power were sampled out. The research study found out good leadership impacted positively the TQM implementation at Kenya Power Company. One challenge in course of implementation of TQM is cascading the program to the bottom of the pyramid. There has been vast movement of clients from one logistics firm to the other, this customer shift indicates dissatisfaction of a certain level, customers who are satisfied are expected to be loyal and stick to one service provider if the quality is good. This is not the case. There has been cases of lost cargo in the newspapers and where cargo has been mishandled and damaged. These are costs associated with lack of quality management services (Kushwaha & Barman, 2010).

Butz (2005) did a study for strategic planning in quality progress for TQM culture and continuous improvement. The findings were that strategic management model involves continuous improvement, TQM culture and strategic planning. Findings also stated that the strategic planning in quality progress was linked by the 5Ps: purpose, principles, processes, people and performance. The element of purpose in the model represents goals, mission and visions of organizations in relation to quality management. The aspect of principles narrows down on assumptions and attitudes of how an organization should conduct business operations. The processes element in the quality control line involves systems and structures in an organization. The peoples' aspect is an important ingredient of joining the other elements of purpose, principles, process and performance.

Over time, the environment: policies, technology and consumers have all undergone changes. These three aspects have been the pillars for development of quality management processes (Sharma & Kodali, 2008). There is a paradigm shift in competition, taste and preferences and policies. To keep up with these changes, the aspect of employee improvement has to be kept in

check. The aspect of employee improvement takes the form of training, exposure and positive engagement with the management. The skills and resources required to keep an organization up to trend varies from various sectors (Welikala *et al.*, 2008).

2.3.2 Customer Focus and Organization Performance

The degree to which businesses continuously endeavor to satisfy the expectations and needs of the customer is referred to as customer focus (Irfan & Kee, 2013). For a firm to be viewed or deemed as successful it has to put customer needs, taste and preferences first in its decision making. There is need to be close to the customer to continuously receive feedback from the customer. The feedback enables a firm to be able to determine the unmet need and involve the customer in product design and its eventual development process (Demirbag *et al.*, 2006). A customer is the most important component of production line, more focus should be steered towards their needs (Brah *et al.*, 2000).

The existence of a tool for collecting complaints from customers gives great milestones of understanding them. A complaint handling system should be designed to enhance the element of customer focus (Fryer, 2007). The complaints of the customers are usually embedded on the quality of goods or services being provided. This calls for concerted approach of handling the various complaints touching on quality of the goods and services. The prioritizing of complaints from customers takes the form of discovering the basic causes and the eventual remedy (Barney & Clark, 2007). Records and in-depth analysis of customer complaints from the field should be well furnished to provide useful product-control information. Information collected from the field gives a reflection of the highlights in regards to conformity and non-conformity and the plausible appropriate action to be undertaken (El-Shenawy *et al.*, 2007).

Dan (2010) carried out a study of TQM in relation to roads construction in South Africa Pretoria. The study established that many contractors were joining the road construction industry in South Africa. This has led to stiff competition resulting to lower profit margins being accrued to the contractors. The contractors involved in road construction are entitled to maintain high quality standards in delivering of road construction projects. The study identified how total quality management could be used to save on money, time and other resources that would otherwise been wasted on poor quality control during the road construction.

Crosby (1979) on his emphasis on importance of quality control formulated six Cs': comprehension, commitment, competence, continuance, communication and correction. The aspect of commitment is well enshrined to employee improvement. The 'prevention oriented' culture could be achieved only if there were good measures in place by an organization to improve the skills and knowledge in the line of production. Another aspect of six C's is the communication element. Communication can lead to improved quality management if there is an improvement in processing line. Timely correction of errors can occur in the processing line through effective communication skills, which are likened to employee improvement.

The element of customer focus as component of TQM in logistical companies can take various forms of improving the customer perceptions and experience. This can be done through market research and customer feedback mechanism. Market research entails an in-depth methodology of having focus on the customer. It's through market research and design that a firm can be able to identify a sudden rise of customer needs. It is through the market research and design that the quality needs of the customers can be identified and not forgetting design review (Talib & Rahman, 2010). It is through market research that a firm can have a preview of customer taste and preferences in the near future (Han, 2006).

Global competition has in the last decade changed with focus on the customer. This has entailed appropriate ramifications which with the need to satisfy the customer. For an organization to survive, it must be well versed with the global competition dynamics. Mukherjee and Kachwala (2010) conjectured that for a company to dwell well in the fierce market competition, it should thrive to have a motto of "Do it right the first time". Repletion of mistakes should not be accepted and thwarted away because it causes the problem of defects.

Toyota as a global automotive brand has re-engineered and remained relevant in the market for over seven decades. Its existence has largely been driven by best quality practices in the production line. The best quality practices that were initially applied were: lean management and Just in time. At the flagship for use of the quality practices, the peers to Toyota in automotive industry were not convinced of the sustainability of the processes. Over time this strategy worked but with a back-end satisfaction to customers. Regasso and Ahmadian (2007) in the study why Japan was ahead in production and had more customer focus found out that they were

using the Kaizen principle too, which was geared towards eliminating inefficiencies and having customers focus.

2.3.3 Process Improvement and Organization Performance

Process as an element of a firm is basically the unique combination of methods, tools, machines, materials and person (Tague, 2005). Fisher and Nair (2009) conjectured that process improvement as an aspect of TQM behavioural practices. Despite the elements of work variability, the process control and improvement lead to smooth operation of the manufacturing process without missing: material, breakdowns, fixture tools etc. (Vasconcellos, 2004). Various process improvement and process control can be put in place for eventual success in TQM.

A study by Hossein *et al* (2008) in relation to TQM and Higher education level, University college of Boras in Sweden. The study covered the whole administration structure at the University college of Boras. The study examined the TQM approach in delivering quality of education at the higher institutions was adhered to the sustainability of quality of education offered was enhanced through training of key personnel involved in the quality control work and processes. The sustenance of quality as a recommendation to the study could be enhanced through strategic process improvement.

McGinnis *et al* (2005) in his study conjectured that there was need for logistical service providers (LSPs) to have a methodology of dealing with various services they offer to their clients. Process improvement has a relation to quality management. Process improvement is meaningless if the implementers don't comprehend the competitive implication of quality. Garvin (2007) states that there is need for divergent interpretations for quality and work process requirement, which if not implemented obstructs the companies' mission and values of quality. There is great need for LSPs to continuously improve quality by devising mechanism like quality management systems.

Oriental Logistical Company as a major LSP in Hong Kong has had the responsibility of managing and distributing promotional materials of the country's tourism board. It has permanent employees in excess of 200 since 2001. On the international scale it covers its operational areas of China, Europe and USA. The rise in expectation of the customs and competition in the logistical field has led to Oriental Logistics Company to adopt a QMS. The

implementation of the QMS has led to the LSP on Hong Kong to stay abreast with the latest market and sector trends.

Over time there has been some discrepancy of how organizations effectively implement quality and manage it from the original version of thinkers in quality. (Cicmil, 2009). Reichheld (2006) stated that up to the 21st century quality was still a great component for the success of the organization. The great think tanks in quality: Deming, Juran and Crosby have three major pillars in its environment. The quality environment was anchored to consumers, technology and policies. To meet the quality expectations of customers and consumers, companies are going a step further in ensuring that there is quality in the supply chain and more so the suppliers.

Ho (2009) conjectures that if organizations are to move beyond processes, there is need to have a balance score card between processes and content. Weick (2005) observed that in some situations when the content exceeds the processes in place, an organization can expand to accommodate inter-organizational sense making. A notable stumbling block to continuous process improvement was the political concerns in the management concerns (Senge, 2009). Political concerns has over time fueled resistance and conflicts in organizations hence downgrading the stipulated quality standards.

