AN ANALYSIS OF THE CRITICAL FACTORS IN THE SUCCESSFUL IMPLEMENTATION OF TOTAL QUALITY MANAGEMENT PRACTICES BY SMALL TO MEDIUM SCALE ENTERPRISES IN ZIMBABWE. A CASE OF SMES AT GLEN VIEW 8, HARARE

By

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Declaration

I, Stella Kudoma (R074379E), do hereby declare that this dissertation is the result of my own investigation and research, except to the extent indicated in the Acknowledgements, References and by comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

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Supervisor signature	**Name**	**Date**

Dedication

I dedicate this work to my husband Davison, two lovely daughters Tadiwanashe and Runakorwashe, my son Panashe and to the Almighty God.

Acknowledgements

This study could not have been successful, let alone come in the presentable quality it is, had it not been of the immeasurable support and help given to me by a number of people. In particular, I want to thank all my lecturers at the University of Zimbabwe for the important guidance throughout the two year classroom learning period. Special thanks go to Dr. Madzikanda, my supervisor for his guidance and mentorship and the commitment he has shown towards this work. I am also grateful to my classmates and workmates whom I cannot mention by name individually, but were pivotal in keeping me encouraged. It would be unfair to omit my husband and children for allowing me to leave them during weekends and public holidays for the duration of the course. I pray that the Almighty God bless them.

Abstract

The researcher carried out the research with the intention of exploring ways of successfully implementing Total Quality Management (TQM) in Small to Medium Scale Enterprises (SMEs) in Zimbabwe. The study was aimed at identifying the critical success factors of TQM constructs, and develop a framework as a business excellence model to determine the success factors of TQM practices by SMEs in Zimbabwe. The intention of the research was to come up with recommendations on how SMEs could be run so as to improve product quality. In this study, 54 small business enterprises from a total of 180 registered SMEs at Glen View 8 Complex were studied. The quality management framework used to investigate the SMEs consisted of leadership, corporate planning, human resource management, customer focus, supplier focus, information management, process management and quality assurance as the Critical Success Factors (CSFs). The descriptive survey was geared on finding out whether the SMEs at Glen View 8 Complex were embracing the TQM critical success factors expounded in the Total Quality Management framework above in their daily operations. The study revealed that SMEs were not following the principles of Total Quality Management. The majority of SMEs were not customer focused, neither were they supplier focused. Perhaps the most disappointing evidence from the research was that most owners of SMEs had secondary and below education, with very few in possession of professional diplomas. It was disappointing in that the level of education tended to be strongly positively correlated with the performance of the SMEs on each of the TQM elements. Further, SMEs did not send their employees for further training and development programmes. The owners themselves professed ignorance on the benefits of TQM and were even indifferent on the implementation TQM practices in their businesses. The researcher, therefore, recommends that the government take the initiative to educate the SMEs so that they appreciate the benefits of TQM. It is only through SME appreciation of the doctrine of total quality management that the economy as a whole could benefit from the government policy to support the growth of small businesses owned by the local population. Further study is recommended to find out whether the implementation of TQM systems leads to an improvement in the performance of SMEs. It may also be necessary to investigate if the conventional TQM framework is the best for SMEs, or they need their own adapted framework.

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Acronyms

CSF	Critical Success Factors
EMA	Environmental Management Agency
FOLIWARS	Foreign Currency Licensed Wholesalers and Retailers
GDP	Gross Domestic Product
HERS	Health Education Rights and Security
ICT	Information and Communications Technology
PEST	Political Economic Social and Technological
SME	Small to Medium Enterprises
SEDCO	Small Enterprise Development Corporation
TQM	Total Quality Management
UK	The United Kingdom
UNFCCC	United Nations Framework Convention on Climate Change
USA	United States of America
WHO	World Health Organisation
ZIDERA	Zimbabwe Democracy and Economic Recovery Act

CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter consists of the background of the study, statement of the problem, research objectives and research questions. Research proposition, justification of the study, scope of the research, ethical issues, limitations of study and the general outline of the whole study are also discussed in this chapter. It ends with the chapter summary and an outline of the whole document.

1.2 Introduction to the Study

Zimbabwe experienced its worst economic and social period from the mid 1990s up to the beginning of the multi-currency regime early 2009. This period saw many companies retrenching due to viability challenges and basic goods disappearing from the shelves of supermarkets. The economic and social ills which bedeviled the country saw formal employment dwindling and informal employment taking centre stage. Small scale entrepreneurs flourished in all sectors of the economy. The society and the government began to realize potential of these small businesses. Since then, many people have never looked back on entrepreneurial activities and many have also joined in, opting to deliberately leave formal employment.

The government's deliberate policy to support entrepreneurship by the black Zimbabweans created another platform boosted the formation of small to medium sized enterprises (SMEs), which are businesses employing fewer than 250 people (Jones, 2011). The SMEs operate within a specified economic, legal and political environment and the government must make sure that the environment is conducive for the operations. The Zimbabwe government can not afford to take a back seat because if these SMEs do well it benefits in a number of ways. Firstly, the SMEs may contribute to the fiscus through the tax system. Secondly, the SMEs create employment and that in turn reduces social ills that the government is battling with, for instance poverty induced prostitution which fuels the AIDS pandemic.

1.3 Background of SMEs in Zimbabwe

From the Government of Zimbabwe perspective, the recognition of SMEs as a dominant part of the economic matrix is yet to fully happen. In 2005 the Murambatsvina operations (i.e. clean up operations of illegal housing and business structures), which was carried out by the Government of Zimbabwe, resulted in destruction of 700,000.00 SMEs, inclusive of those at Glen View 8 (Tibaijuka, 2005). They were classified as "illegal structures". However, these SMEs are now well supported by the government which culminated in the creation of a fully fledged Ministry responsible for supporting their operations. Despite this recognition, the attitude of the government has been that the SMEs are being treated as private businesses that do not concern the government. On the ground, there seems to be no direct control of the sprouting and operations of the businesses.

The Government of Zimbabwe, through its policies and legislation has taken the role of facilitator of the establishment and development of SMEs. SMEs at Glen View 8 concentrate mainly on the manufacturing of office and household furniture selling their products to the market. However, the SMEs, like any other business in the country, have been struggling to grow organically and, given the liquidity crunch prevailing in the economy, they also fail to raise funds from the market. Access to and cost of finance is often ranked as one of most constraining features of the business environment by SMEs, (Ayyagari et al, 2006).These authors further assert that financing is one of the few characteristics of the business environment that together with crime and political instability is robustly linked to firm growth, while other features have at most an indirect effect on firm growth.

The above view was also echoed by Beck et al (2006), who posit that small firms consistently report higher financing obstacles than large enterprises. Smaller, younger and domestic as opposed to foreign-owned larger enterprises report higher financing obstacles even after a reasonable time after establishment. The relationship is not only statistically but also economically significant. According to Beck, et al (ibid), the probability that a small firm lists financing as a major obstacle as opposed to moderate, minor or no obstacle is 39% compared to 32% for large firms.

Government funding of SMES through the SEDCO has been inadequate as well as being abused. To compound matters, some of those who managed to receive the small loans have either failed to pay or abused the funds outright. The introduction of Multi-currencies resulted in, ironically, SMEs being the worst affected as a result of liquidity challenges.

The majority of the SMEs are owner-managed and family businesses. In light of the liquidity challenges in the Zimbabwe economy which is not sparing SMEs, the SMEs have to implement survival strategies and overcome some generic operational challenges. They can manage to do these things riding on their lower overheads advantage compared to their large rivals in respective sectors.

Willemse (2011) says that emphasis is now more on managing SMEs rather than deregulating them. In this management, the emphasise should be more of professionalizing these businesses, since most of them start as individually owned or family business that have no compliance burdens.

