

# **TOTAL QUALITY MANAGEMENT PRACTICES AND PERFORMANCE OF AIRLINES IN KENYA: CASE OF AIR KENYA EXPRESS LIMITED**

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## **ABSTRACT**

The Airline industry in Kenya is faced by several challenges. The challenges being faced include diminishing market potential, high fuel prices, safety records, need for skilled human resources, internal liberalization, high taxes and the environment. While looking at the market capacity and potential perspective, intercontinental capacity to and from Africa by African airlines currently stands at 36.4% compared with 63.6% by non-African airlines mainly from Europe, the Middle East and lately North America and Asia. As a result of this intense competition on the intercontinental routes, the best opportunities for expansion and growth for African airlines lies in the African regional and domestic markets which have not reached yet. The airline industry in Kenya has found itself in a very competitive market characterized by globalization and increased consumer demand for quality services and increased value for their money. This study sought to determine the effect of total quality management practices on performance of the Air Kenya Express Limited. The study assessed the effect of employee involvement, customer focus, continuous improvement and top management commitment on performance of Air Kenya Express Limited. The indicators of performance were customer and employee satisfaction, profitability and market share. The study was anchored on contingency, quality management theory and balanced score card theory. The study adopted a descriptive research design. The target population for the study was the management employees at Air Kenya who

fell in five main departments which include administration, engineering, finance, marketing and Public Relations/Communications department. There were a total of 50 management employees. Since the population was small, a census was adopted. Data was collected using questionnaires from strategically sampled respondents who were employees of the airline. Data collected was analyzed and processed using statistical package for social sciences to draw conclusions of the study objectives. The study found out that customer focus significantly influenced performance of Air Kenya Express Limited. Continual improvement focuses significantly influenced performance of Air Kenya Express Limited. Employee empowerment significantly influenced performance of Air Kenya Express Limited. Top management commitment significantly influenced performance of Air Kenya Express Limited. The study concludes that Air Kenya Company always came up with new products for customers. Air Kenya offered unique and exemplary services, embraced efficiency in its operations and customer feedback was always used to improve service delivery. Air Kenya monitored customer statistics to inform policy and the customer demanded informed company policy. Air Kenya offered and embraced effective customer service, updated customers on new routes, products and services regularly. Air Kenya built capacity among employees to improve service delivery. Employees were involved in decision making and the firm was committed to compensate and reward employees commensurately. The management supported staff to achieve firm mission and vision of

the company. The management empowered staff to deliver and participated in improving firm systems. The study recommends Air Kenya to always come up with new products for customers. Air Kenya ought to offer unique and exemplary services and embrace efficiency in its operations. Air Kenya ought to monitor customer statistics to inform policy and the customer ought to demand informed company policy. Employees ought to be involved in decision making and the

firm ought to be committed to compensate and reward employees commensurately. The management ought to support staff to achieve firm mission and vision of the company. The management ought to empower staff to deliver and participate in improving firm systems.

**Key Words:** *total quality management practices, performance, airlines, Air Kenya Express Limited*

## **INTRODUCTION**

Competition has forced many organizations to re-evaluate the competitive strategies that enable them to gain competitive advantage, remain relevant and successful in the market. According to Porter (1987), a firm can gain competitive advantage if it is able to create value for its buyers through the strategy of cost leadership, by becoming a low cost producer, the strategy of differentiation by offering a different product, a different delivery system, or using a different marketing approach and focus strategy that enables them to focus on certain market segment.

As global competition has intensified over last 20 years, process innovation of an enterprise is an inevitable necessity for survival. With today's rapid advances in technology and shortened product life cycle, it is not likely that many companies will have expertise in all the areas necessary to produce competitive goods and services. As a consequence, an increasing number of companies are focusing their attention on both continuous improvement and radical innovation to enhance their manufacturing competitiveness by using newly developed techniques and tools such as Just In Time (JIT) systems, Six Sigma, Lean Manufacturing, Enterprises Resources Planning (ERP), Supply Chain Management (SCM), and Total Quality Management (TQM) (Lee, 2012)

Today's competitive environment in the airline industry worldwide has never been tougher or more unforgiving (Seng, 2013). More and more players are one strategic step away from competitive extermination. Approaches that worked in the past simply cannot be used today's extremely competitive marketplace (Malburg, 2010). Times have never been worse for the airline industry. The margin of error is thinner than the average profit margin. Carriers are in a "make or break" moment and need to fundamentally change the way they do business (Prescott, 2011). Most of these airlines are struggling to survive these negative trends, with several carriers experiencing financial difficulties and some becoming bankrupt. These increased pressures have

resulted in mergers, alliances, acquisitions and industrial consolidation by airlines in order to reduce operating cost and thus enhance profitability (Ho, 2009).

