
Effects of Total Quality Management on Customer Satisfaction in the Hospitality Industry: Empirical Evidence from Kaduna State, Nigeria.

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Abstract

This study looked at how customer satisfaction in Kaduna metropolis was affected by total quality control. In this study, a survey research design was used. 384 copies of the questionnaire were distributed at random to hotel and restaurant customers in the Kaduna states. Stratified simple random sampling and convenience sampling are two of the multi-stage sampling techniques used in this study. A multiple regression model was used to analyze the respondents' data. The entire usable responses are coded and keyed-in to the Statistical Package for the Social Sciences (SPSS Version 23). The findings indicate that there is a positive correlation between customer satisfaction and all three predictors, namely service quality and leadership commitment. The study recommended that the management of the hotels and restaurants should genuinely care about resolving the of their customers and demonstrate a commitment to the new changes and plans for accommodating them. Additionally, the management of the hotels and restaurants should make sure that complaints from customers are appropriately documented and handled.

Keywords: Total quality management, customer satisfaction, service quality, leadership commitment.

1. Introduction

The dynamic business environment, marked by technological advancements and creative operational strategies, has forced organizations to maintain and enhance their business operations (Jared, 2021). As such, the management group has to make a consistent effort to prioritize operational protocols and product quality (Bezayet, 2021). Because they emphasize quality in every aspect of business operations, total quality management techniques are considered the best model in the modern world (Abdul, 2020). It is acknowledged as a comprehensive collection that offers enhanced employee engagement, competitive benchmark achievement, ongoing improvement, and customer requirements satisfaction (Lungu, 2020).

Customer satisfaction is an important evaluating a service's quality both before and after usage According to Chumo (2022), customer satisfaction refers to how satisfied customers are with the products and services that the company offers. It is ascertained by contrasting the customers' perceived results of a good or service with their expectations (Nigus, 2020). When a performance exceeds their expectations, customers are satisfied, and when a

performance meets their expectations, they are satisfied. Conversely, when a performance doesn't meet their expectations, customers become dissatisfied. Therefore, is a critical plan and measurement criterion for businesses (Burodo et al., 2021; Adeniran et al., 2022)

The hospitality sector more especially the hotel industry is currently facing significant challenges in the particular context of Nigeria, especially in the Northwest region due to growing global competition, more discriminating customers with erudite tastes and changing demands (Mukhles, 2021). These setbacks cover a wide range of areas, such as accommodation, inadequate facilities, transportation, and security. In addition, there are several other challenges facing the Nigerian hospitality sector, such as inadequate energy supply, poor management, a lack of operational standardization, unreliable customer service, inconsistent regulations environment, and inappropriate hotel classification (Mukhles, 2021).

The quality management (TQM) and performance of small and medium enterprises have been the subject of numerous studies (Onwuka, Ogochukwu, & Francisca, 2015). Additionally, previous research investigated the effects of TQM on the banking industry (Fida, Ahmed, & Al-Balushi, 2020; Emmanuel, Raymond, & Hillary, 2019). To the best of the researcher's knowledge, there haven't been many studies on Total Quality Management (TQM) in the hospitality industry in Nigeria, specifically in the hotel and restaurant industry of Kaduna state.

Furthermore, the performance and profitability of business organizations have been the primary subjects of previous research on total quality management (Omogbiya and Addah, 2016; Esin & Hilal, 2014; Emmanuel, Raymond & Hillary, 2019). These studies, however, have either failed to recognize or disregarded the critical relationship between total quality management and customer satisfaction business performance.

Additionally, the researcher was unable to find any studies that specifically, used the two dimensions of total quality management which include service quality and leadership commitment as defined in this study to examine the effect of total quality management on customer satisfaction within the hospitality industries in Kaduna state.

In light of these gaps that have been identified, the current study looks at how total quality management affects customer satisfaction in Kaduna state in terms of service quality and leadership commitment. In order to achieve this, the following hypotheses were developed:

Ho₁: Service quality has no significant influence on customer satisfaction in hospitality industries in Kaduna state.