Countries all over the world have realized that SME growth is vital to the economy. Fan (2003) says that SMEs are defined differently in all the countries. These classifications are based on the number of employees, value of total assets and the total annual sales. In some cases, SMEs have been reluctant to formalize their operations and therefore are now being viewed as informal traders in other countries. While Dewar (2005) argues that many informal traders have the tendency of evading tax authorities, it seems the Zimbabwean scenario is slightly different as most of the traders are operating largely on a subsistence basis, far below the taxable thresholds set by the taxman. The issue of formalization is of course a cause for concern and may require an investigation.

The way SMEs have performed has resulted in other players in the Zimbabwe developing an interest (Mpofu, 1998). Fan (2003) and Fleetwood (2009) indicated that SMEs are now providing more employment than other sectors. Goriwondo (2011) says that SMEs are playing a key role in economic development. The main reasons include that they are also flexible enough to take advantage of emerging business opportunities. SMEs are now serving as employment creation instruments thus contributing to economic growth. The contribution of SMEs to the economy is expected to help address the economic ills in the country caused by rising unemployment and low per capita incomes. In the end, the SMEs are tipped to at least sustain the people's living standards. To play any meaningful part in the economy, SMEs need to know critical success factors for them to develop and remain in business, at least for the foreseeable future. Without that kind of knowledge, they can easily be pushed to the wall and become history, especially if the conventional companies start accessing funding and increase capacity utilization.

The benefits of the SMEs mean a benefit to the nation as a whole. (Goriwondo, 2011). SMEs are facing a number of challenges. These challenges are being caused by the SMEs themselves, the government legislation and the corporate world.

Ndoro (2012) posits that in Zimbabwe, SMEs have the potential to contribute immensely towards economic growth of the country if they get the necessary support. Such an argument is difficult to refute especially if the communal farmer's current contribution towards the total tobacco harvest in the economy is considered. While issues of funding and external marketing may be handled by government and other institutions for these small entities, they can also play their part by ensuring that they adopt effective processes that result in quality products. Many accuse the SMEs for shooting themselves in the foot because they do not show any signs of learning.

Fan (opcit) says that SMEs are embarking on technological advancement. The government of Zimbabwe has put forward different policies and regulations to assist in the operations of SMEs, including rolling out short courses for business management (Munyanyiwa, 2009). Indirectly, it will encourage the SMEs to be professional in their conduct, and work closely with their stakeholders for a win-win situation. In the end, it is envisaged that product quality and stakeholder management will take centre stage.

In Zimbabwe, the formation of the Ministry of Small and Medium Enterprise and Corporative Development and the Small Enterprises Development Corporation shows the commitment of the government for the development of SMEs. With the central government operating on a shoe string budget, it is high time these businesses wriggle their way out of perennial underperformance and start making profits and offer a return to the government. Once established, these businesses must now be exposed to the international business community to lure investors and raise off-shore credit. However, this is only possible if the way they conduct their businesses meet minimum standards which have a bearing on the topic of this research.

1.4 General Macro-Economic Environmental Overview

Following the economic meltdown over the past two decades, Zimbabwe's GDP has been progressively contracting capacity utilisation for most companies continuously fell down (Kwesu, 2012). Prominent economist Hawkins (2011) argues that Zimbabwe's economic wheels fell off the wagon during the late 1990s going forward. The period saw many companies from all the economic sectors downsizing, and in some cases closing as they could not grapple with the macro-environmental conditions. According to Chase (2009), thousands of people were left jobless and with no choice except to start their own businesses as SMEs which led to the sharp growth of the informal business sector.

1.4.1 Political Environment

Political factors indicate the degree of intervention by the government in the economy. The political factors include tax policy, environmental law, trade restrictions, tariffs, and political stability. According to Wise Greek, the government influences the health, education and infrastructure in the country.).

The governments have to make sure that the legal instruments enacted do not hinder the establishment and growth of SMEs. For example, the Regional and Town Planning Act of 1976, amended in 1994 which guides the planning as a way of protecting the physical environment. Statutory Instrument 216 of 1994 has been enacted and it authorizes the non-residential activities in residential areas. (Chaeruka and Munzwa, 2009). While this may continue to keep them away from the eye of the taxman, it also has the disadvantage that the growth of SMEs is inhibited as well as quality of their products.

Environmental Management Act also hinders the growth of the SMEs sector. This act is too strict for SME operation. Honourable Chairperson of the Parliamentary Portfolio Committee (Herald 17 April 2013). It is however, difficult to go with that an argument because for quite some time, the country has been seized with unabated land degradation at a time the fiscus can hardly spare a cent for land reclamation. What the government requires may be a proper audit of players in any field so that things are done within the confines of the laws.

1.4.1.1 Sanctions

Sanctions are a coercive measure adopted usually by several nations acting together against a nation violating international law, at least in the former's eyes. The western countries, led by Britain and USA, imposed targeted sanctions on the Zimbabwe government officials and state owned companies. This means that western countries are not allowed to do business with these officials or companies. These sanctions came into effect after there were political differences between the Zimbabwe ruling party ZANU PF and the governments of the western countries over the redistribution of land from white farmers to black people. The western countries were not happy with the way this redistribution was done and proceeded to enact a law punitive to Zimbabwe, the Zimbabwe Democracy and Economic Recovery Act of 2001 (ZIDERA).. However, this might have just helped to compound an already dire situation as the country was already debt ridden with total debt exceeding GDP. This left the government with little room to maneuver, worse when the multicurrency regime set in at the beginning of 2009.

1.4.1.2 General Elections

Zimbabwe's general elections have been known to be violent and bloody with the political parties intimidating and harassing the electorate to vote for them. Towards elections the government which has a greater ZANU PF representation has always been accused by many for using its government power to buy votes through dishing out land and non performing loans to the members sympathetic to them. Since the government also wanted the support of resettled farmers, it also encouraged banks to prioritize farmers in loan disbursement, ahead of other sectors under the guise of improving food security, thereby effectively sidelining SMEs.

1.4.2 Economic Factors

Economic trends are an essential external factor. Various factors do impact on SME operations like interest rates, exchange rates, income levels, oil prices and bilateral agreements. The Zimbabwe Economy has been on a free fall over the last decade (Mhembere and Chako, 2012). The much publicized hyperinflation in 2007 and 2008 caused serious problems in the SME sector and at one time they were required to register as a foreign currency entity (FOLIWARS). This compounded their woes and derailed their growth plans.

The economic recession that affected nearly the whole world in 2008 did not spare SMEs. Stock values were falling and interest rates rising, bonds and guarantees being called. This had a very negative impact on the operations of the SMEs. The majority of SMEs at Glen View 8 were issued with loans and defaulted on repayment due to mismanagement and the adverse economic environment. According to the Portfolio Committee on Small and Medium Enterprise Corporative Development, SEDCO, which offered loans to these SMEs, said that SMEs were complaining that rates were too high. The high cost of capital was the reason behind the SMEs' failure to pay back loans, resulting in their assets being attached as collateral security. In addition, the high rates also made SMEs hesitant to take the risk of borrowing from SEDCO fearing they would lose assets. Under such circumstances, the growth of SMEs was hindered.

Persistent exchange rate fluctuations also affected the operations as it eroded the real value of foreign currency reserves and the net worthy of SMEs. The introduction of the multi-currency regime in 2009 worsened the plight of SMEs (Chinaka, 2008) as they were forced to operate from hand to mouth leaving little room for research and other development on how to improve product quality, growth and leadership.

1.4.3 Social Factors

Changes in social trends tend to influence the activities SMEs in Zimbabwe. The following are some of the factors analyzed.

1.4.3.1 HIV/AIDS

At global level HIV infections rates had reduced in the past years. People are now aware of the protective measures to stop the spread of the disease. The number of people living with HIV is said to have risen from around 8 million in 1990 to 34 million by the end of 2010(Gratewicke and Stapelkamp, 2006). The overall growth of the epidemic has however, stabilized in recent years. According to UNAIDS (2011), since the beginning of the epidemic, nearly 30 million people have died from AIDS-related causes.