The airline industry operates in an extremely competitive environment (Kahavya, 2015). In the recent years there has been an industry shakedown, which has had far reaching effects on the industry's trend towards expanding domestic and international services (Razvi, 2012). The air transport industry has an important role to play in achieving sustainable development in the East African sub-region (Irandu, 2010). More specifically is the expansion of air travel a necessary condition for the development of the transportation industry this region. In addition, improvements in the region's transport infrastructure would help to raise livelihood standards and alleviate poverty by lowering transport costs, supporting a more rapid economic growth, and increasing personal mobility (Oxford Economic Forecasting, 2015).

In the 21st Century world economy, the airline industry has been thrust to the forefront due to its role in enabling mobility of factors of production internationally through transportation of goods and people. Gichohi (2010) observed that the entire airline industry is essentially cyclical in nature and is therefore easily affected by any form of economic uncertainty which has caused a deep crisis of confidence in Airline stocks worldwide. Airlines have exhausted the usual downturn responses, like staff cutbacks and reduced flying. Airlines are under unprecedented pressure to produce sustainable economic results or perish as fuel, labor and asset cost escalates and demand declines. With the industry positioned for recovery from time to time, competition is expected to intensify as low-cost carriers continue to gain market share from full-service carriers by attracting both leisure and business segments. In addition, new operating model, innovative entrants and further airline consolidation will create more difficulties and intense competition. To respond to this airlines have employed a narrowly focused near-term strategy, including reduction in seat capacity and product unbundling (for example, paying extra for a window or aisle seat, or for more exit-row legroom) which could potentially have long term consequences on customer loyalty, experience and profitability from core product. The future of the airline industry will depend on ability to harness emerging technologies to deliver superior customer experiences and secure loyalty in addition to improving operational efficiencies (Lock et al., 2010).

According to the American National Standards Institute (ANSI) and the American Society for Quality (ASQ) (1991) TQM is the totality of features and characteristics of a product or service that bears on its ability to satisfy a given need. TQM is an improvement to the outdated way of doing business. It is also a proven method to an assurance of survival in world- class competition (Dale, 1999). TQM is therefore the art of managing the whole to achieve excellence and the implementation of TQM further ensures that organizations change how they perform activities so as to eliminate inefficiency, improve customer satisfaction and achieve the best practice (Porter, 1996).

According to Sila (2014), TQM can minimize the total cost of production through single sourcing. The cost in this case is reduced by limiting the number of suppliers used by the firm and providing them with necessary training and technology. The efficient functioning of an operation would then depend on how well the suppliers meet up with the expectations of the organisation. This is why the TQM principle emphasizes the totality of quality in all facets which includes the suppliers. The total quality approach creates an integrated method of analyzing operation by focusing the processes of production on customer satisfaction. Thus, it requires that quality be built into all the processes so as to be efficient in the overall operation (Andrle, 2014).

Increased globalization and liberalization with tough business conditions have brought challenges and opportunities for the airline sector and made them to promote quality in their products and services. With the increasing competition, business survival pressure and the dynamic, changing customer-oriented environment, operational performance has been identified as one of the important issues and generated a substantial amount of interest among managers and researchers. Quality performance has been considered as one of efficient approaches for business organization to improve their competitive advantage (Lang, 2011).

Fotopoulos & Psomas (2010) asserts that the emergence of quality plays a vital role and has become a top priority for many companies worldwide in order to achieve their objectives and gain a competitive edge. In the United States of America for instance, operational performance of the airline industry, has become an imperative in providing patient satisfaction because delivering quality service directly affects the customer satisfaction, loyalty and financial profitability of service businesses. In airline, quality operational performance can be broken down into two dimensions: technical and functional performance. While technical performance in the airline sector is defined primarily on the basis of the technical accuracy of the services and procedures or the conformance to professional specifications, functional quality refers to the manner in which the services are delivered to the customers (Dean & Lang, 2008).

In Kenya, Total Quality Management is one major management aspect that impacts organizational performance significantly in both private and public sectors (Magutu, 2010). However, in the last few years, organizations in Kenya have faced major challenges because of unprecedented competition which has created the survival for the fittest environment. Aviation industry players and other sectors have increasingly changed their attitude towards the adoption of TQM techniques and tools as a way to ensure survival and relevance in the Kenyan business environment. This study aims at establishing how total quality management influences performance of Airlines in Kenya.