Ho₂: Leadership commitment does not significantly affect customer satisfaction in hospitality industries in Kaduna state.

2. Literature Review

This section is divided into four main parts namely: Concept of total quality management, review empirical studies, theoretical review and theoretical framework.

2.1 Concept of total quality management (TQM)

The concept of "Production Quality Control Ideas" was first introduced, according to various scholars, in the 1920 publication (Cross and Mohammed, 2020; Getee, 2020; Lungu, 2020; Nassar, Yahaya, & Shorun, 2015). TQM implementation has been widely adopted in various industries and subsectors of diverse economies, both domestically and internationally (Abgbola & Ankrah, 2013). As a result, it is difficult to define Total Quality Management (TQM) uniformly because various studies have differing perspectives (Ammar, Lim, & Siti, 2010; Mukhles, 2021). There is a lack of clarity about the terminology used in discussions about this subject. A number of terms are used, including "companywide quality control," "total quality improvement," "strategic quality

management," and so on (Elvis, Andrews, & Freda, 2014). Consequently, it is difficult to provide a thorough explanation of the TQM concept due to its complexity (Mukhles, 2021).

Nonetheless, other writers tried to offer their definitions from a diverse perspective. In the field, for example, the research done by Damaris (2018) and Emmanuel, Raymond, and Hillary (2019) is noteworthy. According to Esin and Hilal (2014) and Ogbari and Borishade (2015), Total Quality Management (TQM) is a comprehensive management philosophy, a management tool, and a collection of principles that can be applied to all organizational functions and processes. Its primary objectives are to continuously reduce production costs, constantly improve the caliber of goods and services, and always exceed customer satisfaction. Total quality management (TQM) is a comprehensive management philosophy that includes the following ideas: treating people with respect as unique individuals, basing decisions on accurate information, and seeking continuous improvement across all organizational activities, (Babatunde and Ademola, 2019).

The authors also noted that TQM, is a management philosophy that attempts to create a corporate culture in which employees actively participate and continuous improvement is the assurance of increased customer satisfaction. Business process and management practice is the concept that deals with increasing an organization's efficacy and efficiency.

2.2 Review of Empirical Studies

In order to identify existing findings and research gaps, this section offers a review of relevant and related studies both local and globally on the topic.

Emereole, Chucku, and Nwaoligbo (2017) found that a significant number of Nigerian SMEs owners have a limited understanding of the principles of Total Quality Management (TQM) and its practical implementation within their businesses. In addition, it is noted that even those few SMEs that are aware of Total Quality Management (TQM), like the Dangote group of companies, lack the necessary skills to implement TQM in their daily operations. This is consistent with the findings of Ogbaje and Victor (2018), who found that the implementation of TQM techniques in Nigerian SMEs had insignificant effects on customer loyalty, retention, and satisfaction. However, this is not aligning with Samuel and Eunice (2014); Shuaib and He (2023) whose findings showed that a significant impact of total quality management its practical implementation on SMEs in Nigeria particularly, Lagos state. Alghamdi (2018) found a positive and significant relationship between Total Quality Management (TQM) and organizational performance after conducting research on the subject. The results of Emmanuel, Raymond, and Hillary (2019), who reported a positive and significant relationship between Total Quality Management (TQM) and organizational performance, are also in line with these findings.

Furthermore, there is a positive correlation between TQM and customer satisfaction, according to a study by Lungu (2020) on the effect of TQM on the level of customer satisfaction with the services provided by hotels in Lusaka, Zambia. This is in line with the findings of a study conducted in 2021 by Ezenta and Osagie (2021), which showed that customer satisfaction at resort hotels in South-East Nigeria was positively correlated with dimensions of service quality, particularly tangibility, reliability, and responsiveness.

In terms of gaps, though studies by Lungu (2020) and Ezenta and Osagie (2021) did not include restaurants in their studies of the hospitality industries, they primarily focused on the hotel sector. Additionally, the previous study focused mainly on other aspects of TQM, neglecting other dimensions of TQM, such as leadership commitment and service quality, which could have enhanced customer satisfaction. Furthermore, the previously mentioned studies were carried out both in Nigeria and globally. However, its conclusions and findings might not applicable to Kaduna state or the Northwest region of Nigeria.