Zimbabwe is one of the few countries where incidence has declined by more than 25 percent between 2001 and 2013. This is partially due to efforts among the population to prevent the spread of HIV. Despite suffering from the scourge at its height in the late 90s, the country is now experiencing an annual population growth rate of 2.2 percent and deaths have since fallen from over 50 per 1000 births in 2006 to under 30 in 2011. Even life expectancy that had fallen to below 40 years, is now well above 50 years (AVERT 2012).

The improvement in recent years has a positive impact on the operations of SMEs as problems of sick leave, absenteeism, and funeral assistance have drastically gone down Chisi (2009).

1.4.3.2 Age

The median age in the world is 24.3 years. The world's population is aging relatively quickly. This increase in aging, however, is not distributed proportionately around the Zimbabwe. This skewed age towards the elderly people is adverse older people cannot be expected to institute the much needed quality improvements mechanisms in the operations of SMEs.

1.4.3.3 Gender Equality/Equity

Gender equity is defined as “fairness and justice in the distribution of benefits and responsibilities between women and men” . It is distinct from sex in that it refers to the social and cultural constructs which, while based on the biological sex of a person, defines his or her roles in society.

In Zimbabwe, gender equality is being advocated for and various programmes are being put in place to ensure that everyone appreciate the equity. The Global Gender Program of GW's Elliott School's of International Affairs is one of the initiatives dedicated to improving the health, education, rights, and security (HERS) of women and girls internationally and reducing gender-based exclusion and discrimination in these four areas. Established in October 2010, the GGP is pursuing several initiatives to further its teaching, research, and policy engagement goals.

This has a positive impact to business as women will also be involved in decision making both at household level and at corporate level. Relatively, women are stable with finances. Male managers are slowly feeling the pressure of the existence of women as the managerial positions are few and are now to be spread across everyone capable.

1.4.4 Technology

New technologies create new products and new processes. Technology will result in reduction of costs, improvement of quality and innovation. These developments can benefit consumers as well as the organizations providing the products.

As business technology changes frequently, SMEs must remain aware of these changes in order to take advantage of them. Failing to stay on pace with competitors who use technology to create a competitive advantage can put a company behind in the economy in terms of production output or cost reduction activities. Due to poor and redundant ICT infrastructure, most manufacturing and retailing SMEs have found it difficult to perform at their best levels despite their efforts to embrace total quality improvements programmes. Robust ICT still needs to be implemented in a number of sectors of the economy and this will cascade downwards to these SME.

1.4.5 Environmental Factors

Environmental involves factors such as weather and climate change. Changes in temperature have an effect on many industries that includes farming, tourism and insurance. With major climate changes occurring due to global warming and with greater environmental awareness this external factor is becoming a significant issue for firms to consider.

The Global warming is the rise in the average temperature of Earth's atmosphere and oceans. An increase in global temperature will cause sea levels to rise and will change the amount and pattern of precipitation, as well as cause a probable expansion of subtropical deserts. Policy responses to global warming include mitigation by emissions reduction, adaptation to its effects, and possible future geo-engineering. The global warming effects are adverse to the humankind as they influence climatic changes. Temperatures are now high, drought now prevalent across African countries and living the African man to starve. In Africa the main source of livelihood is agriculture and in recent years the rainfall patterns had shown significant shifts. The summer period is now shorter and the rains are now thunderous.

There is great need for the respective governments to put in place structures and mobilize funding for redesigning their industries to limit the emission of dangerous gases. Also it’s a noble idea to put in place resources to introduce irrigation farming in communities to curb drought.

1.4.6 Legislative Factors

Most governments tend to add laws or regulations to various SME’s business activities. Unfavorable legislation can result in lower profits or a more difficult operating environment. SMEs working in multiple international markets will have to focus on the legislative factors from each country. The introduction of age discrimination and disability discrimination legislation, an increase in the minimum wage and greater requirements for firms to recycle are examples of relatively recent laws that affect operations of SMEs.

1.4.6.1 Consumer laws

These are designed to protect customers against unfair practices such as misleading descriptions of the product. The laws are designed to prevent businesses that engage in fraud or specified unfair practices from gaining an advantage over competitors and may provide additional protection for the weak and those unable to take care of themselves. Consumer protection laws are a form of government regulation which aims to protect the rights of consumers. This in a way forces the SMEs to work towards meeting the needs of customers in terms of quality.

1.4.6.2 Indigenization Law

The Zimbabwean government recently introduced a new law compelling all foreign owned companies to cede at least 51% of their shareholding to Zimbabweans. Though most SMEs are 100% owned by locals, the adverse effect is being felt on the business flow side as those companies being taken over by government are no longer as viable as they were. This reduces their expenditure patterns and also reduces their budget on products from the SMEs thereby affecting the income and market for SMEs.

1.5 Statement of the Problem

The SMEs at Glen View have no proper places to operate from and the infrastructure is in a poor state of disrepair and inadequate. This therefore, had an impact on the quality of goods and services they produced. The Glen View 8 Complex does not have sanitary facilities that can adequately support the members of the SMEs operating from that site. In this regard, there is a high probability of an outbreak of such diseases as cholera and typhoid. Business under such an environment does not properly flourish as potential customers will hesitate to come to such a place. Furthermore, although the government has allocated them a place to operate at, the place is not well developed to an extent that they do not have a descent place to put their wares during the rain season. As a result, the quality of their products is also compromised.

This surely is a setback to their businesses as their raw materials are destroyed by rain. The designated area for the SMEs at Glen View 8 is usually crowded and far away from potential customers and the place is not centralized. This has led the small and medium enterprises to continue operating in undesignated areas and at their homes as a way of following the customers making them vulnerable to the full wrath of the law. Upon being found operating on an illegal place, the trader is arrested and made to pay fines. Their wares are in most cases confiscated, thus incurring heavy setbacks. The aforementioned factors have had an indirect impact on the quality of goods offered by the SMEs at Glen View 8. This study is conducted with the intention of addressing the ways of successfully implementing Total Quality Management as a way of addressing inter alia the aforementioned problems. Furthermore, this will make the SMEs to be in a better stead to compete with other bigger organizations and will help SMEs in Zimbabwe with practical assistance in the area of TQM implementation.

1.6 Research Objectives

1 To critically review existing literature and establish gaps in TQM implementation among SMEs and conceptualise a framework that explains TQM within SMEs

2 To identify the important dimensions of Total Quality Management (TQM) in Small and Medium Enterprises (SMEs).

3 To critically evaluate the relationship between TQM and performance of SMEs.

4 To make policy recommendations on ways of improving the implementation of TQM in SMEs

1.7 Research Questions

The major research question addresses the following: What are the key dimensions of TQM within SMEs operating in developing contexts such as the Glen View 8 area of Harare? The research then needs to address the following sub-questions in line with the research objectives:

1. What characterizes TQM in SMEs in developing contexts such as Glen View Area 8 in Harare?

2. What are the critical success factors for the successful implementation of TQM in SMEs
3. Is there a relationship between TQM and performance amongst SMEs?
4. Which strategies are currently in use and how are they affecting the quality of management in SMEs?

1.8 Research Proposition

If SMEs are fully involved in the implementation of Total Management Principles, this will result in an improvement in the quality of management and performance. The research seeks to prove the above.

1.9 Significance of Study

The findings from this research will contribute towards the growing research evidence on SMEs and undertakes to gain a deeper understanding on how the SMEs can improve on performance and ultimately quality management so as to compete with other established companies in Zimbabwe. It will assist SMEs in coming up with better strategies and be conscious about the relationships between business strategies and product quality. The findings from this research can be used in providing training to SMEs on ways of improving quality of management and finally performance. The research can be a basis on which further studies can be done at Doctorate level. The researcher is very keen therefore to explore ways in which product quality can be improved in SMEs. The research is also conducted in partial fulfilment of the requirements of the MBA.