2.3.4 Strategic Planning and Organization Performance

Quality planning in a firm is indeed a strategic activity vital for the sustainability and survival in the market place. There are various forms of strategic plans: marketing plan, financial plan, product development plan and human resource plan (Valerei, 2012). Absence of a strategic quality plan leads to an enormous waste of money, time and effort in dealing with faulty designs, defects, customer complaints and general field failures. It's through quality strategic planning that a firm can indeed identify the needs of both internal and external customers also called the Voice of Customer (VOC).

In design of strategic quality plan, the objectives should be geared towards efficiency and effectiveness of process activities of the firm (Metri, 2005). The employees at various departmental lines should be involved in drawing up of plan through appropriate communication channels to enable the realization of the stipulated strategic plans (Pheng, 2004).

Khor *et al* (2016) examined the TQM of MFI in Yemen using the resource-based view theory. A total of 125 respondents were used who were indeed branch managers spread across the country. The analysis was done by use of partial least squares approach in evaluating the research framework. The findings show that total quality management had a positive impact on the MFIs, performance. The TQM model was in great support of the resource-based theory. The resource-based theory connoted the need to apply quality control measures as a source of sustainable competitive advantage in the financial sectors of the Middle East.

In an organization there exist various skills and resources. This calls for strategic plan to manage these relationships differently. In the recent years' companies have been dependent on knowledge workers who in the end are required to be managed differently. This also calls for companies to develop well the operational processes to effectively manage quality. The strategic planning as an important component of total quality management should be examined and necessary steps examined. The strategic planning which goes hand in hand with system process improvement should be evaluated as they impact greatly on the perceptions of customers. The essence of countering rejections of products / service entails providing just right quality products (Petrick, 2000).

Saaralainen (2009) carried out a study of organization adopting strategic planning in quality control. There was an exemplified increase in significance of strategic planning between 1994 and 1997 by 270% for the ISO 9000 registration. Managers have since been adopting these quality management tools. This scenario exemplifies that various companies through their management are adopting strategic planning as a module for quality control.

Reger *et al* (2004) conjectures that when new programs are introduced in an organization, they are seen as radical departures from cognitive structures and members tradition. Strategic planning is therefore a necessity for successful implementation of quality related new initiatives. Pfeffer (2011) added that agri-food producers need to constantly adopt strategic planning along the food chain for increased customer retention. Another notable change is that organizations are adopting implementation software to manage social capital across and within the organization strategic planning can be expounded to amalgamate different processes.

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enormous waste of money, time and effort in dealing with faulty designs, defects, customer complaints and general field failures. In design of strategic quality plan, the objectives should be geared towards efficiency and effectiveness of process activities of the firm (Metri, 2005)

2.4 Summary and Research Gap

The analysis of literature highlights the theories relevant to TQM practices on organizational performance at Consolbase Limited. The resource based theory was introduced by Wernefelt (1984), Rumelt (1984), and Barney (1986) which focuses on the resource and the capabilities of an organization. The importance of the theory is that it demonstrates that, on the basis of their resource capacity, Consolbase Limited implement their TQM practices. Deming theory was postulated by Dr. William Edwards Deming after the Second World War (Hatsum et al., 2006) which shows that the improvement in quality of product and processes translates eventually to increased productivity and competitiveness. Crosby Theory of Total Quality Management was advanced by Philip Crosby in 1979 (Wodman, 2008). Crosby stated that quality was solely driven by element of prevention. This theory emphasized that there exists only one level of quality with zero defects. Contrast theory was postulated by Holand, Harvey and Sherif (lee et al, 2000). It examines attitudes of customers before and after product / service use. This theory basically presents the post usage evaluation process.

Butz (2005) did a study for strategic planning in quality progress for TQM culture and continuous improvement. The findings were that strategic management model involves continuous improvement, TQM culture and strategic planning. Dan (2010) carried out a study of TQM in relation to roads construction in South Africa Pretoria. The study established that many contractors were joining the road construction industry in South Africa. A study by Hossein *et al* (2008) in relation to TQM and Higher education level, University college of Boras in Sweden. The study covered the whole administration structure at the University college of Boras. Khor *et al* (2016) examined the TQM of MFI in Yemen using the resource-based view theory. A total of 125 respondents were used who were indeed branch managers spread across the country. The analysis was done by use of partial least squares approach in evaluating the research framework.

Table 2.1: Summary of Literature and Gaps

Researchers	Focus	Findings	Knowledge gap
Khor Abdo, Mohd Ali (2016)	-Key strategic approach to peak performance for MFIs - Impact of TQM to MFIs institutional performance	-TQM has significant effect on MFI approach -Organization resources are source of sustainable competitive advantage MFIs performance support resource-based view theory	- What is the impact warranties and guarantees on the financial products offered to MFIs
Kyalo (2015)	-Extent of implementation of TQM at Kenya Power -Effect of TQM on service delivery -Constraints of implementing TQM	-TQM implementation is impacted by managerial decisions -TQM implementation constraint is cascading the program to bottom of pyramid - Training and employee involvement impact TQM implementation	-The standardization of the quality management systems
Wamuyu (2015)	-Financial resources effect on TQM -Leadership & commitment on TQM -Staffing effect on TQM -Staff empowerment & education effect on	-TQM implemented to a moderate extent -Risk perception, staff training, top management support and strategy implementation impact TQM	-Need to include firm size and firm age as variables impacting TQM -Need to develop adequate TQM program for TQM implementation

	TQM	-Strategy implementation has negative relationship with TQM implementation	-Development of training program on staff and manager
Kyalo (2015)	-Extent of implementation of TQM at Kenya Power Co. -Effect of TQM on service delivery -Constraints of implementing TQM	-TQM implementation is impacted by managerial decisions -TQM implementation constraint is cascading the program to bottom of pyramid - Training and employee involvement impact TQM implementation	-The standardization of the quality management systems
Mukonyo (2014)	-MFIs-Customer Focus in TQM -Effect of management leadership in TQM -Employee involvement in TQM effect on MFIs	-Leadership and employees involvement influence business performance -Organizations current & future customer needs which impact TQM -Management leaders	-Research on MFIs strategic planning processes for benchmarking to the competitors -Nationwide comparison of MFI strategies for TQM implementation
Ngigi (2013)	-Practice levels of service quality factors - Effect of service quality on performance on paid television services	-Service quality and customer satisfaction are correlated positively with customers re-patronage intentions	-Need to investigate service quality and performance of paid television

		<ul style="list-style-type: none"> -Service quality is an antecedent of customer satisfaction -Customer satisfaction reflects the customers' feelings 	
Fryer & Douglas (2007)	<ul style="list-style-type: none"> -Public sector continuous improvement -Complaint handling process system 	<ul style="list-style-type: none"> -Most traditional handling process use the suggestion box 	<ul style="list-style-type: none"> -What are ways in which feedback mechanism as a form of TQM can be improved to increase suggestion and handling process like use of digital machines and mobile phones and tablet.
Best & Neuhauser, (2006)	<ul style="list-style-type: none"> -Quality and safety in health care 	<ul style="list-style-type: none"> -There is need for cleanliness as form of quality control -Cleanliness is more applicable to food and drinks consumed by animals and plant 	<ul style="list-style-type: none"> -Customers and consumers have shifted much focus from cleanliness to the product design and appearance

2.5 The Conceptual Framework

It expresses the component of dependent variable and independent variable (Mugenda & Mugenda, 2006). The study dependent variable is organizational performance on total quality management. The independent variables for the study are: employee improvement, customer focus, strategic planning and process improvement.