## **STATEMENT OF THE PROBLEM**

The Airline industry in Kenya is faced by several challenges. According to Mutema (2016), in the State of the Kenya Airline Industry article, the challenges being faced include diminishing

market potential, high fuel prices, safety records, need for skilled human resources, internal liberalization, high taxes and the environment. While looking at the market capacity and potential perspective, intercontinental capacity to and from Africa by African airlines currently stands at 36.4% compared with 63.6% by non-African airlines mainly from Europe, the Middle East and lately North America and Asia. As a result of this intense competition on the intercontinental routes, the best opportunities for expansion and growth for African airlines lies in the African regional and domestic markets which have not reached yet. In addition, Gichohi (2015) observed that oil prices have been unpredictable and the world economy's growth rate has slowed. Currently prices (with Brent crude oil prices expected to be slightly over US\$100 a barrel in 2012), jet fuel prices have a huge negative impact on airline profitability. Due to the very competitive market conditions, airlines are not allowed to just pass on the extra costs to the consumer through taxes or ticket prices, this impacts the profit margins negatively. Further to this, Africa's poor safety record is being exploited by other competitors for commercial gain, requiring that Kenyan carriers to put its house in order. The airline industry has found itself in a very competitive market characterized by globalization and increased consumer demand for quality services and increased value for their money. A case at hand is the poor performance of Kenya airways which posted a 26 billion loss in the fiscal year 2015/2016 (NSE, 2016). Ethiopian airline seems to have gone through the same financial crisis before going into receivership in January 2016. Various strategies have been pursued to gain competitive advantage and improve quality of services. Airlines in Kenya have embraced formation of strategic alliances with other organizations to be able to compete effectively in the global arena (Kahavya, 2015). Accordingly, all aviation firms sought to adopt and implement a set of operations management practices that have been successful elsewhere and that would help them to identify changes in their environment and to respond proactively through continuous improvement (Fassoula, 2006). One form of operations management practices is TQM which has received great attention in the last two decades (Jung and Wang, 2006). Airlines have also embraced quality management systems used in managing various organizational functions. However, despite their popularity, there has been an insignificant positive relationship between their application and organizational performance. Various scholars have done studies to better understand the causes of poor organizational performance despite such quality management practices being put in place. A study by Mulaku and Ahmed (2014) found out that airlines have been undertaking major management changes aimed at improving their performance. Oyieke (2012) also found out that the airlines in Kenya have had major change management challenges involving organizational restructuring including formation of alliances and partnerships. Further, Mwikya (2014) found that airlines employ world class operations and technology including the hub and spoke model to ensure efficiency in customer satisfaction and his case study was Air Kenya Limited. Prior related studies by Mwangi (2011) and Wanyiri (2010) on total quality management practices in thermal power plants also discovered that customer focus and cost management contributes to an organization's competitive advantage. Although these studies have contributed to the knowledge of quality management and organizational performance

improvement, there are concerns on the poor performance trend being espoused by the airline industry. Air Kenya has been facing several challenges over the years which have seen a decline in the airline's profitability over the years. In 2017, the airline reported a drop in profit to the tune of 170.7 million after tax, a 10% drop from the previous 2016 financial year profit of 189.5 million and huge rise in operating costs. The airline also faces stiff competition from the upcoming airlines in the domestic market such as Silverstone airline, Jet Airways and Skyward Express Ltd. Among the causes reported by a select committee to look into the airline's crisis include poor investment decisions by top management, lack of customer focus, poor employee engagements and lack of continuous improvement. Despite management efforts aimed at saving the crippling airline, its performance continues to deteriorate. Addressing these challenges can potentially unlock the industry's potential for future growth as air travel is essential to the prosperity of Kenya. This study therefore sought to fill the gap by investigating total quality management practices and performance of Air Kenya express limited.

## **GENERAL OBJECTIVE**

The main objective of the study was to investigate the effect of total quality management practices on performance of Air Kenya Express Limited.

## **SPECIFIC OBJECTIVES**

1. To assess the effect of continuous improvement on the performance of Air Kenya Express Limited.
2. To investigate the influence of customer focus on the performance of Air Kenya Express Limited.
3. To find out the extent to which employee empowerment influences performance of Air Kenya Express Limited.
4. To establish the effect of top management commitment on performance of Air Kenya Express Limited.

## **THEORETICAL REVIEW**

### **Balanced Score Card Theory**

The Balanced Scorecard depends on the concept of Strategy developed by Kaplan and Norton, (2008). The Balanced Scorecard (BSC) is a performance management tool that permits a company to interpret its vision and strategy into a noticeable set of performance measures. However, it is more than a quantifying device. The scorecard provides an enterprise view of an organization's overall performance by incorporating financial measures with other key performance pointers around customer perspectives, internal business processes, and organizational growth, learning, and innovation. Kaplan and Norton (1992) describe the

innovation of the balanced scorecard as follows: The balanced score card retains traditional financial measures. Financial measures tell the story of past events, a satisfactory story for industrial age companies for which investments in long-term capabilities and customer relationships were not critical for success. These financial measures are insufficient, however, for guiding and assessing the journey that information the companies must make to create future value through investment in customers, suppliers, employees, procedures, expertise or technologies and innovation (Kaplan and Norton, 2006).