1.10 Chapter summary

This chapter outlined the growing importance of SMEs in Zimbabwe. The chapter highlighted that after independence to the turn of the new millennium there were only a few SMEs which were very successful and were counted under the commercial sector of the economy. However, the government’s indigenization efforts saw the proliferation of many SMEs companies. In sharp contrast, while the traditional companies continued to grow and perform better, these indigenous counterparts have been singing the blues with some of them closing altogether. The chapter also carried out a PEST analysis of SMEs in Zimbabwe and outlines the main purpose and significance of the study.

1.11 Outline of the Study

The first chapter outlines the background of the study of SMEs, general overview, Statement of problem, research questions, research objectives, research proposition, scope of report, significance of report, limitations of research, structure of the dissertation and chapter summary.

Chapter two covers the aspects of literature review. It reviews literature on the nature of SMEs, factors impacting on the Total Quality Management systems in SMEs and strategies to performance. In essence, the chapter seeks to answer research questions posed by the current research.

The third chapter covers the research methodology with specific attention on research design, research philosophy, research strategy, population and sampling techniques, data collection methods, research procedures and research limitations.

The fourth chapter provides the data analysis tools, presentation styles and discussions of findings.

Chapter five provides conclusions, recommendations and areas of further research**.**

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The chapter is an evaluative report for the studies found in the literature related to how the studies of the quality of management systems are be conducted. The chapter also looks at available data which addresses the research question and will seek to establish facts that can be agreed upon and suggesting new explanations to clearly articulate all issues under the topic. The chapter goes beyond the search of information and includes the identification and articulation of the relationships between the literature and the field of research. It discusses related literature and relevant secondary data from a comprehensive perspective, moving to more specific studies that are associated with the problem and references were made to the original sources of data. In the end, the researcher's interest is to explore gaps in literature and develop a conceptual framework to be used to study the situation of security guard companies in Zimbabwe.

2.2 Definition of SMEs

According to Shaw (2005), there is no single definition of SMEs, mainly because of the wide diversity of businesses. According to Wang, Walker and Redmond (2007), the definition varies from country to country and it depends on the number of employees, sales volume, total assets, fixed assets and some countries do not have an official definition. SMEs are defined as enterprises in the primary sector that employ less than 250 staff. Within this definition, the following sub-categories are distinguished by The Gallup Organization:

1. Micro enterprises with 0-9 occupied persons and whose annual turnover and annual balance sheet does not exceed 2 million euro.
2. SMEs with 10-49 occupied persons and whose annual turnover and annual balance sheet does not exceed 10 million Euro.
3. Medium sized enterprises with less than 250 occupied persons and whose turnover is less than 43 million Euros.

DG Enterprise and Industry (2006) which carries out a regular monitoring of the implementation of the SME definition defined them according to the standards as an enterprise which has completed company registration or business registration in accordance with the requirements of the law.

In Zimbabwe, a Ministry of Small –Medium Enterprises policy and strategy framework has defined SMEs as those who are “registered in terms of the legal status” and “employing anywhere between 6 and 100 workers” (Ministry of SMEs, 2008). The definition of SMEs is based on the number of employees and the asset base. Small Enterprises Development Corporation SEDCO (2010) defines SMEs as a business that employs not more than 100 employees with a maximum annual sale of up to $830,000.00. The Ministry of Small and Medium Enterprises Development (MSMED), set up by the Government of Zimbabwe in 2002, has defined SMEs by reference to the number of employees, total assets and the legal structure. However, it seems the definition has been widened to incorporate micro businesses because government policies targeted at SMEs are also targeted on micro businesses. Therefore, the researcher adopted that wider definition for the purpose of this research.

2.3 Definition of Quality

Quality assurance refers to the evaluation and certification by a second (that is, customer) or third party (that is, an independent certification body) of an organization’s quality system, to demonstrate that a “specific quality system standard has been met” (Husband & Mandal, 1999, p. 146). Quality is a dynamic concept, passing from the products to the organizations. Quality is suitability to a service and compliance with the specifications. According to the definition proposed by ISO 9000:2000, quality is the degree to which the needs and the expectations are met and therefore quality represents all the features and properties, of a product or of a service, which are required by the client. According to Sohail and Teo (2003), quality is suitability to a service and compliance with the specifications. In the case of SMEs, Bradley (1994) pointed that ISO9000 certification is the first step towards implementation of Total Quality Management in SMEs.

Unfair Terms in Consumer Contracts Regulations 1999 (UTCCR) specifies that for a product to be of satisfactory quality, they must normally, do what they are supposed to do (perform as expected), be safe (should not endanger his health or social wellbeing) to the user, be free from defects, must function properly for a reasonable period of time, and should have a reasonably satisfactory finish and appearance. The clear message from this list of specifications is that a product must give what a customer expects. Anything short of that is a failure in quality. From this list, it is also clear that for a firm to be able to continuously wow its customers there is need to engage them and hear from the horse's mouth about what they want and expect. This would also lead to the need to engage suppliers as well as other relevant stakeholders so as to ensure the customer demands are continuously met.

According to Crosby (1988), the implementation of quality is an obligation for employees to use their knowledge and this should not be left only to management. Employees' involvement and their satisfaction are important factors for continuous improvement (Juran, 1970). Quality is the domain for all the employees of the organization and not just the experts (Juran, 1995). Therefore in reviewing the TQM practices by SMEs, it would be prudent to analyse the extent to which operative employees make decisions and influence processes in the day today production.

2.4 Definition of Quality Management

According to Flynn *et al*. (1994), quality management focuses on maintenance and continuous improvement, thus achieving high quality output. He further says that quality management focuses on defect prevention at all the levels of the organization in order to meet or exceed customer expectation. It is a complex group of co-ordinated activities to lead and control an organization, as far as quality is concerned. QM is a critical component in both design and production of products which are superior to competitors' products (Flynn *et al*, 1994). To lead and control an organization, as regards quality, means to define quality policy, quality objectives, quality planning, resources allocation, quality control, quality assurance and quality improvement, organisation and implementation of all the quality control activities for any product/ process/service internal and external to the company, as well as the periodical review of the results compared with the objectives. Therefore, Quality

Management means what the organisation does to ensure that its products conform to the customer's requirements. It was imperative then for the researcher to get details of what the SMEs do for the purpose of ensuring that quality was at the heart of their every planning and task.

In other words quality management can thus be said to involve the action of excelling in all processes in the organization. SMEs have been slow and reluctant in the implementation of quality models (Husband & Mandal, 1999). This is despite that their reluctance to take aboard the requirements of TQM principles would give them leverage in the market..

According to Husband and Mandal (1999), Total Quality Management Systems (TQM)'s relevance has been highly debatable because of high costs of implementation and also because there is limited appreciation of the quality concepts by the generality of those expected to uphold the quality management systems. Furthermore, there has been little evidence to support its benefits to SMEs (Husband & Mandal, 1999). Internationally, this is coupled with the limited empirical research into its implementation and success (Kuratko, Goodale & Hornsby, 2001).

The Quality Management System is simple in its basic concept. Among a hoard of the desired end result in TQM, the TQM system, among other things, aim to identify the inputs as per Licenses to Trade, the relevant regulations, specified necessary customer requirements and the system of management chosen. It also seeks to address all the input requirements in management system according to the defined system requirements. For an entity to e this, they would also need to train personnel as per system requirement. For all the tasks assigned to staff, all performance measures have to be defined as per requirements of the system. In the end, the system generates evidence of the execution of the system requirements. This guides those who certifies entities on TQM systems to gauge whether they should maintain entities certified or not. It is also a self checking mechanism to ensure the entity upholds and improves on its quality management systems.

Overall, this also then allows an informed comparison of different quality management entities and also guides them to know areas to focus if they are interested in improving quality of their products and processes.