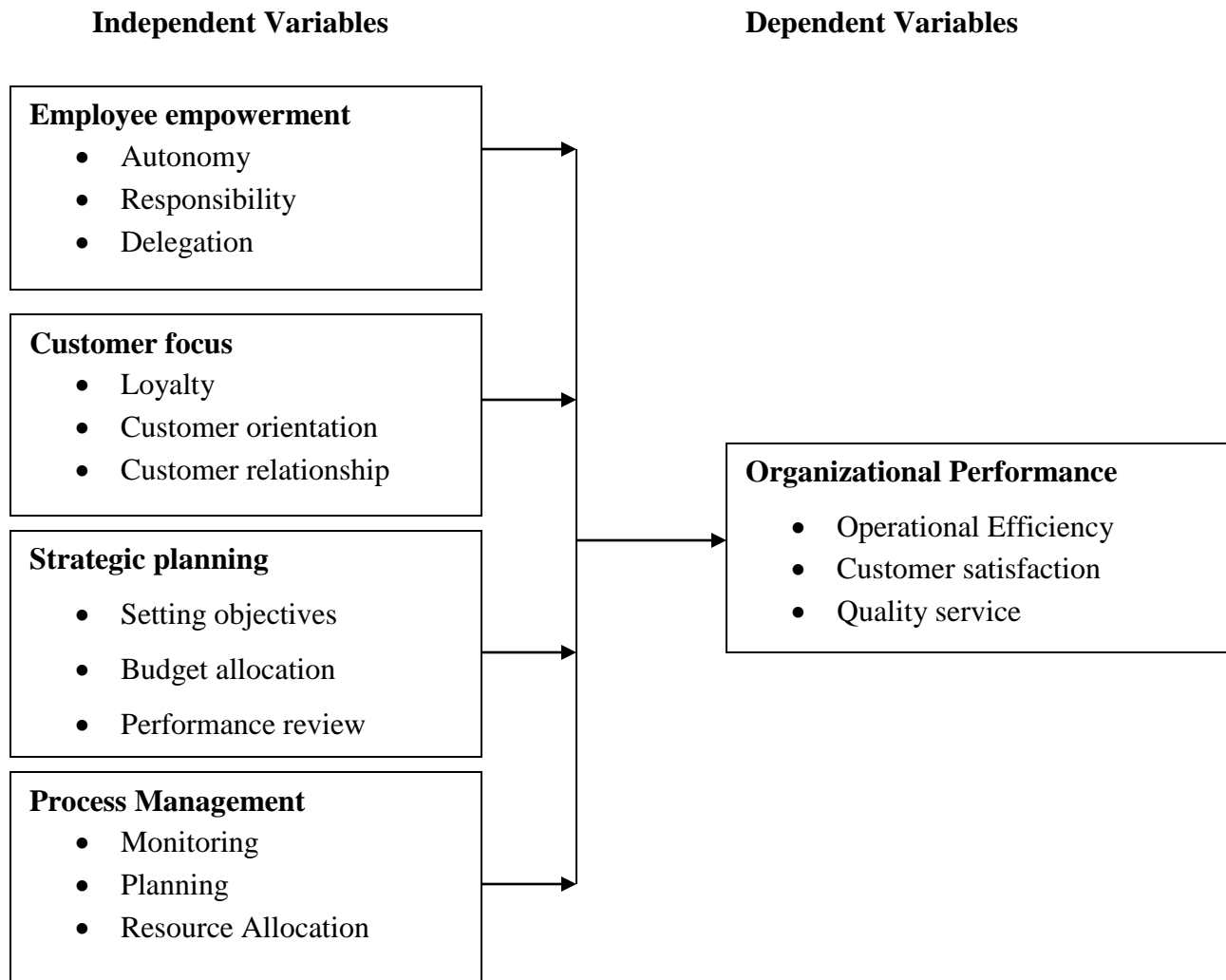


Figure 2.1: Conceptual Framework

Source: Research Data (2020)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter examines the research methodology that was used for the study. The following components were examined: the research design, population of study, the sampling design and size, sampling procedures, data collection techniques and procedures, validity and reliability of research instruments, pilot survey, data processing and analysis and ethical considerations.

3.2 Research Design

The research study adopted the descriptive research design. The descriptive research design was selected for the study because of the interest in determining effect of total quality management on organization performance of logistical companies which have carried out little research in relation to quality management. The descriptive research design covers characteristics of the respondents, organizations' beliefs, opinions and knowledge of people under the study (Saunders et al, 2012). The study intended to collect information in regards to total quality management which also is found in other peer organizations (Mugenda, 2008). Therefore, the study was guided by descriptive research design by soliciting data from the respondents and analyzing it as per the respondents' perspective.

3.3 Target Population

The study population was the employees at the Consolbase Limited in the two branch offices. The total number as at end of 2017 was 210 employees. The choice of Consolbase Limited as case study was because it's a logistical company found in Mombasa County and has attributed to quality control measures.

Table 3.1: Population Frame

Department	Population
Finance	23
HR & Administration	7
Terminal	52
Warehouse	19
Transport	64
Port operation	37
Security	5
Information Technology	3
Total	210

Source: Consolbase, Human Resource Management Report of 2019

3.4 Sampling Design and Sample Size

The study adopted the stratified sampling method to ensure that all the cases to be studied were well represented. Various departments' heads and the subordinate staff were given the questionnaires to fill and return. The researcher used Slovene's Formula to establish the sample size to be used for the study. This Slovene's formula is used for a population less than 300 (Cooper, 2000).

The researcher adopted Slovene's formula to arrive at the sample size to be used in the study;

$$n = N / (1 + Ne^2)$$

Whereas n=Sample size and N=target population e = level of Precision

$$n=? \quad N=210 \quad e=0.05$$

$$n=210 / (1+210(0.05)^2)$$

$$\mathbf{n=130}$$

This will give us 130 respondents as the sample. Whilst people are known to be different, the difference is assumed to be probabilistic (Castillo, 2009).

The sampling frame involved the entire departments in the Consolbase as depicted below;

Table 3.2: Sample Frame

Department	Sample Size	Percentage
Finance	14	11
HR & Administration	4	3
Terminal	32	25
Warehouse	12	9
Transport	40	30
Port operation	23	18
Security	3	2
Information Technology	2	1
Total	130	100

3.5 Data Collection Instruments

The data collection used questionnaires as Primary source of the study. The questionnaires design contained the demographic aspects of the respondents. The objectives of the study was pegged onto the questionnaire and respondents' perceptions. The questionnaires used both the closed and open-ended format of questions. A Likert scale was used to measure the views and perceptions of respondents in regards to closed ended questionnaires (Mugenda & Mugenda, 2003).

The secondary data was obtained from Consolbase reports, newsletters and journals. The secondary data obtained was linked to study objectives and theories to make more informed study recommendations for the study.

3.6 Data Collection Procedure

The study incorporated both secondary and primary data. Primary data was collected through designed questionnaires which shall be distributed to the respondents. Since the respondents are knowledgeable and literate of TQM concepts, the questionnaires were self-administered. In case of un-clarity issues on the questionnaires, the researcher was able to give more guidance but not elaborations to respondents where the questions are not clear.

3.7 Pilot Testing

Kothari (2004) describes the pilot testing process as a rehearsal and replica of two actual main survey. Dawsons (2002) conjectured that through testing process in a pilot, researchers are able to predetermine if the questionnaire tool will give the required results. The pilot testing involved testing for the reliability of research instruments. Ten employees from a Container Freight Solution companies with similar operations and business model were identified and given the questionnaires. Their opinions and views were incorporated and evaluated to enhance the aspect of validity. The ten questionnaires, of the pilot study, were not included in the final study to avoid biasness

3.7.1 Validity of Research Instruments

The researcher ensured the questions were in conformity with the study objectives for validity issues. Content validity which shows the level to which the questionnaires items can be easily understood by the respondents was used. It was evaluated by including the items in the questionnaire through their observation as a research expert to rate them based on their relevance and representation to the content domain. Opinion of the expert was sought for evaluation of wording, clarity and the relevance, of questions in the instrument as recommended by Gay (2006). Arumugum et al. (2008) conjectured it is good for the study to rely on instruments developed from other studies.