The core of formulating a competitive strategy lies in linking a company to the competitive forces in the industry in which it competes. The scorecard interprets the vision and strategy of a business unit into purposes and measures in four different areas: the financial, customer, internal business process and learning and growth perspective. The financial perspective identifies how the company wishes to be viewed by its shareholders. The customer perspective defines how the company wishes to be viewed by its customers.

The internal business process perception defines the business processes at which the company has to be particularly adept in order to satisfy its shareholders and customers. The organizational learning and growth perspective includes the changes and enhancements which the company needs to realize if it is to make its vision come true (Nelson and Gary 2012). A strategy is an established of hypotheses about cause and effect. The measurement system should make the relationships (hypotheses) amid objectives (and measures) in the various perspectives obvious, so that they can be managed and authenticated. The chain of cause and effect should suffuse all four perspectives of a BSC (Kaplan and Norton, 2007).

The complete chain of cause-and consequence relationships can be recognized as a vertical course through the four BSC perspectives relationship: measures of organizational learning and growth, measures of internal business processes, measures of the customer perspective, financial measures. The measures of organizational learning and growth are therefore the drivers of the measures of the internal business processes.

The measures of these processes are in turn the drivers of the measures of the customer perspective, while these measures are the drivers of the financial measures. According to Kaplan and Norton a good balanced scorecard should have an appropriate mix of outcomes (lagging indicators) and performance drivers (leading indicators of the business unit's strategy (Kaplan and Norton, 2008).

In line with Kaplan and Norton (2008), organization learning and growth involves training employees and hiring experienced consultants so that they can mentor the existing employees. This implies that employee career development elements (training and education, career guidance interventions such as mentorships and coaching, and employee self-development) are crucial building blocks to the achievement of balance score card performance. It encompasses the provision of services in many different jurisdictions and delivery settings to assist people to



gain the knowledge, skills, attitudes and behaviors that help them to manage their career more effectively.

Career development programs enable a deeper focus on an employee's aims and aspirations from identification of the handicaps being faced by an employee in accomplishing these goals to the solutions in terms of re-skilling or reassignment. This focus acts as the significant motivator for an employee to excel and exceed the targets. It facilitates powerful personal and professional development. As per the motivational theories, achievement orientation, growth and development are the basic human needs (Armstrong 2005). Globally, the importance and challenges of balance scorecard implementation has been acknowledged in various studies.

### **Quality Improvement Theory**

This theory was postulated by Deming in 1986. The theory states that the management is responsible for the systems, and that it is the system that generates 80 percent of the problems in firms (Hill, 1995). Deming (1986) noted that no quality management system could succeed without top management commitment; it is the management that invests in the processes, creates corporate culture, selects suppliers and develops long-term relationships.

Deming's Quality Improvement Theory provides business with a plan to eliminate poor quality control issues through effective managerial techniques. It's a fact that management's behavior shapes the corporate attitude and defines what is important for the success and survival of the firm. Hubert (2010) has detailed the theoretical approach of Deming (1986) in respect to the quality management system, and it envisages the creation of an organizational system that fosters cooperation and learning to facilitate the implementation of process management practices. This, in turn, leads to the continual improvement of the processes, products, and services and helps to instill employee satisfaction. These are critical to promoting customer focus and ultimately, helping in the survival of any organization.

Deming (1986) believed in a systematic approach to problem-solving and promoted the widely known Plan-Do-Check-Act cycle. The Plan-Do-Check-Act (PDCA) cycle of continuous improvement is a universal quality improvement concept whose aim is to constantly improve performance, thereby reducing the difference between customer requirements and the performance of the manufacturing firms (Goetsch & Davis, 2006). The theoretical essence of the Quality Improvement Theory focused on quality concerns in the creation of an organizational system that fosters cooperation and learning for facilitating the implementation of process management practices, which, in turn, leads to performance (Anderson et al., 1994). Oakland (2014) stressed that the responsibilities of top management should take the lead in changing processes and systems. Leadership plays a crucial role in ensuring the success of quality management because it is the top management's responsibility to create and communicate the vision to move the firm toward performance improvement.

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

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

### **Contingency Theories**

As per Daft and Noe (2001), contingency theory contends that it is the management's responsibility to increase the follower's motivation to attain organizational goals. Daft and Noe (2001) conclude that the management must match their management approach with the organizational contingency then offers the best solution which should result into quality.

Contingency theories have long been considered to create the significance of customer satisfaction to the operational performance. Quality focused organizations must identify their customers both internal and external, establish the specific needs of these customers, integrate all activities of the organization including marketing, production, finance and human resource management to incorporate the best way to satisfy the needs of these customers, and eventually, follow up to ensure the customers have been satisfied. TQM represent alternative approaches to improving the effectiveness and efficiency of an organization's operations function which are justified by these theories.