2.5 Origins of Total Quality Management

Doctor Ing. Matteo Mazzei (2000) argues that up until the ‘20s *quality* was essentially “i*nspection*”; the know-how of inspection was the know-how of quality. A better quality was a better and extensive inspection activity. In the ‘30s the statistic methods were applied to the technical processes. Controlling few pieces in a proper way, it was possible to collect more information, rather than controlling all the pieces. Quality, therefore, was the correct application of statistical methods to production. In the ‘50s quality moved to the design or engineering control and to the reliability techniques. Quality was mainly the “conformity degree”. The ‘60s and ‘70s were quite fundamental years for quality; quality involves the complete organisation structure of the enterprises, also in order to individuate the responsibilities of the single departments. At the end of ‘70s, *quality became* “customer satisfaction”. This aspect could have evolved with passage of time, but basically it remains the core of modern day definition of quality management. It was interesting for the researcher to find out from respondents whether to them quality means customer satisfaction.

The main concept at the beginning of the ‘80s was that competitiveness was now on the basis of a higher quality at a lower cost. The objective was a faster improvement of the organisation’s procurement, production and distribution processes and this approach to quality lead to the Total Quality Management. The main, substantial changes which occurred in this long evolution covered a number of aspects. Firstly, there was a paradigm shift from merely inspecting the final product (quality control) to planning the whole production process and minimization of defective products. Secondly, instead of obsession with the number of defects, the shift was towards customer satisfaction as the mantra “the customer of the King” was emerging. There was also the adoption of the popular Japanese ***kaizen*** approach to quality premised on the need to continuously improve quality rather than be concerned with meeting fixed quality targets. Finally, there was also the discarding of the notion that quality issues in an organization is for a few specialists, but rather for every person so as to create value for enterprises, organizations, and persons.

Before the 80’s, the Japanese industry had carried out a successful offensive on the international markets, based on the quality of the products and their lower cost, consequent to the quality of their processes. The first reaction came from the American industry, which tried to understand the roots of the Japanese competitive advantage through many analysis and visits to Japan of managers and entrepreneurs. They appreciated the importance of the Prize for quality, Deming Application Prize (DAP), established in Japan in 1951, to reward the enterprises able to reach a top quality level.

In 1987, an USA Public Law established the Malcolm Baldrige National Quality Award (MBNQA), in order to try to improve both productivity and competitiveness of the American enterprises. The winners were obliged to share and disseminate the best practices, through which they had arrived to excellence. The basic strategy of the prize awards was:

- to create ”national champions”, models for the roles;
- to stimulate a spirit of emulation;
- To disseminate the TQM culture.

In the same year (1987) ISO 9000 published their model of “external” Quality Assurance, finalized to the conformity’s audit and control. The concepts introduced by Malcolm Baldrige, for the evaluation of the results, were effectiveness, customer satisfaction and continual improvement of the capacity to acquire and keep the customers. It is evident that the MBNQA represented a significant improvement, if compared with the old and static quality approach of ISO, left only in 1994 and concluded only with ISO Vision 2000.

Europe followed the American example in 1988 with 14 leading European enterprises established the European Foundation for the Quality Management (EFQM), to promote the competitiveness through the TQM. The result was the establishment of the European Quality Award (EQA). In 1998 EFQM issued the improved version of their Model for Excellence, becoming a “measurement standard” for the evaluation of the excellence level. An important consequence of the MBNQA was the growing up of the “self- assessment”.

Only a restricted number of enterprises were participating to the Prize Award. However a large number of companies used the Malcolm Baldrige model for a self evaluation, to understand their position when compared with excellence. The concept of self-assessment can be defined as follows a comprehensive evaluation of the organisation, performed by the organisation itself, for own internal purposes. However, developing countries have not been forthcoming in coming up with quality institutes and awards. It was part of this research to find out how SMEs would fare in such a contrasting quality environment.

2.6 Concept of Total Quality Management

TQM can be seen as strategic actions of managing total organization resulting in the provision of quality products to the satisfaction of customers. This is done through employee mobilization, improving the organizational leadership and cohesion of resources (Tena, 2004). Total quality management can thus be redefined as a management philosophy and way of thinking that can help many organizations towards achieving world class status.

The optimum selection of TQM tools, techniques and approaches are determined by the type of organization in order to exploit the advantages of their introduction (Peters & Waterman, 1982). TQM is now being used by companies as a tool to gain competitive edge (Yusof and Aspinwall, 2000). The essential concepts in TQM are learning, business ethics, social responsibility and governance (Goetsch and Davis, 1997). On that matter, TQM is seen as a holistic management philosophy that results in continuous improvement in all organizational departments. In other words, the TQM concept achieved if its principles are used organisation-wide, that is from resource utilization to customer service.

TQM is not only concerned with the size of the organization and its resources (Fenning *et al*. (2008), but is a strategic tool for the improvement of the organisation’s performance. Therefore, the philosophy of TQM integrates all the functions inter-alia, meeting customer requirements and the organization’s objectives (Talib *et al*., 2010). Santos-Vijande and

Alvarez-Gonzalez (2007) say that, TQM requires the implementation of new ways of managing the businesses and a new culture and therefore is one of the most complex aspects of managing. In that respect it is closely related to the concept of management of change and complexity in that as the business environment and customer tastes change, management and their employees must also continuously find better ways of delivering value to stay buoyant.

TQM results in the improvement of the firm's competitiveness, flexibility and effectiveness of the whole business. The application of TQM techniques can be organisation-wide in all departments so that people in all the departments will be able to communicate and help each other (Hamzah and Ho, 1994). Therefore, TQM can impact positively in organizations on customer focus and innovativeness, thereby contributing towards improved business performance (Mann and Kehoe, 1994). TQM also contributes towards internationalization, sales enhancement and cost reduction as the continuous improvement philosophy is applied in every aspect in the business processes. Employees also become better motivated resulting in an improvement in the level of innovation and satisfaction of employees (Dahlgaard et al., 2004; PWC 2, 2009; Phelps, 2008). Busteed and Vogel, 2000 says that TOM helps in the formulation of strategy and its application and deployment and helps in defining key organizational performance indicators (Johnson, 2004). The organizational performance and market orientation are also enhanced by the implementation of TQM (Demirbag and Koh, 2006); The organisation will also be more customer and employees focused (Piskar and Dolinšek, 2006).

Total Quality Management helps to create a culture of trust, participation, teamwork, quality mindedness, zeal for continuous improvement, continuous learning and ultimately, a working culture that contributes towards a firm's success and existence. Quality management includes everyone and the definition of customers is revised to include internal as well as external. TQM is very broad in definition than quality assurance, and is therefore, seen as the next step in the organization's bid for quality improvement.

Due to their limited level of exposure and use of technology, SMEs are well known to employ 'informal' quality management techniques (Chittenden, et al., 1998). The same authors went on to examine whether differences exists in SME growth and concluded that there was no significant difference in ISO certified and those not ISO Certified. However, these findings contrasted those that emerged from studies done by Boutler et al. (2005) in Europe and Hanson and Eriksson (2002) in Sweden which revealed that firms that implemented TQM achieved higher market share value, increased sales, capital expenditure and a reduction in costs. That aspect was also tested in this research.

Gurus in quality management have put forward several approaches that may be implemented to improve quality. Lakhal *et al*., 2006 says that these approaches are the mainstay of the TQM. TQM principles make it necessary that all the employees be involved in quality management as well as the formulation of the organisation's quality vision. This is driven by the need for organizational survival and not the market only (Agus, 2005). Furthermore, firms also obtain high degree of differentiation resulting in customer satisfaction and reduction in costs.

Sila and Ebrahimpour (2005) say the TQM importance is determined by factors that includes industry environment, size of the firm and the company's origin. A TQM paradigm is thus applicable to all an enterprise of which includes the manufacturing and the services sector. Prajogo and Sohal (2006) say that the different TQM techniques are necessary for enhancing performance. Implementation of TQM results in better employee relations, higher productivity, higher customer satisfaction, increased market shares, and increased profitability. TQM is a competitive strategy for both larger and smaller firms. The small size of employees is actually an advantage for small firms in terms of involvement and participation (Brah *et al*., 2002). This is further supported by Yusof and Aspinwall (2000) who aver that the definition of TQM for the large companies is not the same for SMEs. In addition, they also emphasize that a "full-blown" TQM implementation approach is not suitable for a company with limited resources like the SMEs, suggesting an adapted model for studying TQM practices by SMEs as the researcher did in this project.