3.7.2 Reliability of Research Instruments

The basic element and reliability was aimed at estimating the consistency of the measurement. Consistency means the level at which similar instrument when measured gives the similar results under diverse situations following that same process (Ranjit, 2015). Cronbach's alpha reliability coefficient was used to show how reliable the questionnaires were. As per Morse, Barrett. According to Cooper and Schindler (2007), for the instrument to be reliable, the coefficient has to be above 0.7. The Cronbach's Alpha was used to determine the reliability Analysis, because it is widely used to verify reliability of study. The results of reliability tests are presented in Table 3.3.

Table 3.3: Reliability Statistics of the study objectives

Scale	Cronbach's Alpha	Number of Items	Remarks
Employee Improvement	0.795	5	Acceptable
Customer focus	0.802	5	Acceptable
Strategic planning	0.799	5	Acceptable
Process improvement	0.759	5	Acceptable
Organizational performance	0.800	4	Acceptable
Average score	0.791		Acceptable

The results in Table 3.3 show that the overall Cronbach's alpha value for the five categories was 0.791. Further, the respective Cronbach's alpha values of employee improvement, customer focus, strategic planning, process improvement and organizational performance were 0.795, 0.802, 0.799, 0.759 and 0.800 respectively and exceeded the prescribed threshold of 0.7 (Cooper & Schindler, 2007).

3.8 Data Analysis and Presentation

Completeness and accuracy of collected data was checked manually to determine if they meet the required standards. Data entering and coding was done in the SPSS software for analyzing process. Descriptive statistics including mean and standard deviation were applied in analyzing quantitative data. The descriptive analysis was done by presenting the data in charts, tables and graphs.

The Non parametric test was done by hypothesis testing. The hypothesis testing was done for the null and alternative hypothesis. The coefficient of correlation of the variables was determined by use of Pearson's product correlation coefficient. The Pearson's product correlation coefficient was also presented in the tabular matrix for clear explanation of the relationship of the independent and dependent variables for study (Mugenda & Mugenda, 2008).

Regression analysis of the independent and dependent variables was determined as follows using the regression model below;

The regression analysis model is:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where;

Y = Organisation Performance,

X_1 = Employee Improvement

X_2 = Customer Focus

X_3 = Strategic Planning

X_4 = Process Improvement

$\beta_0 \beta_1 \beta_2 \beta_3 \beta_4$ are the coefficient of the variables.

e = is the error term

3.9 Ethical Consideration

In a move to ensuring that the study adheres to all the ethical standards, the researcher obtained a letter of proposal approval and apply for a research permit from National Commission for Science and Technology (NACOSTI) that was in during introduction the respondents that indeed that research is for academic purpose only. An introductory letter was attached to each questionnaire describing the intent of the study what the respondents should expect from the study. None of the respondents were forced to participate in the study neither was any be allowed to indicate his/her personal details.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

The study brought forward the findings that were obtained from the respondents during data collection process. The study was themed of finding the impact of total quality management on performance of logistical organizations. The respondents were the employees from the Consolbase Company limited, a logistical firm based in Mombasa Kenya. The major sections of the questionnaires were: employee improvement, customer focus, strategic planning process improvement and organization performance. The findings are presented both qualitatively and quantitatively using figures as well as tables.

4.2 Response rate

The study used data from 130 respondents from Consolbase Limited. The study managed to collect 97 questionnaires. Out of the 97 questionnaires collected, 92 were completely filled and used for the study. This represents a response rate of 70.1 percent which is coherently good for analysis. According to Babbie (2006) a response rate of 60 percent is good and that of 70 percent is very good.

4.3 Demographic Data of Respondents

The study had to determine the demographic component of the respondents involved in the study. The components were: gender, age bracket, and the time frame for working with Consolbase Company limited.

4.3.1 Gender of Respondents

The study carried out an analysis to determine the gender distribution of the respondents. This is depicted in the bar chart below, figure 4.1.

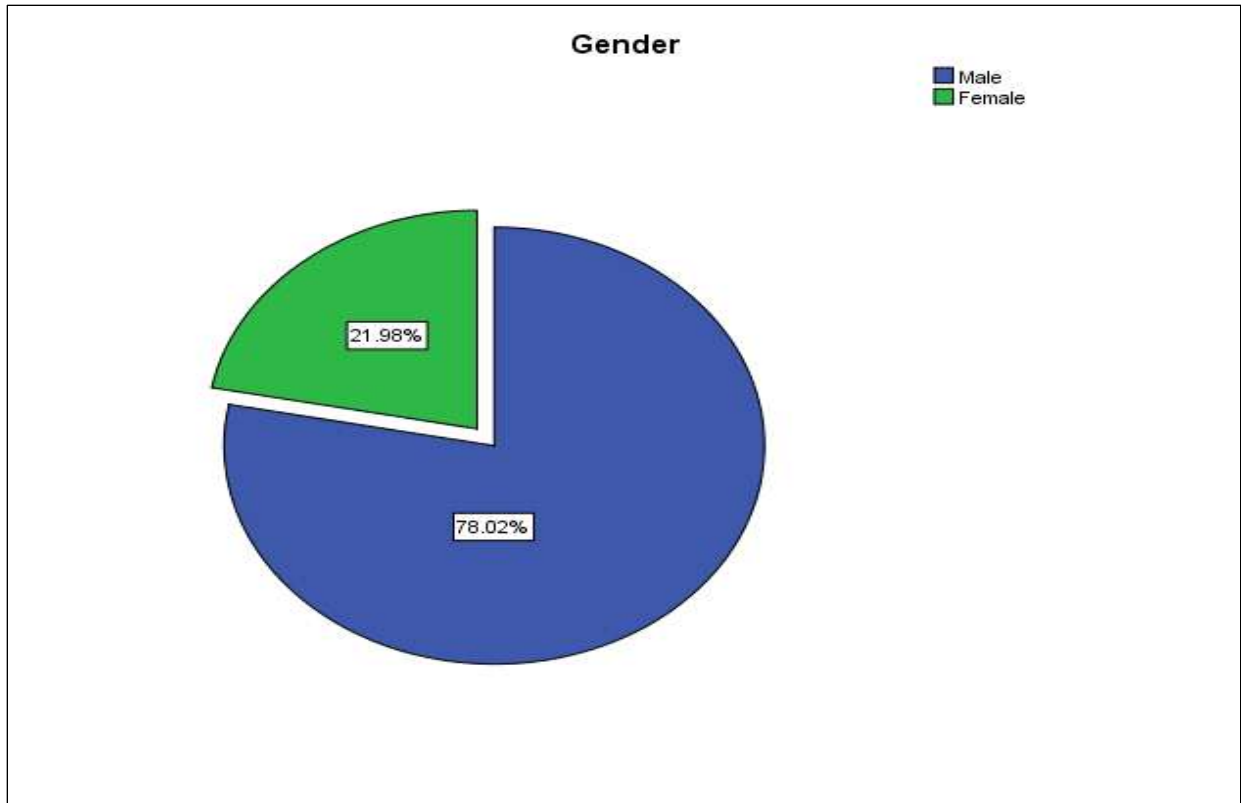


Figure 4.1: Pie Chart for Gender of Respondents

Source: Research Data (2020)

The highest observed gender for the study was that of the male with 78% proportion which translated to 72 respondents. The female category had 22% proportion which translated to 20 respondents. The disparity of the gender values can be attributed to the nature of job operations which may need more male persons to operate as compared to the female.