Contingency Theories set themselves the objective of identifying as many solutions to the problems as possible (Fulop & Lilley, 2004). The optimum solution for the organization and environment is then decided upon. The nature of the task, the structure of the organization, the human factors and the technology involved must all be taken into consideration before the decision is made. Contingency theories asserts that different situations and conditions require different management approaches and the proponents believe that there is no one best way to manage but the best way depends on the specific circumstances for the best quality outcome.

## **EMPIRICAL REVIEW**

### **Continuous Improvement and Performance**

Continuous improvement is a method for improving every facet of a company's operations and increasing competitiveness by developing a company's resources (Porter and Anne, 2017). The improvement can involve many goals including; producing products with zero defects or achieving 100 percent customer satisfaction, but continuous improvement has the same basic principles irrespective of the set goals (Murphy and Elana, 2006). These principles include: involvement of the company at all levels, find savings by improving existing processes, gathering data on company operations and quantify that data, which becomes the baseline against which improvements would be measured for continuous improvement (Morgan, 2006).

Continuous improvement most often involves creating a team that includes representatives from all areas of the company. The team first spends time learning about their company and other companies (benchmarking is common during this phase). The necessary quantitative data is created (McManus, 2009). The team then proposes solutions to management and begins to implement those solutions. When that is achieved, follow-up mechanisms must be put in place that seeks additional improvements as time goes by. The team might change members with the passage of time, but hopefully become an established and accepted part of the company even as its schedule changes. If the plans are executed as planned the team would achieve improved quality because of its initial efforts (Kinni and Theodore, 2015). This can attract more employees into this concept which in turn leads to the continued search for more improvements and thus continuous improvements (Joiner and Brian, 2017). This study would confirm the situation at Air Kenya Express Ltd.

### **Customer Focus and Performance**

Customer focus is an essential element in the implementation of TQM because the customer dictates the market in the current business environment. According to Fening et al. (2013) and Khan (2010), the satisfaction of the customer is the key focus of the TQM philosophy. It is, therefore, crucial for any organization to prioritize the customer in every decision making process. For example, the customer should be actively involved in the product/service design and development process so as to provide the necessary inputs that are essential for preventing waste, flaws and quality issues (Fening et al., 2013).

According to Deming (2006), customers see quality as the capacity to satisfy their needs and wants. This also agrees with the concept by Gilmore (2011) who considers quality to mean the degree to which a specific product satisfies the wants of a specific consumer. Historically, the philosophy of Total Quality Management (TQM) and customer focus can be traced back to the period just after the 2nd world war, led by Edward Deming. Per historical records, Americans

did not take the concept seriously until the Japanese who adopted it in 1950 to resurrect their post-war business and industry used it to dominate world markets by 1980. It's a philosophy that focuses relentlessly on the needs of the customer, both internal and external, realigns the organization from detection to prevention and aims to improve continuously using statistical monitoring.

It is generally agreed that quality has become a powerful strategic weapon in meeting customer satisfaction both locally and internationally. Improved quality is pivotal to customer demands and increases productivity of the organization with the increased return. Many authors agree that quality of product and service is the key to competitiveness in the open market. Kondo (2009) notes that improving quality in creative ways reduces costs and raises productivity. It is essential that a viable customer base is developed and maintained by implementing proper quality practices which implicates on the operational performance.

According to Garvin (2017) quality is not only a strategic weapon for competing in the current marketplace, but it also a means of pleasing consumers, not just protecting them from annoyances. Therefore, a company's specific advantage is to identify and then compete on one or more of the dimensions of quality. Per Noori (2014), who stresses in his book that competitiveness cannot only be achieved through quality, but the needs are fourfold: cost, competitive advantage, reputation and staying alive. Numerous empirical studies confirm that firms that have adopted a quality-oriented strategy have achieved improved productivity, greater customer satisfaction, increased employee morale, improved management labor relations and higher overall operational performance. The study would help Air Kenya Express ltd understand their customers well and improve its performance.

### **Employee Empowerment and Performance**

Employee empowerment/workforce management is a crucial factor in the achievement of any organizational goal. According to Kathaara, 2014, Fening et al. (2013) and Oduor (2015), employee participation in quality practices is crucial in achieving quality improvement. Employee empowerment entails promoting teamwork, providing the necessary training to employees and ensuring total employee involvement in the making of quality decisions (Kaynak, 2003 as cited in Oduor, 2015). It is crucial to note that the success of any TQM program highly depends on the participation of employees in the entire TQM process.

Mohanty and Lakhe (2012) argues that the people who know the most about what is right and wrong with processes are those who do it. If trained well and given the responsibility to inspect quality of their work it would eliminate inspection. Chandler and Mc Evoy (2012) pointed out that employees are the prime source of human resources, their education, skills and experience need to be assessed and matched with the job requirements for maximum performance. Employee involvement was conceived to mean a feeling of psychological ownership among

organizational members Koopman (2006). Unlike total quality management ideology, the traditional employee involvement is narrow minded; it is job centered rather than process-centered. The total quality management approach involves achieving broad employee interest, participation and contribution in the process of quality management.