2.3 Theoretical Framework

The expectation-disconfirmation theory is acknowledged as providing the fundamental framework for ensuring that customers are satisfied with the hospitality industries. The following was said about the expectation-disconfirmation theory and quality management theory:

2.3.1 Expectancy Disconfirmation Theory

The expectancy disconfirmation theory Oliver's (1980) has been found to be the most appropriate and widely used method for assessing total quality management practises in the service industry. The expectancy disconfirmation theory is a noteworthy theoretical framework that can be used to evaluate customer satisfaction with respect to perceived quality of goods and services, according to Osoko and Habsah (2021) and Elkhani and Bakri (2012). The expectancy disconfirmation hypothesis, according to the author, includes two components related to customers' perceived desire and behavior in relation to their preferences during the pre-purchase period. The quality of a product or service's performance can form customers' expectations, either positively or negatively (Oliver, 1980).

2.3.2 Quality Management Theory

Deming (1986) proposed the theory of quality management. The method seeks to improve both performance and quality in order to meet or exceed customer expectations. Achieving the goal can be made easier by integrating all quality-related roles and procedures throughout the entire organization. These measures incorporate the management of quality design and development, quality control and maintenance, quality improvement, and quality assurance.

The adoption expectancy-disconfirmation theory is taken into consideration as the theoretical underpinning of this study due to its applicability in the hospitality industries. This is because, expectancy disconfirmation is a theory that is commonly applied in the service industry. As discussed by Rao and Sahu (2013), the expectancy-disconfirmation theory has been identified as the fundamental framework for satisfaction models. Oliver (1980) proposed the idea, according to which satisfaction depends on the discrepancy between expected and perceived performance. According to the theory, customers make decisions about what goods and services to buy based on their pre-purchase expectations of the anticipated performance. After that, the degree of expectation acts as a yardstick for assessing the good or service. The expectancy-disconfirmation theory is thought to be appropriate for the current study given its relevance to the study. Unlike the quality management theory, which serves as this study's theoretical foundation as well. Its primary focus on continuous improvement, while ignoring other important aspects of total quality management and customer satisfaction.

3. Methodology

To gather data from the respondents, the study employed a survey research design approach. The population of the study consists of all customers of the seventy-one (71) luxury hotels and the forty-one (41) registered restaurants that were carefully selected in Kaduna state. The sampling techniques used in this study were multi-stage. Using the stratified sample technique, hotels and restaurants were chosen in the first stage. This is due to the state's heterogeneity, which is associated to various hotels and restaurants. For example, there are variations in how restaurants and hotels run their businesses and serve their customers. There are also variations in the price of lodging. Furthermore, the satisfaction level of one hotel or restaurant's customers regarding their satisfaction with

the service quality cannot be used to justify the views of other customers in other hotels or restaurants. In the second phase, In the selection of respondents (customers) for the study, simple random sampling technique was employed. Convenience sampling was used in the third stage to select Kaduna state. Since Kaduna state was chosen for the study based on proximity.

In this study, primary data was employed through questionnaire method to collect data from respondents (i.e. customers of the sampled hotels and restaurants). The study employed multiple regression model to establish the relationship between independent and dependent variables. Though, the study's population is unknown. The reason for this is that customers who purchase food in the hotels and restaurants are not properly documented.

$$n_0 = \frac{z^2 pq}{e^2} \dots\dots\dots (1)$$

Where:

n_0 = sample size

Z = Z value (e.g. 1.96 for 95% confidence level).

P = population proportion (expressed as decimal) assumed to be 0.5 (50%), it is the margin of error.

C = confidence level = 0.05.

Hence, given P = 0.5, Z = 1.96 and C = 0.05.

Therefore, the sample size of the population will be:

$$n_0 = \frac{(1.96)^2 0.5(1-0.5)}{(0.05)^2}$$

$$n_0 = \frac{3.8416(0.5)(0.5)}{0.0025} = 384.16$$

Therefore, the sample size is 384 to the nearest whole number.

