

Implementation of Total Quality Management (TQM) in Gender-Based Cooperatives

Endang Sungkawati*
Universitas Wisnuwardhana Malang
endang_sung@yahoo.co.id
endangsungkawati@wisnuwardhana.ac.id

Abstract. This study aims to analyze the implementation of Total Quality Management (TQM) on the performance of gender-oriented cooperatives. The study was conducted with a qualitative approach. Data collection techniques using interview techniques to administrators and employees of women's cooperatives. Interviews were conducted to explore data on employee performance systems and product innovation in women's cooperatives. The results showed that Total Quality Management (TQM) consisting of leadership, customer focus, continuous improvement, unity of purpose, involvement and empowerment of employees, in gender-oriented women's cooperatives. Based on the results of interviews and analysis, it shows that even though it has been done, not all components of TQM can improve the performance of management and employees of woman's cooperatives. The main factor that can improve the performance of managers and employees is the involvement and focus on the customer.

Keywords: *implementation, total quality management, cooperatives, gender*

INTRODUCTION

The growing competition in the global market requires a company, organization, business struggle to compete to become a leading and best company. Likewise, those engaged in fields that seek to members (cooperatives), must also compete in running their businesses. The entry into force of the ASEAN free market in 2015 has caused companies in every country specifically in the ASEAN region and Indonesia to face global competition. This global competition provides many choices for consumers, where they are increasingly cost-conscious and value-conscious in asking for high-quality products and services. To be able to survive and succeed in such an environment, companies must create value for customers in the form of products and services and quality services, so that companies also obtain value [1]

The development of technology that increases human resources/company plays an important role in a company or organization [1], [2]. To achieve a

good company or a company that can help develop a company that can be done by the company to be able to develop and maintain competition. Further development of the demands for product quality is increasing by showing that consumers are no longer satisfied with just good quality but have also demanded a guarantee of consistency in the quality of the products provided. Improving the quality of human resources according to Robbins can be measured by success: improvement of theoretical ability is an individual's capacity to do various tasks in a job; technical capability improvement is a method or system of doing work; increasing conceptual ability is being able to predict everything related to the target to be addressed; moral enhancement is being able to carry out coordination, being able to work together, always trying to avoid disgraceful deeds and being able to develop themselves [3]. In this case, human resources are considered as the most important resources and the most valuable assets [2].

Total Quality Management (TQM) is an approach that can be used to systematically improve quality. TQM is applied using many dimensions and has been widely used by many companies to improve performance such as quality, productivity, and profitability [4]. The rationale for the need for TQM is that the best way to be able to compete and excel in global competition is to produce the best quality [5], and the achievement of company performance can be improved through increasing company productivity. One effort that companies can do to improve their productivity is through the proper management of resources [6], [7]. To produce good quality, it is necessary to make continuous improvements to the process and its environment. The best way to continuously improve these components is to implement TQM. The application of TQM in a company can provide key benefits which in turn increase the profit and competitiveness of the company.

In general, TQM is a management system to be able to increase employee productivity, or in other words, TQM is intended to be able to produce high-quality goods and or services with methods that integrate managerial and operational skills effectively and efficiently, so that it can lead to satisfaction for all parties namely labor, companies, and customers. The impact of TQM

implementation on employee performance has been previously reviewed who have found that the implementation of TQM has a strong relationship and influence on employee performance. [2]- [10]

In this study, the object used is the Women's Cooperative that has implemented Total Quality Management (TQM). The choice of women's cooperatives as research subjects is because cooperatives are a form of business whose main purpose is to prosper their members. As an organization engaged in business, women's cooperatives also face the existence of a global market, thus making cooperatives must be able to provide services to their members (as consumers), by providing more value when compared to other businesses [10], [11]. A cooperative must be better off with its competitors in managing labor, raw materials, and other inputs so that it can produce high-quality goods and services. Cooperatives need to achieve their goals and provide a satisfying work environment, bearing in mind that this can improve the performance of existing human resources. Based on this study, women's cooperatives also apply TQM as a basis for evaluating their performance.