4.3.2 The Age Brackets of Respondents

There was need to determine the age distribution of the respondents. This is displayed in the bar chart below, figure 4.2.

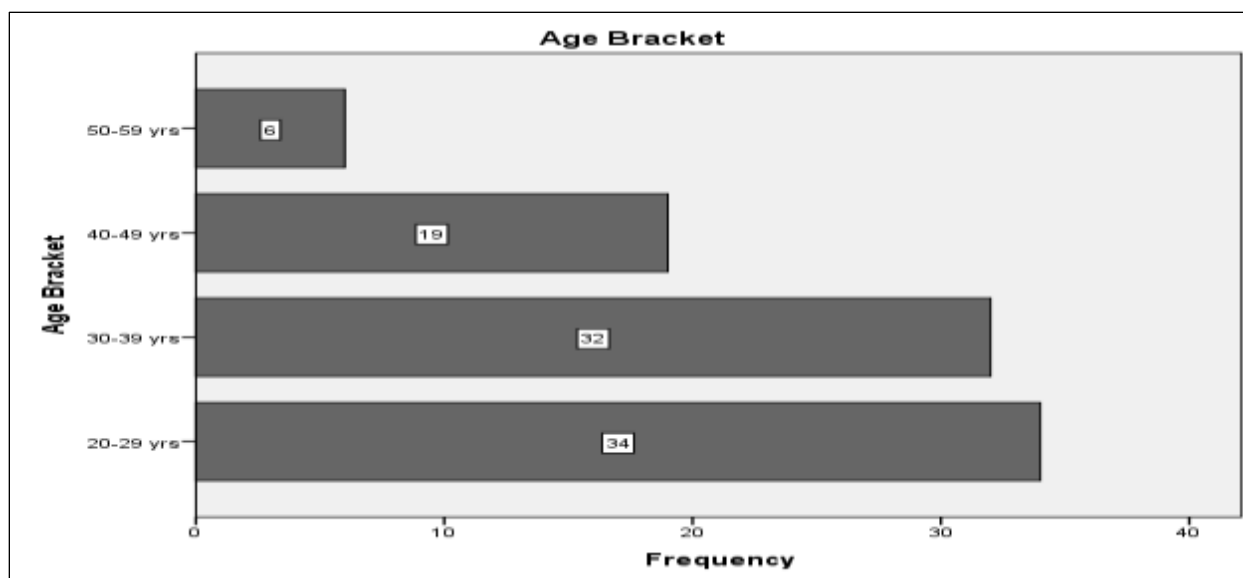


Figure 4.2: Bar Chart for the Age bracket of respondents

Source: Research Data (2020)

The horizontal chart depicts that the highest proportion of the respondents was that of ages between 20-29 years of age with 34 persons (37%). The second highest proportion was that of the age bracket of 30-39 years with 32 respondents. The least proportion of the respondents was that of age brackets 50-59 years. Cumulatively, majority of the respondents were aged below 40 years.

4.3.3 Period of Service at the Firm

The study sought to know the period of service of the respondents and the results are as shown in the Table 4.1 below.

Table 4.1: Period of service at the Firm

	Frequency	Percent	Cumulative Percent
<1 yr	14	15.4	15.4
1-5 yrs	32	35.2	50.5
6-10 yrs	28	30.4	80.9
>10 yrs	18	19.1	100.0
Total	92	100.0	

Source: Research Data (2020)

The results from the table above depict that the period from 1-5 years had the highest proportion with 32 respondents translating to 35%. The second highest proportion was that of 6-10 years with 28 responses translating to 30%. The least proportion for the number of responses was for less than a year which had only 14 responses. It can be stated that majority of the respondents in the organization, Consolbase, had stayed in the organization for more than a year.

4.3.4 Period of Existence of the Firm at the Port

There was need to establish the level of knowledge from the respondents on the existence of the firm at the port.

Table 4.2: Period of existence of firm at the port

	Frequency	Percent	Cumulative Percent
1-5 years	12	13.2	13.0
6-10 years	2	2.1	15.1
11-15 years	23	25.0	40.1
>16 years	55	59.9	100.0
Total	92	100.0	

Source: Research Data (2020)

From the table 4.2 above it can be deduced that the majority of the respondents were aware of the existence of the Consolbase Company for more than 16 years as indicated by 59.69%. The second highest response was that of 11-15 years bracket existence accounting for 25%. The least stated bracket of existence was 6-10 years accounted by 2.1%.

4.4 Descriptive Statistics

This section looks at the major objectives of the study that are in line with the independent variables: employee improvement, customer focus, strategic planning and process improvement.

4.4.1 Employee Improvement

The components of employee improvement translating to organization performance are; decision making, recognition and rewarding, education and training, teamwork corporation and employee suggestion. The five components are summarized in the table below, in the frequency table

below using a Likert scale of: Strongly disagree =1, Disagree=2, Not sure =3, Agree = 4, Strongly Agree =5 in table 4.3.

Table 4.3: Employee Improvement

	Mean	Std. Deviation
There is decision making across all departments	3.43	1.266
Existence of recognition and rewarding system	2.91	1.279
On job training and education of employees	3.13	1.368
Team work cooperation at workplace	3.69	1.226
There is employee suggestion for process improvement	3.20	1.276

Source: Research Data (2020)

From the table above it can be stated that team work cooperation greatly contributed to employee improvement to a great extent. This is shown by a mean of 3.69 (4=Agree) and a standard deviation of 1.226. In relation to decision making being carried across the departments in the organization, the respondents were not very sure of the impact on employee improvement. This is depicted by a mean value of 3.43. (3=Not sure) and a standard deviation of 1.266.

The recognition and rewarding system existence as a component of employee improvement was not fully agreed upon as impacting employee improvement. This is depicted by a mean value of 2.91 and a standard deviation of 1.279. This means that the respondents were not sure of the overall impact of the rewarding system. The impact of on job training according to the respondents on employee improvement was actually neutral. This is shown by a mean value of 3.13 and standard deviation of 1.368. Lastly, the aspect of employee suggestion for process improvement had a neutral impact on the aspect of employee improvement. This is shown by a mean value of 3.20 (3=Not sure) and a standard deviation of 1.267.

The findings above are in line with the study according to Welikala *et al.* (2008) who conjectured that there is a paradigm shift in competition, taste and preferences and policies. To

keep up with these changes, the aspect of employee improvement has to be kept in check. The aspect of employee improvement takes the form of training, exposure and positive engagement with the management. The skills and resources required to keep an organization up to trend varies from various sectors.

4.4.2 Customer Focus

The components of customer focus according to the study are; Feedback mechanism, satisfaction information, In-depth market research, warranties and guarantees and customer requirements. The five components are depicted in the table below, Table 4.4.

Table 4.4: Customer Focus

	Mean	Std. Deviation
Existence of feedback mechanism	3.30	1.140
There are trackers for satisfaction of information	3.35	.911
Company carries out in-depth market research	3.26	1.020
Existence of warranties and guarantees	3.45	.873
There exists aspects of customer requirements in operations	3.63	.996

Source: Research Data (2020)

The table 4.4 shows that there exist aspects of customer requirements in operations for good customer care process. This is depicted by a mean value of 3.63 and a standard deviation of 0.996 which means it was agreed upon by the majority of the respondents. To a moderate extent the respondents stated that the existence of feedback mechanism was in place. The organization, Consolbase had devised a feedback mechanism but it was not all well vibrant. This is supported by a mean value of 3.30 and standard deviation of 1.140 as shown in the table above.

