

Total Quality Management and Its Impact on Customer Satisfaction in the Organization

AHIAUZU LEVI UCHE PH.D¹, IGHIERE KENNETH ALOAYE², CHINYERE LAURA JOHNBULL
NWAObAKATA PHD³, ORDUH REGINALD NYECHE⁴, ANEREGH CHRISTIANA MBABA⁵

*Department of Entrepreneurship Education, School of Business Education
Federal College of Education (Technical) FCE(T) Omoku Rivers State Nigeria.*

Abstract—In a competitive and dynamic business environment, quality management has become a strategic necessity for organizations seeking to enhance customer satisfaction and achieve sustainable growth. This paper investigates the relationship between quality management practice and customer satisfaction across service and manufacturing organizations. Drawing on Total Quality Management (TQM), ISO9001:2015, and the SERVQUAL model, the study reviews theoretical foundations and empirical evidence. Findings show that four key dimensions, Customer focus, Continuous improvement, Employee involvement, and process management, significantly and positively influence customer satisfaction, loyalty, and retention. The study concluded that embedding quality into organizational culture reduces customer complaints, strengthens trust, and improves financial performance.

I. INTRODUCTION

Background to the Study

Total Quality Management (TQM) is a management philosophy focused on continuous improvement, customer focus, employee involvement, and process orientation. Organizations adopting TQM aim to reduce defects, improve service delivery, and go beyond customer expectations. In today's competitive environment, customer satisfaction has become a key measure of organizational performance and survival. As Oakland (2014) noted, TQM provides a framework for aligning organizational processes with customer needs.

Research shows that firms implementing TQM practices experience higher customer loyalty, lower complaints, and improved market share. However, the extent of impact depends on how well TQM principles are embedded into organizational culture and processes.

Statement of the Problem

Many organizations implement quality programs especially, focusing on certification rather than cultural change. This leads to minimal improvement

in customer satisfaction. The (GAP) There is a need to empirically examine which TQM dimensions most strongly influence customer satisfaction in the Nigerian context.

Objectives of the Study

General Objective:

To examine the impact of Total Quality Management on customer satisfaction in organizations.

Specific Objectives:

1. Assess the level of TQM implementation in organizations.
2. Determine the level of customer satisfaction.
3. Examine the effect of top management commitment on customer satisfaction.
4. Evaluate the effect of continuous improvement on customer satisfaction.

Research Questions

1. To what extent do organizations implement TQM practices?
2. What is the level of customer satisfaction?
3. How does top management commitment affect customer satisfaction?
4. Does continuous improvement influence customer satisfaction?

Research Hypotheses

- H1: Top management commitment has a significant positive effect on customer satisfaction.
H2: Continuous improvement has a significant positive effect on customer satisfaction.
H3: Customer focus has a significant positive effect on customer satisfaction.
H4: Employee involvement has a significant positive effect on customer satisfaction.

Significance of the Study

- (1) For managers: Identifies TQM practices that most drive satisfaction.

- (2) For policymakers: Informs quality standards for service sectors.
- (3) For academia: Adds to TQM literature in developing economies.

Definition of Terms

Total Quality Management: A management approach centered on quality, based on participation of all members, aiming at long-term success through customer satisfaction (Deming, 1986).

Customer Satisfaction: The degree to which a product or service meets or exceeds customer expectations (Parasuraman, Zeithaml, & Berry, 1988).

II. LITERATURE REVIEW

Concept of Total Quality Management

Deming (1986) defined TQM as a system of production that minimizes waste and maximizes quality through continuous improvement. Juran (1988) emphasized quality planning, control, and improvement as core to TQM. Crosby (1979) argued, "Quality is free" when organizations do things right the first time.

TQM is based on 4 core principles: customer focus, continuous improvement, process management, and employee involvement (Oakland, 2014).

Dimensions of TQM

1. Top Management Commitment: Leadership must create a quality culture and allocate resources. Without it, TQM initiatives fail (Deming, 1986).
2. Customer Focus: Understanding and meeting customer needs is central to TQM. Parasuraman, Zeithaml, and Berry (1988) developed SERVQUAL to measure gaps between customer expectations and perceptions.
3. Continuous Improvement: Kaizen and Lean practices drive ongoing small improvements that lead to significant gains over time (Oakland, 2014).
4. Employee Involvement: Empowered employees are critical for identifying and solving quality problems. Crosby (1979) stressed zero defects through employee engagement.

Customer satisfaction is the degree to which a product or service meets or exceeds customer expectations. Parasuraman, Zeithaml, and Berry (1988) showed that service quality dimensions directly influence satisfaction and loyalty.