However, TQM implementation is now the most important requirement for any company (Temtime, 2003). However, this should be embraced within the concept that there is no "one size fits all" practice for any framework of quality management implementation (Temtime, 2003; Das *et al.*, 2008).

2.7 Proposals on Total Quality Management

Peters and Waterman (1982) proposed that the leadership and productivity through people played important role in TQM in excellent organizations. This is because when employees are empowered and become more responsible for their decisions and actions, they naturally take quality improvement as another way they can show justification for the freedom entrusted on them by their employer or manager. Hiam (1999) avers that, TQM is derived from statistical tools and approaches, commitment of leadership, training of employee and teamwork. Thus, an organization inclined towards improving the quality of its products must be seen performing satisfactorily on these aspects.

2.8 Characteristics of SMEs that encourage the implementation of TQM

Peters and Waterman (1982) suggested the following a number of attributes of SMEs that may help them implement TQM practices. Firstly, they need to have a flat structure and short decision making process which allows shorter and faster information flow which can improve communication. In other words they need to be people-dominated together with organic behaviour, rather than bureaucratic and system-dominated. This helps improve the chances of success for new initiatives. There is also need for a high management visibility and closeness at point of delivery- easier to permeate new change initiatives. While management may not be involved in production, they need to certify outbound logistics. Finally, there is need for a unified culture and a high incidence of innovativeness which combine to provide a good foundation for change and can nurture a continuous improvement approach.

Therefore SMEs seem to be advantageous in terms of structure, processes and people for the adoption of a new change initiatives, provided that the owner-manager has the commitment to and the leadership of the change process, together with a sound knowledge of it. The SMEs can thus provide a high quality employment in terms of involvement and the general level of satisfaction.

2.9 Implementation framework of TQM in SMEs

Some writers have referred to a framework as a prescriptive set of things to do. The Readers' Digest Universal dictionary (1987) defines a framework as "a structure for supporting, defining or endorsing something, especially, skeletal erections acting as the basis for something to be constructed". A framework is also a set of basic assumptions or fundamental principles of intellectual origin in which discussions and actions can proceed (Popper, 1994). Aalbregise et al (1991) defined framework as being "a clear picture of leadership goal for the organisation and should present key characteristics of the to-be style of business operations. In TQM terms, it means one should design and develop a framework representing the modus operandi, the system to be developed, the activities to be carried out and the ultimate vision of the new style of managing quality in the organisation. Without that clear outline, the entity risks to be just drifting along without specific targets to achieve.

Struebing and Klaus (1997) argued that sound implementation plan should define what the organisation does, what it is trying to do and how it is going to do it, ensuring that each step builds on the previous one. Hakes (1991) concluded that a sound framework secures links between concepts and practical applications and this means translating TQM theory into practice through some systematic means. Wrong implementation approaches to TQM may be the most frequent reasons for failure. One problem is that the mission, strategy and needed values are not interfaced with the TQM approach. The following section discusses the key dimensions of the TQM adopted in this research.

2.10 Critical factors in Total Quality Management

The critical factors in TQM are different depending with the authors, although the most common include top management commitment, employee involvement, customer focus, process management and others (Conca *et al*., 2004; Drew and Healy, 2006). Tari (2005) posits that there are some reasons why TQM outcomes differ from one entity to another, although there are common issues. These include:

- Practically, manufacturers follow accepted standards as guidelines for quality.
- TQM is much more than a number of critical factors which include its tools and quality improvement techniques.

Studies carried out to identify successful quality management elements were from three different areas which are contributions from quality leaders, formal evaluation models and empirical research. These elements may be grouped into two dimensions; the management system, or soft TQM element, and technical system, or hard TQM element (Tari, 2005).

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2.11 Conceptual Framework for Total Quality Management

The following table presents the TQM framework that the researcher used in the research.

Table 2.1: TQM Framework

Core TQM elements of Excellence Award based frameworks	**Core TQM elements of researchers/ academic-based frameworks**
• Customer focus/satisfaction • People management • Strategy, policy, planning • Process management • Employee satisfaction • Resources • Quality assurance • Information management and analysis • Market focus • Impact on society/responsibility • Business results • Leadership	• Leadership/top management commitment • Customer focus/satisfaction • People management • Strategy, policy, planning • Process management • Employee satisfaction • Supplier focus/management • Quality measurement/measure • SPC/QCC/BS/SQC • Process design/product design • Employee training/ involvement • Continuous improvement • Benchmarking

Sources: Sharma and Kodali (2008)

The researcher singled out the items of the framework to use in this research and tested SME compliance to TQM framework using the following factors.

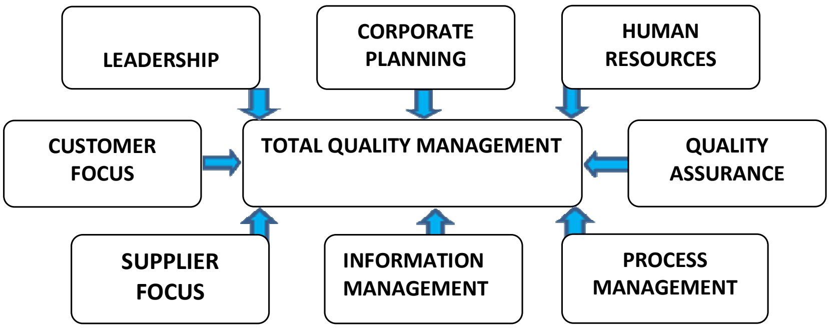

Figure 2.1: Adapted Framework for SME TQM Practices

2.11.1 Corporate planning

This element is significant and the SME must have a clear vision and this vision must be communicated to employees. According to Tan (2002), Corporate planning will help in the examination of the development of the company and how it improves its strategy on quality. The SME must focus on strategic business planning, customers, suppliers and others for the successful of the implementation of TQM.

2.11.2 Customer Focus

The SME must show a commitment to satisfy customer (Lakhal *et al*., 2006).All other issues like customer feedback, needs and expectations are also important. Moreover, customer satisfaction is a very important marketing concept, in the satisfaction of customer demands, perhaps justifying why the business exists in the first place. According to Pinho (2008), there is a positive link between TQM and customer satisfaction and SMEs are expected to observe and abide by that relationship.

2.11.3 Leadership

Leadership is a major driver of TQM practices. Ahire et al. (1996) avers that leadership and top management are drivers for TQM implementation by creating goals that are in tandem with the satisfaction of customer needs. Sila and Ebrahimpour (2005) concur with this assertion when they also posit that the focus of the company on quality is shaped by its leadership. Leaders of the SME should focus on quality and play their role in driving the company towards business excellence (Kanji, 2001).

2.11.4 Human Resource Management

Tari *et al*. (2007) said that human resources management affects quality. Employees are a key factor in the successful implementation of TQMs. In addition, employees must be empowered so that they will have a sense of ownership. The empowerment improves external and internal quality results (Yoo *et al*., 2006). Samson and Terziovski (1999), in agreement, says "people are our critical resources" and "people are everything". Thus the development of human resources is a critical factor of benchmarking, which helps in improving performance of the business.

2.11.5 Supplier Focus

This involves the factors considered in the selection of suppliers. This thus means the criteria used in the selection of the suppliers, number of suppliers and how information is exchanged with suppliers (Quazi *et al*., 2002). Tari *et al*. (2007) says that relationship with suppliers must be reinforced. Temtime and Solomon (2002) also support this idea, that the use of supplier management and relationship will give the company a competitive edge. Close relationships with suppliers may lead to bargain purchases, early material delivery, credit purchases as well as general support.