The use of trackers for information from the customers was to a very little extent agreed upon by the respondents in relation to customer focus. This is depicted by a mean value of 3.35 and standard deviation of 0.911. In regards to the organization carrying out an in-depth market

research for customer focus, the respondents to a moderate extent agreed that the process was indeed important to customer focus element. This notion had a mean value of 3.26 and standard deviation of 1.020. Lastly, the respondents to a small extent agreed upon the existence of warranties and guarantees centered on customers for the organization. This was agreed upon to a small extent by the respondents who had a mean value of 3.45 and standard deviation of 0.873.

Customer focus as component of TQM in logistical companies can take various forms of improving the customer perceptions and experience. This can be done through market research and customer feedback mechanism (Han, 2006). Market research entails an in-depth methodology of having focus on the customer. It's through market research and design that a firm can be able to identify a sudden rise of customer needs. Secondly, it is also through the market research and design that the quality needs of the customers can be identified and not forgetting design review (Talib & Rahman, 2010).

4.4.3 Strategic Planning

The components of strategic planning in relation to organization performance are: mission focus on quality, medium and long term goals, sufficiency of resources, strategic plans communication and employee involvement. The five components are depicted in table 4.5 below.

Table 4.5: Strategic Planning

	Mean	Std. Deviation
Company mission has focus on quality	3.92	.806
There are medium and long term goals	3.59	.966
There are sufficient resources to carry out strategic planning	3.97	1.484
Strategic plans communicate company's mission	3.42	.990
There is employee and customer involvement	2.99	1.269

Source: Research Data (2020)

The table 4.5 above shows that the organization mission had less focus on aspect of quality. The quality aspect as part of strategic planning impacts in the long term the organization performance. This was depicted by a mean value of 3.92 and standard deviation of 0.806. The aspect of medium term and long term goals as aspects of strategic planning in the organization were agreed upon by the respondents. The strategic planning in any kind is vital to encompass the short, medium and long term goals for fruitful achievement of objectives. This is depicted by a mean value of 3.59 and standard deviation of 0.966 in table 4.6 above.

In relation of the aspect of the organization, Consolbase Company, having sufficient resources to carry out strategic planning, it was agreed upon to a large extent by the respondents. This is depicted by a mean value of 3.97 and standard deviation of 1.484. However, the respondents to a small extent agreed upon with the notion that strategic plans communicated the company's mission. This is depicted by a mean value of 3.42 and standard deviation of 0.990. Lastly the respondents were not sure if the employee and customer involvement contributed to strategic planning of the organization. This is shown by a mean value of 2.99 and standard deviation of 1.269.

The results above are in congruence with Reger *et al* (2004) who conjectures that when new programs are introduced in an organization they are seen as radical departures from cognitive structures and members' tradition. Strategic planning is therefore a necessity for successful implementation of quality related new initiatives. Another notable change is that organizations are adopting implementation software to manage social capital across and within the organization strategic planning can be expounded to amalgamate different processes.

4.4.4 Process Improvement

The components of process improvement in relation to organization performance are: cleanliness, maintenance of equipment, implementing inspection activities, fool proofing through alarms & control and internal and external audit of systems. The five components are shown in the table below, table 4.6.

Table 4.6: Process Improvement

	Mean	Std. Deviation
There is sufficient cleanliness in organization	4.05	.721
There is frequent maintenance of equipment	4.04	.665
There exists implementation and inspection activities	3.85	.714
There is fool proofing through Alarms and control systems	3.67	1.033
There is frequent internal and external audit systems	3.98	.931

Source: Research Data (2020)

The table 4.6 above shows that the respondents agreed to great extent that there was indeed sufficient cleanliness in the organization as a process improvement of total quality. Sufficiency in cleanliness is indeed vital component of the organization performance. Cleanliness gives a gauge on the aspect of quality and also process improvement. This was depicted by a mean value of 4.05 and standard deviation of 0.721.

The aspect of frequent maintenance of equipment at the organization was agreed upon to a great extent. Maintenance of system processes is indeed crucial for meeting thresh able amounts of quality. The maintenance of the equipment and machines reduces wear and tear cost that come about due to continuous use. Another aspect why the frequent maintenance of equipment was agreed upon by the respondents is that it reduces the cases of accidents in the work place that may accrue due to poor functionality of equipment and machines. This is depicted by a mean value of 4.04and standard deviation of 0.665 in table 4.6 above.

In relation of the aspect of the organization, Consolbase Company, having implementation and inspection activities, it was agreed upon to a large extent by the respondents. Inspection activities on a frequent scale put the organization quality aspects in the limelight. This is depicted by a mean value of 3.85. The respondents also agreed to a good extent the aspect of the organization performing the fool proofing activity of the alarms and control system in the organization. This

has an impact of detecting faulty alarms and control systems. This is shown by a mean value of 3.67 and standard deviation of 1.033. Lastly the respondents also agreed to a great extent the existence of internal and external audit process in the organization, Consolbase. There is need to have the audit systems in place so as to guide the organization on financial performance. Financial performance is also an indicator of organizations quality. This is shown by a mean value of 3.98 and standard deviation of 0.931.

The above results of process improvement are similar with Ho (2009) who stated that if organizations are to move beyond processes, there is need to have a balance score card between processes and content. Weick (2005) observed that in some situations when the content exceeds the processes in place, an organization can expand to accommodate inter-organizational sense making. Since the inception of quality control and TQM in the 1960s the Japanese have emphasized the aspect of cleanliness (Best & Neukauser, 2006). Cleanliness has been likened to quality of product because it creates the first and greatest impression to the customer.

4.4.5 Organization Performance

The components of organization performance as the dependent variable are: Conformity rate, informal costs, customer outreach and employee turnover. The four components are depicted in the table below, table 4.7;

Table 4.7: organization performance

	Mean	Std. Deviation
The conformity rate of company is acceptable	3.87	.754
There is good internal cost control measures	3.59	.903
There is sufficient customer outreach	3.11	.897
There is low employee turnover	4.07	1.009

Source: Research Data (2020)

Table 4.7 illustrates that the respondents agreed to great extent that company's conformity rate was acceptable. The conformity rate as a measure of organization performance was examined and compared to the international acceptable standards in the logistics industry. This was depicted by a mean value of 3.87 and standard deviation of 0.754. The aspect of existence of good internal cost control measures as aspects of organization performance were agreed upon by the respondents. The existence of internal control measures is vital for the organization to

achieve the short, medium and long term financial goals for fruitful achievement of objectives. This is depicted by a mean value of 3.59 and standard deviation of 0.903 in table 4.8 above.

In relation of the aspect of the organization, Consolbase Company, having sufficient customer outreach, it was agreed upon to a neutral extent by the respondents. This is depicted by a mean value of 3.11 and standard deviation of 0.897. However, the respondents to a large extent agreed upon with the notion that there was low employee turnover. This is depicted by a mean value of 4.07 and standard deviation of 1.009.

4.6 Inferential Statistics

The study had a correlation among the independent variables and dependent variables done using the Pearson's correlation coefficient. This is shown in the table below, table 4.8.

Table 4.8: Correlation of organization performance and TQM components

		Organisation performance	Employee Improvement	Customer Focus	Strategic Planning	Process Improvement
Organization Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	92				
Employee Improvement	Pearson Correlation	.489	1			
	Sig. (2-tailed)	.003				
	N	92	92			
Customer Focus	Pearson Correlation	.504	.538	1		
	Sig. (2-tailed)	.005	.002			
	N	92	92	92		
Strategic Planning	Pearson Correlation	.337	.434	.594	1	
	Sig. (2-tailed)	.002	.002	.007		
	N	92	92	92	92	
Process Improvement	Pearson Correlation	.506	.658	.352	.447	1
	Sig. (2-tailed)	.001	.001	.006	.003	
	N	92	92	92	92	92

Source: Research Data (2020)

The findings from correlation matrix as presented in table 4.9, reveal that the TQM components (employee improvement, customer focus, strategic planning and process improvement) are positively correlated with organization performance. The positive correlation values are: 0.489,

0.504, 0.337 and 0.506 respectively. The factors that affect the employee improvement at the organization, Consolbase, were positively correlated to customer focus aspects with a correlation value of 0.538 and had significant values of 0.05 level. This means that an increase in employee improvement aspects leads to an increase in the customer focus aspects of the organization.