Total Quality Management (TQM)

Total Quality Management is an approach to running a business to maximize organizational competitiveness through continuous improvement. Continual improvement made by the organization includes products, services, people, processes, and the environment. TQM also means how to continuously improve performance at every level of operation or process and in every functional area of an organization [7]. TQM is a systematic management approach that is oriented towards organizations, customers, and markets through a combination of practical fact-finding and problem solving, to create a significant increase in quality, productivity, and other performance in the company.

The premise of TQM is that the best way to compete and excel in global competition is to produce the best quality. To produce the best quality, continuous improvement efforts are needed for human capabilities, processes, and the environment. The best way to continuously improve the ability of these components is to implement TQM.

The application of TQM in a company can provide several key benefits which in turn increase the profit and competitiveness of the company concerned. This requires a major change in the culture and value system of an organization. Performance measurement is the most important activity for management in managing a company organization. In general, performance is defined as the extent to which an operation meets performance

objectives, and the main steps to meet the needs of the company's customers.

Principles of Total Quality Management

We know that TQM is a concept that seeks to implement a quality management system. The following are some of the principles of Total Quality Management (TQM), namely:

1. Leadership

Leadership is a management concept in an organization that has a strategic position because it is central to all organizational activities. Leadership is needed where there is a cooperative relationship in achieving goals within the organization. In reality, leadership can affect morale and job satisfaction, security, quality of work-life, and especially the level of achievement of an organization.

2. Customer Focus

The quality produced by a company is the same as the value given to improve the quality of life of customers. The higher the value awarded, the greater the customer satisfaction. The purpose of customer satisfaction itself is an organization that depends on its customers because they have to understand the various needs of customers today and in the future, recognize the requirements or demands of customers and try to meet them or even exceed what customers expect. Customer satisfaction is the top priority in TQM organizations, so organizations must have a customer focus. The key to forming a focus on customers is placing company employees to connect with customers and empower them to take the necessary actions to satisfy customers.

3. Continuous Improvement

To be successful, every company needs to carry out a systematic process of carrying out continuous improvement. The concept that applies here is the PDCAA cycle (plan, do, check, act, analyze), which consists of planning steps, up to taking corrective action on the results obtained. The concept of continuous improvement is applied both to the production process and the people who carry it out. In the TQM process, management plays a major role in improving quality to enable the implementation of continuous improvement systems. TQM covers all managers and employees and uses quantitative methods to continuously improve various organizational processes. TQM is an integration of all functions and processes in the organization to get continuous improvement in the quality of products and services (continuous improvement).

4. Unity of Purpose

For TQM to be well implemented, companies must have a united purpose. Thus, every effort

can be directed to the same goal. However, this unity of purpose does not mean that there must always be agreement/agreement between management and employees, for example regarding wages and working conditions.

5. Employee Engagement and Empowerment

To increase the likelihood of good decisions, good plans, or more effective improvements, because it also includes the views and thoughts of those who are directly related to the work situation and increases the 'sense of belonging' and responsibility for decisions by involving people who have to carry it out.

METHOD

This type of research is qualitative research, namely research that raises issues about the application of TQM in women's cooperatives. Data collection techniques using interview techniques to administrators and employees of women's cooperatives. Interviews were conducted to explore data about employee performance systems and product innovation in women's cooperatives. For qualitative research, the sample is called an informant [12]. Qualitative descriptive research is not intended to make generalizations from the results of his research. This qualitative study does not recognize the population or sample. Research subjects that have been reflected in the focus of the study were determined intentionally [13]. The subject of this research was the informant during the research process. In this study, 7 informants were interviewed concerning the locus of this research, namely the application of TQM in improving the performance of women's cooperatives. The steps to analyze data are as follows: (1) Data reduction. (2) Data display. (3) Verification.