2.11.6 Information management

This involves the management of quality information (MPC, 2010).The information quality indirectly affect the business and is analysed through human resources management and process management (Sila and Ebrahimpour, 2005). An organization that analyses its information has higher chances of success than those that do not (Samson and Terziovski, 1999). This because it is through information management that better decisions can be taken for the betterment of the business.

2.11.7 Process management

This involves how the organization organizes its resources which include machines, tools, methods, materials and people involved in the production process (MPC, 2010). This involves the organization, evaluation and improvement of key processes for quality output. This is supported by Tari *et al*. (2007) who argues that process management together with the continuous quality improvement will lead to quality products and services. Given the size of the majority of SMEs in Zimbabwe, their sources of income and related factors, it was interesting to find the situation at the Glen View 8 Home industry.

2.11.8 Quality Assurance

Generally, quality assurance practice is measured by:

- new product design review procedures,
- design for manufacturing procedures,
- control of product/s and work specifications and procedures,
- preventive maintenance activities,
- quality control activities along the value added chain (Rao and Raghunathan, 1997).

This construct is concerned with the quality assurance practices and it consists of guidance, manual, standards in the aspects of their implementation in the organization. According to Drew and Healy (2006), a quality system is more than an organizational structure or registration system, but, quality assurance is a culture approach achieved through training and participation in the organization. Organizations are increasingly being awarded quality standards implementation and most notably ISO 9000 (Srivastav, 2010). Referring to Baines (2002), as cited by Manning and Baines (2004), the quality assurance system is to assure that the products are safe. Furthermore, a standard is important as a management tool in a company, and in addition, the standard promotes indicators which measure effectiveness and the efficiency of business processes (Piskar and Dolinsek, 2006). Quality assurance is important and gives a significant impact to the business performance. However, effective quality assurance system will lead to the quality conformance and it becomes a primary goal to manufacturers (Achilleas and Anastasios, 2008). These are supported by the finding that quality assurance implementation is significant to the performance improvement (Gotzamani *et al*., 2007). The same finding found by Heras *et al*. (2002), that companies having ISO 9000 certification, are more profitable than the non-certified companies.

2.12 Implementation of Total Quality Management in SMEs

Many SMEs seem to be trapped in the notion that TQM is something that is added to their existing systems. However TQM should be seen as a new way of managing the SMEs. However, trying to change from a culture in which fire fighting prevails to a new culture in which constant plans are made, improvements is the norm and the attitude is pro-active rather than waiting for problems to occur. This is quite a formidable task and this will require a new thinking style, the thinking for quality.

Accordingly, the TQM implementation must differ in different organizations and there is no "one-size-fits-all" concept in the implementation of TQM which, should be in good agreement with the quality and model for business improvement (Adam and Henderson, 2004). The requirement of TQM and its planning varies from one industry to another (Das *et al*., 2008). A development of a system or the TQM model in agro-food industry, for instance, requires a good understanding of the food industry as it requires integration of all parties involved in the agro-food chain (Barendsz, 1998). Moreover, the model for quality that is implemented in large enterprises will create inconvenience if it is applied in all the SMEs (McAdam, 2000). The basic precondition for the TQM's implementation is the top management involvement. The 8 major stages for such an implementation are:

- Auditing the existing situation
- Ranking priorities
- Programming TQM
- Developing TQM
- Planning & executing first period actions
- Evaluating performance and feed back on the first period actions
- Improvement and eventual re-focusing
- Generalizing

Thus, further research as to which TQM element is critical for different countries, environments and industries is significant to conduct (Sila and Ebrahimpour, 2003). Critical factors of TQM can be described as best practices or ways in which firms and their employees undertake business activities in all key processes (Sila and Ebrahimpour, 2005). According to Sharma and Kodali (2008), TQM principles support the business practices of cost reduction, enhance productivity and improve quality of products and that helps to support and fulfill the concept of excellence in manufacturing. The key for successful Quality Management lies in the intangible factors and the TQM tools and techniques (Brah *et al*., 2002). Hence, this agrees to the view that TQM excellence is a fundamental criterion or element for achieving manufacturing excellence (Yusof and Aspinwall, 2000; Temtime, 2003; Sharma and Kodali, 2008; Pinho, 2008). However, TQM implementation should be unique for an organization (Temtime, 2003; Das *et al*. 2008).

Ghobadian and Gallear (1997) proposed a ten step approach to TQM implementation for SMEs. The first step involves recognition of the need, then an understanding of the concepts followed by an establishment of the goals for the quality improvement process.

Ho and Fung (1994) developed a stepwise implementation model applicable in SMEs which they called TQM excellence model. It provides a step by step guide for SMEs to follow, but is too prescriptive and seems to be very technically inclined with the Japanese concepts such as ISO 9000. Unlike Kanji's ands Dale's models, Ho and Fung's looks incomplete as it lacks important elements such as cultural issues, education and training, measurement aspects and so on.

Asher (1992) provides a practical guide to implementing TQM in SME based on experience as a consultant. He suggested establishing a structure for improvement, defining responsibilities and appointing a Quality Control Coordinator on a part-time basis. Education and Training was suggested for everyone in the organisation and he divided Education into principles of total quality and training to be carried out and tools and techniques for problem solving. An important step is to plan for improvements and improvement errors can be derived from initial assessments, quality cost data, internal customer problems or by focusing on the business problems. In ensuring total quality permanency he suggested measuring success as well as communicating and recognizing results. His implementation framework can be summarized in four stages namely the diagnostic, commitment, implementation and review. The diagnostic stage is required for establishing the need for change which can show management and employees where to start. Some of the methods suggested by Asher are

- Investigating cost of quality.
- Conducting customer perception surveys.
- Collecting data on employee perception.
- Establishing systems and procedures.

Comment [M1]: Highlight what differentiates this tqm in smes and that of ordinary companies because this could be your major research contribution.

Asher's framework is simple and he assumed that a small company already has in place a data collection system, such a quality costing. Companies that do not usually have a data collection system will need one prior to conducting the diagnostic stage. Some SMEs will have to develop a suitable system which can integrate the measurement aspect right from the start without having to develop two separate systems for diagnosing and monitoring purposes. Therefore improvement entails finding out what to improve, measuring results, comparing some expected targets and reviewing continuous improvement.

Huxtable (1995) prescribed an implementation plan which he claimed is typical of SMEs. He suggested four main elements, starting with education and awareness, then to the management team commitment, planning (through customer review, employee survey, and cost of quality, business process analysis) and finally the implementation activity (through training, problem solving, team working, and statistical tools). He recognized that the SME manager may be at loss where to start, especially considering a wide range of implementation strategies put forward by leading exponents of TQM. In order to develop a framework for the SMEs the following characteristics must be considered a guide

- Systematic and easily understood.
- Simple structure
- Clear links between elements which are presented.
- General enough to suit different contexts.
- Represents a roadmap and a planning tool for implementation.

SMEs need a much simpler approach than large businesses, that is, some form of gradual progression of quality initiatives adoption rather than a fully blown approach.

2.13 Chapter Summary

This chapter explored the conceptual issues on SMEs and explored the theoretical analysis of factors affecting the implementation of Total Quality Management Systems in SMEs in Zimbabwe. The ways in which TQM systems can be implemented also been explored on the meanings quality, quality management and Total Quality Management. The origins of TQM have also been discussed. In the following chapter, methodological issues of the study are going to be covered.

Comment [M2]: Is there anything unique of what you are saying as it pertains to SMEs

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Introduction

This chapter the strategy adopted in carrying out this research. It also contains an outline of how the necessary data and information to address the research objectives and questions was collected, as well as the sources of data that were utilised. This is explained and done by presenting the research framework, design, population, sample, and sampling techniques that were adopted. Reasons and justifications for adopting such strategies are also presented and discussed. Research limitations and ethical considerations are also discussed.