The employee improvement and the strategic planning had a correlation value of 0.434. This means that the two variables are positively correlated with a 0.008 level of significance. This means that an increase in level of strategic planning in the organization, leads to an increase in employee improvement.

The process improvement and the employee improvement had a strong positive correlation value of 0.658. This means that the two variables are positively correlated with a 0.021 level of significance. This means that an increase in level of process improvement in the organization, leads to an increase in employee improvement.

The strategic planning and the customer focus had a correlation value of 0.594. This means that the two variables are positively correlated with a 0.007 level of significance. This means that an increase in level of strategic planning in the organization, leads to an increase in the customer focus aspects.

The strategic planning and process improvement were also positively correlated, this is depicted by a positive value of 0.447. This means that an increase in the strategic planning activities leads to an increase in process improvement. This leads to the level of organization performance to increase in terms of total quality.

The level of process improvement is positively correlated to the customer focus processes in the organization. This is shown by a positive correlation value of 0.352 at 0.006 level of significance. An increase in the level of improving processes leads to an increase in aspects of customer focus in the organization.

4.6.1 Anova Results

ANOVA was done to determine the differences in means of the dependent and independent variables. As depicted in table 4.10.

Table 4.10: The ANOVA results

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	30.950	4	7.737	2.180	.004 ^b
	Residual	308.735	88	3.549		
	Total	339.685	92			

Source: Research Data (2020)

The ANOVA test produced an F-value of 2.180 and is significant at $p=0.004$. This depicts that the regression model is significant at 95% confidence level. Thus, the regression model is statistically significant in predicting how employee improvement, customer focus, strategic planning and process improvement, affect organization performance in the logistical companies.

4.6.2 Regression Model Summary

Table 4.11: Regression Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.787 ^a	.691	.049	1.884

Source: Research Data (2020)

It can be shown in table 4.13 above, the value of adjusted R Square is 0.691, which is 69.1%. The value implies that the considered aspects of affecting organization performance are significant. This further implies that 69.1% is due to factors that were considered in this study. It can also be stated that 30.9% were not considered in the study yet they had an impact on total quality of organization performance in relation to logistical companies.

There is need to also research on other factors apart from the major objectives: process improvement, employee improvement, strategic planning, and customer focus. According to Wafula (2013) strategic planning model where the, organizations define their mission; SWOT analysis is done where both internal and external factors of logistics are analyzed, goals formulated then strategies developed.

4.6.3 Regression Coefficients

Table 4.12: Regression Coefficients

Model	Coefficients ^a			T	Sig.
	Unstandardized		Standardized		
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	22.862	1.869		12.229	.000
Employee Improvement	.217	.256	.114	.849	.008
Customer Focus	.859	.359	.378	2.396	.019
Strategic Planning	.182	.298	.081	.611	.003
Process Improvement	.147	.215	.073	.683	.000

a. Dependent Variable: Organization Performance

Source: Research Data (2020)

The regression equation established from the data in the table 4.9 above is as follows:

$$Y = 22.862 + 0.217X_1 + 0.859X_2 + 0.182X_3 + 0.147X_4$$

The equation is relevant because all the four aspects considered (process improvement X_1 , employee improvement X_2 , strategic planning X_3 and customer focus X_4) were found in determination of organization performance significant because the p values were below 0.05.

The regression equation above shows that any increase in the predictor values (process improvement, employee improvement, strategic planning, and customer focus) will lead to a positive change in the outcome of the total quality organization performance.

CHAPTER FIVE

SUMMARY CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the study's findings, conclusions and the researcher's recommendations. The researcher also gives his suggestion for further study by future researchers in the same field.

5.2 Summary

The findings focus on the objectives of the research and are in the following sub-sections;

5.2.1 Employee Improvement and Organization Performance

The effect of employee improvement on organization performance was measured by: decision making, recognition of rewarding system, on job training, teamwork cooperation and employee suggestions.

In relation to decision making being carried across the departments in the organization, the respondents were not very sure of the impact on employee improvement. The recognition and rewarding system existence as a component of employee improvement was not full agreed upon as impacting. This means that the respondents were not sure of the overall impact of the rewarding system.

The impact of on job training according to the respondents on employee improvement was actually neutral. From the data gathered in chapter four with regards to the extent effect of teamwork cooperation as aspect of organization performance, it can be stated that it greatly contributed to employee improvement to a great extent. Lastly, the aspect of employee suggestion for process improvement had a neutral impact on the aspect of employee improvement.

5.2.2 Customer Focus and Organization Performance

Customer focus effect was measured by: feedback mechanism, in depth market research, warranties and guarantees. From the findings it can be observed that there exist aspects of customer requirements in operations for good customer care process. This is depicted by a mean value of 3.63 which means it was agreed upon by the majority of respondents.

To a moderate extent the respondents stated that the existence of feedback mechanism was in place. The organization, Consolbase had devised a feedback mechanism but it was not all well vibrant. The use of trackers for information from the customers was to a very little extent agreed upon by the respondents in relation to customer focus. In regards to the organization carrying out an in-depth market research for customer focus, the respondents to a moderate extent agreed that the process was indeed important to customer focus element. This notion had a mean value of 3.26.

Lastly, the respondents to a small extent agreed upon the existence of warranties and guarantees centered on customers for the organization. This was agreed upon to a small extent by the respondents.

5.2.3 Strategic Planning and Organization Performance

Strategic planning effect on organization performance on TQM was measured by: company mission and vision, medium and long term goals, sufficiency of resources and employee involvement in strategic planning process. From the data gathered in chapter four with regards to the extent effect rate of strategic planning to organization performance, Most of the respondents seemed to be in support with the statement that company's mission had a focus on quality aspect. The quality aspect as part of strategic planning impacts in the long term the organization performance.

The aspect of medium term and long term goals as aspects of strategic planning in the organization were agreed upon by the respondents. The strategic planning in any kind is vital to encompass the short, medium and long term goals for fruitful achievement of objectives.

In relation of the aspect of the organization, Consolbase Company, having sufficient resources to carry out strategic planning, it was agreed upon to a large extent by the respondents.

However, the respondents to a small extent agreed upon with the notion that strategic plans communicated the company's mission. Lastly the respondents were not sure if the employee and customer involvement contributed to strategic planning of the organization.

5.2.4 Process Improvement and Organization Performance

Process improvement as a factor impacting organisation performance was measured by: sufficient cleanliness, maintenance of equipment and machinery, inspection activities, fool proofing and existence of internal and external audit system. From the findings in relation to process improvement, the respondents agreed to great extent that there was indeed sufficient cleanliness in the organization as a process improvement of total quality. Sufficiency in cleanliness is indeed vital component of the organization performance. Cleanliness gives a gauge on the aspect of quality and also process improvement.

The aspect of frequent maintenance of equipment at the organization was agreed upon to a great extent. Maintenance of system processes is indeed crucial for meeting threshold amounts of quality. The maintenance of the equipment and machines reduces wear and tear cost that come about due to continuous use. Another aspect why the frequent maintenance of equipment was agreed upon by the respondents is that it reduces the cases of accidents in the work place that may accrue due to poor functionality of equipment and machines.