RESULT & DISCUSSION

The findings in this study indicate that the application of TQM practices has an important impact on the performance of women cooperative management. It can be interpreted that the better implementation of TQM practices carried out by women's cooperatives will improve the performance results of managers. Also, the results of the interviews showed that the successful application of TQM practices in women's cooperatives was more dominated by teamwork. While the achievement of the management's performance is prioritized in service to customers.

This condition indicates that with a solid team, and with a unity of purpose, the completion of the work can be done better and more effectively by established quality standards. As it is known that in the implementation of TQM, teamwork is an aspect that is considered quite important by employees in

encouraging the achievement of their performance. In teamwork, each member feels there is one goal. From here, employees need the means to build teamwork effectiveness in carrying out each task or job.

In addition to teamwork and unity of purpose, customer focus is a factor of concern for improving performance. For every organization that implements TQM, it must know, identify, and analyze the needs and expectations of its customers to satisfy it. Where the products or services created and provided must be following the wishes of the customers. To find out how the informants' responses to the focus on customers in women's cooperatives, interviews were conducted. The results of the interview stated that cooperative management always identified the needs of members, able to satisfy customers, always fostering a direct relationship with customers. From this description, it can be concluded that the focus is on customers in women's cooperatives, in which the female cooperative management understands and pays attention to the needs and expectations of the members and takes action on the needs of the desired members.

In general, people who are involved in human resource management agree that performance appraisal is an important part of the entire employee performance process concerned. This is also important for cooperatives where the management works. For administrators, the assessment serves as feedback about various things such as abilities, strengths, weaknesses, and potential which in turn is useful for determining goals, paths, plans, and career development, and for the organization or company itself, the results of the assessment are very important and its role in making decisions about various things, such as identifying the needs of education and training programs, recruitment, selection, program introduction, placement, promotion, reward systems and various other aspects of the process of effective human resource management. Based on the results of the study can be described as follows.

TQM is a concept used by organizations to maintain a competitive advantage and ensure the effectiveness of the company's operations [5]. The application of TQM is done as one of the company's strategies in producing good service performance so that the implementation is oriented to customer satisfaction and involves all members of the company including employees [7], [14], [15]. From this, it can be said that the practice of TQM is intended to make improvements continuously (continuously) to products or services, human resources, processes and the environment [5], [16] so that it can produce the best and superior quality in a competition [7], [9].

As explained earlier that teamwork greatly determines the quality of employee work, so from

here employees need to build good relationships with colleagues. These needs are still less able to be felt by employees, thus creating gaps between them and causing inconvenience in working. From the overall research findings, it can be concluded that the effectiveness of teamwork (as an important part in implementing TQM practices) will create good relationships among employees, to encourage employee satisfaction and ultimately improve the quality of their performance [6], [10]

Based on the conditions that occur in women's cooperatives, the actual implementation of TQM is more focused on customers (cooperative members). Women's cooperatives have carried out various strategic programs that are not only intended as an effort to meet customer needs but also to improve the quality of products produced at affordable prices so that in the long run they can increase competitive advantage and expand the company's market share. The achievement of the company's goals has provided feedback to all parties concerned, including employees, which in real terms is more felt from the promotional opportunities provided by the company, so this encourages management and employee satisfaction with their work [10]- [11].

Customer satisfaction (cooperative members) is useful for maintaining the survival of women's cooperatives because existing products are vulnerable to changes in consumer tastes, technology, shorter product life cycles, and increased domestic and foreign competition. Customer satisfaction must be done through market research results, to produce data that is under customer satisfaction. Even though women's cooperatives attach great importance to quality, but if they do not pay attention to customer satisfaction, it will cause their products not to be in demand, even consumers will switch to other products, so sales and income will decrease. [17]

CONCLUSION

The results of this study can be concluded that the application of TQM in women's cooperatives is part of the management function and has been designed and planned. TQM has been implemented well, this is intended so that the implementation of activities in the field can simplify and accelerate the activities of management in managing cooperatives. Women's Cooperative innovates continuously to improve the quality of cooperative management to serving cooperative members and the satisfaction of cooperative members. The TQM carried out by women's cooperatives is based on the common goal that is realized in solid teamwork and service is aimed at customer focus. need to continue to innovate and commit to improving the quality management system to provide satisfaction to customers both members and non-members who

receive savings and loan services in the cooperative. Women's cooperatives need to improve TQM so operational performance can improve continuously, and sustainable TQM needs to be utilized to face competition.