Theoretical Framework

The study is anchored on Total Quality Management Theory as articulated by Deming (1986) and Juran (1988). Service Quality Theory from Parasuraman, Zeithaml, and Berry (1988) supports it. TQM theory posits that systematic quality management improves organizational outcomes. Service Quality Theory states that satisfaction arises when perceived performance meets or exceeds expectations.

Empirical Review

Studies using ISO 9000 standards show positive relationships between TQM practices and customer satisfaction. Oakland (2014) found that firms with strong top management commitment and employee involvement report higher satisfaction scores. Gaps remain in understanding which TQM dimension has the strongest effect in service industries.

III. METHODOLOGY

Research Design

Descriptive survey design using quantitative methods.

Population and Sample

Population: 800 staff and customers of 50 service organizations in Port Harcourt.

Sample: 260 respondents selected using stratified random sampling.

Yamane's formula was used at 95% confidence level.

Instrument for Data Collection

Structured questionnaire based on constructs from Deming (1986), Juran (1988), and SERVQUAL by Parasuraman, Zeithaml, and Berry (1988). 5-point Likert scale used.

Reliability test: Cronbach's Alpha = 0.88, above the 0.70 threshold.

IV. METHOD OF DATA ANALYSIS

Descriptive statistics, Pearson correlation, and multiple regression using SPSS v29. This approach aligns with methods used in TQM empirical studies by Oakland (2014).

Ethical Considerations

Informed consent, anonymity, and voluntary participation were ensured.

Data Presentation, Analysis, and Discussion

240 out of 260 questionnaires returned = 92.3% response rate.

Descriptive Results

Variable Mean Interpretation

Top Management Commitment	3.78	High
Customer Focus	3.65	High
Continuous Improvement	3.52	High
Employee Involvement	3.41	Moderate

Customer Satisfaction 3.89 High
The results support Deming's (1986) argument that leadership and customer focus are foundational to TQM success.

Test of Hypotheses

Hypothesis	β	Sig.	Decision
H1: Management Commitment → Satisfaction	0.34	0.000	Supported
H2: Continuous Improvement → Satisfaction	0.28	0.000	Supported
H3: Customer Focus → Satisfaction	0.31	0.000	Supported
H4: Employee Involvement → Satisfaction	0.19	0.003	Supported

Model $R^2 = 0.61$, meaning 61% of customer satisfaction variance is explained by TQM practices. This aligns with findings by Oakland (2014) and Crosby (1979).

Suggestions for Further Study

Sector-specific studies and longitudinal designs are recommended to validate these findings over time.

V. DISCUSSION

Findings show that TQM significantly impacts customer satisfaction. Top management commitment and customer focus are the strongest predictors, consistent with Deming (1986) and Parasuraman, Zeithaml, and Berry (1988). Employee involvement, though significant, needs strengthening in most organizations, as noted by Juran (1988).

VI. SUMMARY, CONCLUSION, AND RECOMMENDATIONS

Summary

TQM practices are moderately to highly implement. Customer satisfaction is high. All four TQM dimensions significantly predict satisfaction.

Conclusion

Total Quality Management is a critical driver of customer satisfaction. Organizations that embed TQM into culture and processes achieve better customer outcomes, as predicted by Deming (1986) and Juran (1988).

Recommendations

1. Strengthen top management commitment through quality training and accountability (Deming, 1986).
2. Institutionalize customer feedback mechanisms using SERVQUAL dimensions (Parasuraman, Zeithaml, & Berry, 1988).
3. Promote continuous improvement via Kaizen and Lean practices (Oakland, 2014).
4. Empower employees to participate in quality problem solving, as advocated by Crosby (1979).

REFERENCES

- [1] Crosby, P.B. (1979). *Quality is Free*. McGraw-Hill.
- [2] Deming, W.E. (1986). *Out of the Crisis*. MIT Press.
- [3] Juran, J.M. (1988). *Juran's Quality Control Handbook*. McGraw-Hill.
- [4] Oakland, J.S. (2014). *Total Quality Management and Operational Excellence*. Routledge.
- [5] Parasuraman, A., Zeithaml, V.A., & Berry, L.L. (1988). SERVQUAL: A Multiple-Item Scale for Measuring Consumer Perceptions of Service Quality. *Journal of Retailing*, 64(1), 12-40.
- [6] ISO. (2015). *ISO 9000: Quality Management Systems - Fundamentals and Vocabulary*. Geneva: ISO.