4. Test Used for Data Analysis

The data was computed and analyzed using the Statistical Package for Social Science, version 23.0.

4.1 Results and Discussion of Findings

To determine the relationship between the customer satisfaction and the dimensions of independent variables, namely, service quality and leadership commitment, a multiple regression model was employed.

Table 1: Predictors of Customer Satisfaction.

Mode	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.102	3.421		2.613	.410
1 Service Quality	.601	.076	.742	.099	.001
Leadership commitment	.329	.084	.325	3.875	.001

a. Dependent Variable: Customer Satisfaction
 Predictors: (Constant), service quality and leadership commitment.

The table above displayed the predictors of customer satisfaction. It demonstrates that there is a positive correlation between all of the predictors, including leadership commitment and service quality and customer satisfaction.

The equation for the multiple regression model is as follows:

$$Customer\ Satisfaction = 0.101 + 0.600SQ + 0.327LC + 0.276CF$$

In this model, the independent variables are service quality and leadership commitment, while customer satisfaction is the dependent variable. According to this model, service quality and leadership commitment determine customer satisfaction. A significant value of the constant (0.410), which is greater than 5 percent (0.05) level of significance, indicates that the customer satisfaction will not be significant at zero level of service quality, leadership commitment, and customer focus.

These findings are based on the model results in Table 1. Constant coefficient (1.102) is the unit change of customer satisfaction and service quality and leadership commitment, are at zero level. Similar to this, a positive and highly significant relationship is indicated by the positive coefficient values of service quality (0.601) with significant value of (0.001) and leadership commitment (0.329) with significant value of (0.001), all of which are significantly less than the 5 percent (0.05) level of significance. implying that there is a positive and highly significant relationship between the customer satisfaction service quality and leadership commitment.

Additionally, the R-squared and adjusted R-squared values show the extent to which service quality and leadership commitment, account for variation in customer satisfaction.

Table 2 shows that customer satisfaction is well predicted or determined by service quality and leadership commitment, with R-squared and adjusted R-squared values of 0.778 and 0.621, respectively. This indicates that they are able to account for variances in customer satisfaction of up to 78 percent.

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error Estimate
1	.0.778a	.0.621	.592	1.19134

a. Predictors: (Constant), service quality and leadership commitment and customer

According to the results of the multiple regression model, customers in Kaduna state are significantly satisfied with all of the predictors of total quality management, including service quality and leadership commitment. This shows that the hotel or restaurant genuinely cares about solving their customers problems. The result also explains how the management of hotels and restaurants committed to the new changes and made plans to accommodate them.

Furthermore, the results clarified the process by which the management of hotels and restaurants records and handles customer complaints. This study confirms the results of earlier research by Yahaya, Nassar, and Shorun (2015), which showed a strong relationship between TQM and customer satisfaction.

5. Conclusions and Recommendations

The study concludes that leaders at hotels and restaurants who genuinely care about resolving customer issues and who commit to the new changes and plan accordingly greatly influenced customer satisfaction. This implies that customers in Kaduna state are satisfied with the total quality management in terms of service quality and leadership commitment. Customer satisfaction with the goods and services provided by the hotels and restaurants may be the cause of the positive relationship.

Based on the conclusions drawn, the study recommended that Kaduna state hospitality industries should improve customer satisfaction by demonstrating a genuine interest in resolving their issues. Furthermore, Kaduna state's hotel and restaurant management should accept new modifications and devise plans to accommodate them as this will have a significant impact on customer satisfaction. In addition, the management needs to make sure that customers are satisfied with the goods and services that the restaurants and hotels provide.

5.1. Policy Implications

The findings provide the need to suggest that the hospitality sectors in Kaduna state should improve customer satisfaction by showing a sincere desire to address their problems. Furthermore, the management of the hotels and restaurants in Kaduna state should accept new changes and make plans to incorporate them, as this will greatly affect customer satisfaction. Additionally, it is imperative for the management to ensure customer satisfaction with the goods and services offered by the restaurants and hotels.

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