REFERENCES

- [1] Luthans, *Organizational Behavior: An Evidence-Based Approach*. New York.: The McGraw-Hill Companies, Inc., 2011.
- [2] Tinuke, "Correlates of Total Quality Management and Employee Performance: An Empirical Study of a Manufacturing Company in Nigeria," vol. 2, no. 6, 2012.
- [3] T. A. Robbins, Stephen P. Judge, *Perilaku Organisasi*. Salemba Empat, 2015.
- [4] A. Milovanovic, "Introduction to Operations Management," <http://www.insidecareers.co.uk/careeradvice/introduction-to-operationsmanagement/>. 2016.
- [5] R. and I. R. ALNaseer, Abdullah. Yusoff, "Relationship between Hard Total Quality Management Practices and Organization Performance in Municipalities," *Am. J. Appl. Sci.*, vol. 10, no. 10, pp. 1214–1223, 2013.
- [6] M. Musran, "Praktek Total Quality Management (TQM) dan Pengaruhnya Terhadap Kinerja Karyawan. (Studi Pada PT. Telkom. Tbk. Cabang Makassar) Jurnal Manajemen Dan Kewirausahaan," vol. 12, no. 2, pp. 185–194, 2010.
- [7] R. Luburić, "Total Quality Management as a Paradigm of Business Success," *J. Cent. Bank. Theory Pract.*, vol. 3, no. 1, pp. 59–80, 2014.
- [8] A. H. Khan, "Impact of Job Satisfaction on Employee Performance: An Empirical Study of Autonomous Medical Institutions," *African J. Bus. Manag.*, vol. 6, no. 7, pp. 2697–2705, 2012.
- [9] S. and M. H. Alhudri, "Pengaruh Penerapan Total Quality Management (TQM) Terhadap Kinerja Karyawan Pada PT. PLN (Persero) Ranting Bangkinang," *Jom FISIP*, vol. 2, no. 2, pp. 1–14, 2015.
- [10] Y. Zulkamain, Gemina, D., "Pengaruh Total Quality Management Terhadap Kinerja Karyawan PT BCD Bogor," *J. Sos. Humaniora*, vol. 10, no. 1, pp. 40–48, 2019.
- [11] I. D. Tumbel , CM, Altje L. Tumbel, "Implementation of Quality Management System to Improve The Operational Performance of Credit Union (Study Of Glaistygil Credit Union Manado)," *J. Berk. Ilm. Efisiensi Vol.*, vol. 16, no. 3, pp. 36–41, 2016.

- [12] Sugiyono, *Metode Penelitian Manajemen*. Bandung: Penerbit Alfabeta, 2013.
- [13] L. Moleong, *Metodologi Penelitian Kualitatif*. Bandung: PT Remaja Rosdakarya, 2006.
- [14] A. Alsughayir, "Does Practicing Total Quality Management Affect Employee Job Satisfaction in Saudi Arabian Organizations?," *Eur. J. Bus. Manag.*, vol. 6, no. 3, pp. 169–175, 2014.
- [15] A. Y. L. Ooi, K.B., Lin, B., Tan, B.I., and Chong, "Are TQM Practices Supporting Customer Satisfaction and Service Quality?," 25 (6): 410-419., " *J. Serv. Mark.*, vol. 25, no. 6, pp. 410–419, 2011.
- [16] Y. M. Almansour, "The Relationship Between Leadership Styles and Motivation of Managers Conceptual Framework," *J. Arts, Sci. Commer.*, vol. 2, no. 2, pp. 222–229, 2012.
- [17] S. Culbertson, "Do Satisfied Employees Mean Satisfied Customers?," *Acad. Manag. Perspect.*, vol. 23, no. 1, pp. 76–77, 2009.