Training helps in preparing employees towards managing the total quality management ideology in the process of production. Training equips people with the necessary skills and techniques of quality improvement. It is argued to be a powerful building block of business in the achievement of its aims and objectives Zhang,(2010). Through training, employees can identify improvement opportunities as it is directed at providing necessary skills and knowledge for all employees to be able to contribute to ongoing quality improvement process of production. Training and development programs should not be seen as a onetime event but a lifelong process Dale et al,(2010).

### **Top Management Commitment Performance**

Top management can be referred to as the corner stone of a successful Total Quality programme as they hold the seat of most influence upon those working for the company. They do not as such produce anything, but they get results through their employees. Their management style may come into play when trying to get the best from staff, whether it is through an authoritarian approach or a participation styled approach (Meere, 2005). Magutu et al., (2010) demonstrates that ISO 9001:2008 provide an invaluable set of benefits for academic institutions in Kenya. They argue that ISO 9001:2008 certification carry advantages like market competitiveness, consistency in quality, improved productivity, employee involvement, staff morale and job satisfaction. The practical benefits of working towards and achieving the standard are many. They include improved earning, productivity and profitability. On the contrary, Arawati (2005) reveals a practical situation when the ISO system does not add value to manage the business processes, by mentioning that ISO 9001: 2008 quality standards is not regarded as a major driver of process performance as the company has a policy on achieving these standards based on commercial needs criteria.

Pheny and Teo (2013) observed that top management must communicate TQM to the entire organization to create awareness, interest, desire and action. They should provide the quality vision and create a cultural change within the organisation. They should organize for trainings, empower others by allowing them to grow, delegate authority and recognize them for quality achievements. Top management must allocate resources and partner with suppliers for sharing of information in terms of new innovations and technology in the market for quality materials.

Top management commitment and leadership requires effective change in organizational culture and this can only be made possible with the deep involvement of top management to the organization's strategy of continuous improvement, open communication and cooperation

throughout the organization. Total quality management implementation improves the organizational performance by influencing other total quality management dimensions.

According to Garvin (2014) most problems associated with quality are attributed to management. This indicated that successful quality management is highly dependent on the level of top management commitment. It requires that top management commitment to quality must convey the philosophy that quality would receive a higher priority over cost and that in the long run would achieve operational performance as well as reduced operational cost. Several studies have been done on the concepts of quality improvement practices and organization performance. For example, Miller and Hartwick (2012) found that training and top management commitment play very important roles in TQM implementations in public listed manufacturing companies.

We need to understand that without clear and consistent quality leadership, quality cannot hope to succeed Everett (2012). This requires that quality leadership to be made a strategic objective and this means that the leader provides the suitable environment to provide the most comfort to the members who improve performance and productivity Rao et al., (2006). Top management commitment has been identified as one of the major determinants of successful TQM implementation. In Air Kenya is headed by a general manager. The firm had various departments which include Engineering, Finance, Marketing, PR and Communications all headed by Departmental Managers. These managers form the top management of the firm.

## **RESEARCH METHODOLOGY**

### **Research Design**

The research problem was studied through the use of a descriptive research design. According to Cooper & Schindler (2013), a descriptive study is concerned with finding out the what, where and how of a phenomenon. This study therefore was able to generalize the findings to the airline. A case study approach was used to analyze the application of the TQM practices in Air Kenya Express Ltd and how they affected performance of the airline.

### **Target Population**

The target population for this study comprised of administration, engineering, finance, marketing and PR and Communications departments. According to Mugenda and Mugenda (2003) population is a complete set of individuals, cases or objects with some common observable characteristics. The target population for the study was therefore 50 respondents.

### **Sampling Procedure**

Sampling techniques provide a range of methods that facilitate in reducing the amount of data that needs to be collected by considering only data from a sub-group rather than all possible

cases or elements. Since the population was small, a census was adopted involving all the members of the population in the study.

### **Data Collection Procedure**

According to Kothari (2014), data collection procedures are strategies employed in research to ensure credible, valid and reliable data is obtained to inform the research findings. The study administered the questionnaire individually to all respondents of the study. The study exercised care and control to ensure all questionnaires issued to the respondents were received and achieved. The study maintained a register of questionnaires, which was sent, and which was received. The questionnaire was administered using a drop and pick later method.