In relation of the aspect of the organization, Consolbase Company, having implementation and inspection activities, it was agreed upon to a large extent by the respondents. Inspection activities on a frequent scale put the organization quality aspects in the limelight.

The respondents also agreed to a good extent the aspect of the organization performing the fool proofing activity of the alarms and control system in the organization. This has an impact of detecting faulty alarms and control systems.

Lastly the respondents also agreed to a great extent the existence of internal and external audit process in the organization, Consolbase. There is need to have the audit systems in place so as to guide the organization on financial performance. Financial performance is also an indicator of organizations quality.

5.3 Conclusion

Conclusively the study objectives are discussed in the following sections:

5.3.1 Employee Improvement

It can be concluded, based on the findings, that employee improvement is a critical ingredient when it comes to matters of organization performance when examining total quality management.

Employee improvement entails; decision making, existence of rewarding system, on job training and teamwork cooperation. The aspect of decision making continuously cut across all the major departments of Consolbase Company. The existence of a rewarding system for the organization motivates the employee to improve on their quality of output. On job training is a good aspect of improving the total quality of not only logistical companies but all companies in the service sector.

5.3.2 Customer Focus

Based on the findings it can be concluded that the existence of customer focus by the organisation translates to improved performance. Feedback mechanism as requirement leads to a selective quality on service leading to increased customer focus in the organization. The use of information tracking system had little impact on the customer focus aspect.

The presence of warranties and guarantees centered on customers increased the customer focus aspect of quality. The frequent in depth market research formed a basis for determining the quality given to customers.

5.3.3 Strategic Planning

Based on study findings it can be concluded that strategic planning is essential for the best of organisation performance in matters of total quality management. The study concludes that a company mission and vision statement, as component of strategic planning, to a great extent depict the organization performance on matters of quality. The existence of long term and medium term goals depict the strategic planning component of an organization towards performance on quality. The study also concludes that for an organization to fully achieve the quality control, the aspect of employee-customer relationship has to be considered.

5.3.4 Process Improvement

It can be concluded, based on the study findings that sufficiency in cleanliness, as component of process improvement, contributes immensely to total quality aspect of the organization. The frequent maintenance of machinery and equipment in the organization improved the quality of service to the customers due to reduced wear and tear incidences. The frequent inspection of system processes also keeps in check the total quality aspects in the organization performance. The presence of fool proofing activity of the alarms and control systems keeps in check the

quality aspect of the organization. Lastly, the presence of internal and external audit process is vital for gauging the direction the organization takes in terms of total quality.

5.4 Recommendations

5.4.1 Employee Improvement

The study recommended that the organization should involve individual employees in their own goal-setting process to give them autonomy over their goals. Develop a plan for moving up within the company and provide the resources and training that will develop staff into talented leaders in the long run. Encourage an organizational culture where employees feel safe to speak up and voice their opinions, regardless of their rank or position in the company. Managers should check in with employees monthly or quarterly to conduct a performance review, discuss opportunities for improvement and set new goals.

5.4.2 Customer Focus

The study recommended that the organization should create a customer-focused culture by having policies and technologies that make it easy for employees to form relationships with customers. Have an open and ongoing dialog with customers about pain points and how to address these problems. In speaking with a wide array of customers, businesses can determine what gaps exist in the market and begin working on offerings that will fill these gaps. Carry out customer segmentation to give better understanding of the organizational markets and customers and uncover untapped business opportunities, and help brands make strategic decisions without affecting other customer segments unintentionally.

5.4.3 Strategic Planning

The study recommended that the organization should consider which initiatives will have the greatest impact on its business and which will help improve its position the most. Also consider which initiatives are most urgent and put these at the front of the line. To ensure that the strategic plan is working, the organization needs to determine the best way to measure its progress. Ensure that everyone is involved in the plan is aware of the strategy.

5.4.4 Process Improvement

The study recommended that the organization should engage its employees in a valuable way, distributing responsibility and accountability closer to the work itself. Align internal business processes to deliver better external customer outcomes. Improve process efficiency so as to deliver a greater output of goods and services relative to the assets required for that purpose. Improve customer loyalty by understanding the internal business processes that must align to deliver better customer outcomes.

5.5 Suggestions for Further Research

Future studies should be carried out using this research model for sectors that have the same operational model like that of logistics in Kenya. This will create a newer source of knowledge and viable conclusions to be made. There is need to carry out similar study on other related logistical companies in the peer countries that are similar to Kenya's economy. This will create room for better cross reference of the total quality management aspects hence improved performance on how the logistical sector innovates and improves.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

Performance of Logistical Operations

This study is purely academic and respondents are assured that whatever information is provided will be highly confidential.

Instructions: Please kindly tick the box that clearly expresses your view about a question.

Section A

1. Gender of respondent

Male

Female

2. Age bracket of respondent

20-29 years

30-39 years

40-49 years

50-59 years

>60 years

3. Period of service at the firm by the respondent

< 1 yr

1-5 yrs

6-10 yrs

>10 yrs

4. Period of existence of the firm at the port

1-5 yrs

6-10 yrs

11-15 yrs

>16 yrs

Section B: Employee Improvement

5. Please indicate the extent to which you agree or disagree with regards to employee improvement

Factors	Strongly Disagree (1)	Disagree (2)	Not Sure (3)	Agree (4)	Strongly Agree (5)
(a) There is decision making across all the departments					
(b) There is existence of recognition and rewarding systems for employees					
(c) There is on job training and education of employees					
(d) There is presence of teamwork cooperation at the work place					
(e) There is employee suggestion for process improvement at the work place					

6. Are there other factors that affect employee improvement? If yes kindly indicate

.....

Section B: Customer Focus

7. Please indicate the extent to which you agree or disagree with regards to customer focus

Factors	Strongly Disagree (1)	Disagree (2)	Not Sure (3)	Agree (4)	Strongly Agree (5)
(a) There exists a feedback mechanism in the organization					
(b) There are trackers for satisfaction of information at the organization					
(c) The company carries out in-depth market research for its customers					
(d) There exists warranties and guarantees for the customers					
(e) There exists aspects of customer requirements in the company operations					

8. Are there other customer focus activities that have been done and worth mentioning? If yes, kindly write them

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Section C: Strategic Planning

9. To what extent do you agree or disagree with the following statement related to strategic planning

Factors	Strongly Disagree (1)	Disagree (2)	Not Sure (3)	Agree (4)	Strongly Agree (5)
(a) The company mission has a focus on quality of the organization's services					
(b) There are medium term and long term goals					
(c) There are sufficient resources to carry out strategic planning					
(d) The strategic plans communicate the company's mission and goals					
(e) There is employee and customer involvement in strategic planning					

10. Are there any other functional areas of strategic planning activities worth mentioning at the organization? If yes kindly write them down.

.....

Section D: Process Improvement

11. Process improvement level impacts on the performance of logistical firms, kindly indicate whether you agree or disagree with the following statement.

Factors	Strongly Disagree (1)	Disagree (2)	Not Sure (3)	Agree (4)	Strongly Agree (5)
(a) There is sufficient cleanliness in the organization					
(b) There is frequent maintenance of equipment and machinery in the organization					
(c) There exists the implementation and inspection activities in the organization					
(d) There is aspect of fool proofing through alarms and control systems					
(e) There is frequent internal and external audit system carried out in the organization					

Section E: Organisation Performance

12. Organisation performance is vital for logistical firms, kindly indicate whether you agree or disagree with the following statement.

Factors	Strongly Disagree (1)	Disagree (2)	Not Sure (3)	Agree (4)	Strongly Agree (5)
(a) The conformity rate of company is acceptable					
(b) There is good internal cost control measures					
(c) There is sufficient customer outreach					
(d) There is low employee turnover					

Thank you for your Cooperation