### **Data Analysis and Presentation**

Quantitative data collected was analyzed by the use of descriptive statistics using SPSS (Version 22) and presented through percentages, means, standard deviations and frequencies. The information was displayed by use of bar charts, graphs and pie charts and in prose-form. This was done by tallying up responses, computing the percentages of variations in response as well as describing and interpreting the data in line with the study objectives and assumptions through use of SPSS (Version 22) to communicate research findings. Content analysis was used to test data that was qualitative in nature or aspect of the data collected from the open-ended questions. In addition, the study conducted a multiple regression analysis. The multiple regression equation is; ( $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$ ):

Where: Y = Performance;  $X_1$  = Continual improvement;  $X_2$  = Customer focus;  $X_3$  = Employee empowerment;  $X_4$  = Top management commitment;  $\beta_1, \beta_2, \beta_3, \beta_4$  = Regression Coefficients;  $\epsilon$  = Error term

However, qualitative data was analyzed using a Likert scale of 1 to 5 based on weights for the degree of influence of independent variables on the dependent. 1 for Not at all, 2 for Low extent, 3 for moderate extent, 4 for greater extent and 5 very greater extent.

## **RESEARCH RESULTS**

The main objective of the study was to investigate the effect of total quality management practices on performance of Air Kenya Express Limited. The study was guided by the following specific objectives; to assess the effect of continuous improvement on the performance of Air Kenya Express Limited. To investigate the influence of customer focus on the performance of Air Kenya Express Limited. To find out the extent to which employee empowerment influences performance of Air Kenya Express Limited. To establish the effect of top management commitment on performance of Air Kenya Express Limited. The study adopted descriptive

research design, the study targeted the management levels of the company, relied on primary data that was coded into SPSS Version 23.0 for analysis.

On continuous improvement, the study found out that majority of the respondents agreed that their company always came up with new products for customers. Majority of the respondents agreed that the firm offered unique and exemplary services. Majority of the respondents agreed that Air Kenya embraced efficiency in its operations. Majority of the respondents agreed that customer feedback was always used to improve service delivery. Majority of the respondents agreed that the firm embraced new technology to improve service delivery. Majority of the respondents agreed that the airline staff underwent continuous training to improve customer service. Majority of the respondents moderately agreed that the firm had the latest planes in its fleet.

On customer focus, the study established that majority of the respondents agreed that the airline had a robust customer care team. Majority of the respondents agreed that the airline responded to customer needs around the clock. Majority of the respondents agreed that the firm monitored customer statistics to inform policy. Majority of the respondents agreed that customer demanded informed company policy. Majority of the respondents agreed that there was effectiveness in customer service. Majority of the respondents agreed that the firm updated customers on new routes, products and services regularly. Majority of the respondents moderately agreed that customer service had been automated.

In view to employee empowerment, the study found out that majority of the respondents agreed that the firm had a policy on employee empowerment. Majority of the respondents agreed that the management appreciated all employees. Majority of the respondents agreed that the firm-built capacity among employees to improve service delivery. Majority of the respondents agreed that employees were involved in decision making. Majority of the respondents moderately agreed that the firm was committed to compensate and reward employees commensurately. Majority of the respondents agreed that the airline motivated its staff to work and majority of the respondents moderately agreed that the firm complied with all requirements on employee welfare and management.

In regard to top management commitment, the study established that majority of the respondents agreed that the airline management was keen on quality service delivery. Majority of the respondents agreed that the management supported staff to achieve firm mission and vision. Majority of the respondents agreed that the management empowered staff to deliver. Majority of the respondents agreed that the management participated in improving firm systems. Majority of the respondents agreed that the firm held everybody to account on delivering quality. Majority of the respondents moderately agreed that the airline management engaged in an open correspondence with its staff.



## INFERENCE STATISTICS

The researcher carried out multiple regression analysis to establish the effect of total quality management practices on performance of Air Kenya Express Limited. The findings of coefficient of correlation and coefficient of determinations was identified by the researcher. The findings are indicated in Table 1.

**Table 1: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.778 <sup>a</sup>	.756	.751	.08053

- a. Dependent Variable: Lending
- b. Predictors: (Constant), Customer Focus, Continual Improvement Focus, Employee Empowerment and Top Management Commitment

Table 1 shows that coefficient of correlation was 0.778 an indication that the study variables significantly influenced firm performance of Air Kenya Express Limited. Coefficient of adjusted determination was 0.751 which translates to 75.1%. This indicates that variations in dependents variable was explained by the independent variables (customer focus, continual improvement focus, employee empowerment and top management commitment). The residual of 24.9 % could be explained by other factors beyond the scope of the current study.

An ANOVA was carried out at 5% level of significant level. A comparison between  $F_{\text{Calculated}}$  and  $F_{\text{Critical}}$  was carried out. The findings are indicated in Table 2.

**Table 2: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	495.175	4	123.794	25.561	.000 <sup>b</sup>
Residual	159.818	33	4.843		
Total	654.993	37			

- a. Dependents Variable: Firm Performance
- b. Predictors: (Constant), Customer Focus, Continual Improvement Focus, Employee Empowerment and Top Management Commitment

Table 2 shows that that  $F_{\text{Calculated}}$  was 25.561 and  $F_{\text{Critical}}$  was 2.641. Since  $25.561 > 2.641$  indication that the overall regression model significantly influenced the study. The p value was  $0.00 < 0.05$  an indication that the study variables significantly influenced firm performance of Air Kenya Express Limited.

To investigate the effect of total quality management practices on performance of Air Kenya Express Limited, the following coefficient were generated.

**Table 3: Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	2.468	.201			12.281	.000
Continual improvement	1.923	.125	1.096		15.420	.000
Customer focus	.224	.091	.123		2.460	.000
Employee empowerment	2.052	.612	.138		3.353	.002
Top management	.514	.117	.107		4.391	.000

a. Dependent Variable: Firm Performance

The resultant equation becomes;

$$Y = 2.468 + 1.923X_1 + 0.224X_2 + 2.052X_3 + 0.514X_4$$

Where: Y = Performance; X<sub>1</sub> = Continual improvement; X<sub>2</sub> = Customer focus; X<sub>3</sub> = Employee empowerment; X<sub>4</sub> = Top management commitment

From the findings, when all factors (customer focus, continual improvement focus, employee empowerment and top management commitment) were held constant, performance in commercial bank would be at 2.468. A unit increase in customer focus when all other factors were held constant, performance would be at 1.923. A unit increase in continual improvement focus when all the other factors were held constant, performance would be at 0.224. A unit increase in employee empowerment when all the other factors were hold constant, performance would be at 2.052. A unit increase in top management commitment when all other factors were held constant, performance would be at 0.173.

In view to p and t value, the study established that customer focus had a p value of 0.00<0.05 and a t value of 15.420>1.96, continual improvement focus had a p value of 0.00<0.05 and a t value of 2.460>1.96, employee empowerment had a p value of 0.02<0.05 and a t value of 3.353>1.96 and top management commitment had a p value of 0.00<0.05 and a t value of 4.391>1.96. This shows that all the variables had a p value less than 0.05 and a t value greater than 1.96 an indication that all the variables significantly influenced performance of Air Kenya Express Limited.

## CONCLUSIONS

The study concludes that Air Kenya company always came up with new products for customers. Air Kenya offered unique and exemplary services, embraced efficiency in its operations and customer feedback was always used to improve service delivery. The firm always embraced new technology to improve service delivery. The airline staff underwent continuous training to improve customer service and the firm had the latest planes in its fleet. The study concludes that

the airline had a robust customer care team and responded to customer needs around the clock. Air Kenya monitored customer statistics to inform policy and the customer demanded informed company policy. Air Kenya offered and embraced effective customer service, updated customers on new routes, products and services regularly. Air Kenya had automated customer services. The study concludes that the firm had a policy on employee empowerment and the management appreciated all employees. Air Kenya built capacity among employees to improve service delivery. Employees were involved in decision making and the firm was committed to compensate and reward employees commensurately. The airline motivated its staff to work and the firm complied with all requirements on employee welfare and management. The study further concludes that the airline management was keen on quality service delivery offered to clients. The management supported staff to achieve firm mission and vision of the company. The management empowered staff to deliver and participated in improving firm systems. Air Kenya held everybody to account on delivering quality as per the standard of the company. The airline management engaged in an open correspondence with its staff.

## **RECOMMENDATIONS**

The study recommends that Air Kenya company ought to always come up with new products for customers. Air Kenya ought to offer unique and exemplary services and embrace efficiency in its operations. Air Kenya ought to use customer feedback to improve service delivery. The firm ought to embrace new technology to improve service delivery. The airline staff ought to undergo continuous training to improve customer service and ought to have the latest planes in its fleet. The study recommends that the airline ought to have a robust customer care team and ought to respond to customer needs around the clock. Air Kenya ought to monitor customer statistics to inform policy and the customer ought to demand informed company policy. Air Kenya ought to offer and embrace effective customer service, update customers on new routes, products and services regularly. Air Kenya ought to have automated customer services.

The study also recommends that the firm ought to have a policy on employee empowerment and the management ought to appreciate all employees regarding their input. Air Kenya ought to build capacity among employees to improve service delivery. Employees ought to be involved in decision making and the firm ought to be committed to compensate and reward employees commensurately. The airline ought to motivate its staff to work and ought to comply with all requirements on employee welfare and management. The study further recommends that the airline management ought to be keen on quality service delivery offered to clients. The management ought to support staff to achieve firm mission and vision of the company. The management ought to empower staff to deliver and participate in improving firm systems. Air Kenya ought to hold everybody to account on delivering quality as per the standard of the company. The airline management ought to engage in an open correspondence with its staff.

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