3.2 Research design

Isikli (2003:88) defines research design as “the framework for a study used to guide in collecting and analyzing data”. It is a broad framework, which specifies the type of data to be collected, the sources of data and collection procedures (Yin, 1994). White (2000) points out that research design is a general term that covers a number of separate but related issues associated with a research study. Zikmund (2003) defines research design as a master plan specifying the methods and procedures for collecting and analyzing information. Paul Brewerton and Lynne Millward (2001) maintain that it pertains to the particular way in which hypothesis or questions are tested or investigated. In summary, all the above scholars concur that a research design is simply the methodology adopted in carrying out the research. The researcher adopted these definitions in this work.

3.2.1. Research Philosophy

White(2000) points out that there are two main areas in research, namely, **quantitative** research which involves the objective way of studying things and **qualitative** research which is the subjective way of studying things . Literature on research refers to the quantitative approach as positivism and the qualitative approach as phenomenology (Roberts, Wallace and O’Farrell, 2003). The qualitative approach emphasizes the need for quantification of variables in the research while the qualitative approach values more detailed explanations and discussions about phenomena. This research is more qualitative than it is quantitative, and the two were blended so as to come up with a more sound and robust discussion of the process and outcome of the project.

3.2.2 Research Strategy

Strategy in research refers to the overall approach adopted by the researcher in carrying out the research (Kaseke, 2009). Researchers must choose a design that is appropriate for the project's objectives. Isikli (2003:88) defines research design as "the framework for a study used to guide in collecting and analyzing data". Thus, in light of this, a research strategy can also be defined as a plan of action that gives direction to one's efforts, enabling the researcher to conduct research systematically rather than haphazardly. According to Saunders et al. (2007), research can be broadly classified as exploratory, descriptive, or explanatory. An effective research strategy or design details the most suitable methods of investigation, the nature of research requirements and the types of data to be gathered (Chisnall, 1986). It ensures that the information obtained is relevant to the research problem and that it is collected objectively and economically.

This research adopted the descriptive survey strategy. This strategy allows a researcher to gather large volume of data from many research participants using interviews and or combined with questionnaires. It also allows generalisations to be made from the samples studied onto other members of the population. This aspect is key in research because in some cases studying populations (effectively carrying out censuses) is both practically impossible and prohibitively expensive. Thus, a sample from a population of 180 registered SMEs at Glen View 8 Complex was studied.

3.2.3 Research Methodologies

In any research, the researcher, after careful consideration of a number of factors pertinent to his research, must choose which approach is appropriate for the objectives of the study. There are many factors that may be considered when deciding between research strategies, such as the scale of the project and the availability of time and resources. Saunders et al. (2007) present a number of different research strategies from experiments to case studies to archival research. Muranda (2004) gave the following table which shows designs and their related strategies:

Table 3.1: Research Designs and Strategies

RESEARCH DESIGN	EXAMPLES OF METHODS OR STRATEGIES
Exploratory studies	Literature search, Experience survey, Focus group discussions
Causal studies	True experiments, quasi-experiments
Descriptive studies	Surveys, Participant observation, Case studies, Depth interviews

Source: (Muranda, 2004)

Andrew Brown (1998) asserts that there is no such method as a correct method or even the best method for addressing any given research. Many authors such as Benbasat (1997) and Saunders et al (1997) concur with this position. Therefore, the implication from this is that two or more approaches may be employed to the same problem. White (2000) supports this idea when he posits that it is perfectly possible to combine research approaches within the same piece of research, and this is termed **triangulation.**

In this research, while the researcher used survey as a method of choice, he also considered that with the chance that some of the respondents could be illiterate, follow-up interviews were needed to ensure that questionnaires were fully completed for analysis. Surveys ar**e** a popular research strategy, more concerned with deductive reasoning and answering questions like “who,” “what,” “where,” “how many,” and “how much.” Survey research falls under the descriptive design. Surveys provide researchers with quantitative data that can be easily analyzed through statistical models. The researcher also roped in observation in gathering data from what he saw at each market stall of the respondent. Observation was used as a method to verify quantitative data provided in the questionnaire, like the number of employees, record keeping, stocks and quality of products. Effectively, triangulation was used in this research project.

3.3 Target Population

There seems to be no conflict among authors in the definition of a research target population. Many concur that it is the totality of all elements under study, or a complete enumeration of every unit or element in the entire phenomenon under study (Luck and Rubin, 1987; Saunders et al, 2003). In other words, it is a collection of elements of study on which the researcher intends to make an inference (Cooper and Schindler, 2003). In this research the target population was represented by all legal owners of market stalls at the Glen View 8 Home Industry Complex who totalled 180. The researcher deliberately decided to turn a blind eye on those who were operating at the complex illegally.

3.4 Sample Design and Sample size

In any study, it is a given that the study of populations brings the best result. However, due to reasons like prohibitive costs, impracticality, and time constraints among others, researchers normally settle for samples. Thus, sampling also enables the researcher to collect data from a subgroup rather than all possible cases thereby overcoming time, money and access constraints. Sampling is the way sample elements are to be selected from the entire population to come up with 'representative' samples (Cooper and Schindler, 2003). Put in other words, a sample is a subset of a population (Wiersma and Jurs, 1979). Thus, sampling is the process of selecting a smaller group from a population for study and that smaller group must be representative of the population from which it comes (Leedy, 1989; Robson, 2002), so that inferences can be made onto the entire population through the process of generalisation.

Selection of the sample size depends on the breath or depth of information being sought by the researcher. The decision on how many elements to sample can be very complex (Lemann, 1979). In the end, the final sample size is matter of judgment rather than calculation (Hoinvalle, Jowel and associates, 1978). According to Mugo (2005) deciding on a sample size for a qualitative enquiry generally, tends to be more difficult than for a quantitative one because there are no rules to be followed. It all depends on what will be useful, what will have credibility and what can be done within available time and resources. Saunders et al (1997) acknowledges the difficulty in striking a compromise between the accuracy of the findings and the amount of time and money available for collecting, checking and analyzing the data.

In this research, the researcher chose to study a target sample of 30 percent from the target population, translating into 54 small businesses at the Glen View 8 complex. The 30% was of those that are legally registered to be operating from the Complex. A list was provided by the Committee running the affairs at the site. In order to come up with a sample size of 54 businesses as opposed to a bigger one, a number of factors were considered. Firstly, there seemed to be no accurate records on the SMEs population at the complex, and even in Zimbabwe as a whole. According to the RBZ MPS Statement Supplement on SMEs, 2006, there are approximately 250 000 SMEs in Zimbabwe. If this study was well funded, it would be important that the sample size be as large as possible to be truly representative. For convenience, the study focused on a sample of 54 SMEs. The following table shows the relationship among the target population, target sample, returned questionnaires and the response rate:

Table 3.2: Distribution of Questionnaires

	Target Population	Target Sample at 30%	Responses Returned	Response Rate
Male	128	38	35	92%
Female	52	16	13	81%
Total	180	54	48	89%

Source: Own computation

3.5 Sampling technique

Due to the already mentioned research constraints, the researcher used a systematic sampling technique, which is a hybrid sampling technique where the first element is selected using simple random sampling and the rest, using a systematic approach. The population, as well as the sample, were treated as made up by homogeneous elements such that there was immaterial prejudice hinging on who was eventually selected as an element of study. The stratified random sampling technique was also used to some extent since the population was first divided into two groups on gender basis from which subsamples of 38 males and 16 females were picked to give the total of 54 elements. Simple Random Sampling accords each population element an equal chance of being selected into the sample (Saunders et al 2006, Kwesu, Zhanje & Nyatanga 2004). The other major strength of this technique is that it eliminates bias and is more amenable to homogeneous populations. This was done in line with the advice of scholars who posit that it is important and advisable to use a large sample to avoid over-generalization (Saunders et al, 1997). However, May (2001) points out that the size is not necessarily the most important consideration arguing that a large, poor quality sample that does not reflect the population characteristics will be less accurate than a smaller one that does. Hence in this research, the researcher incorporated all this to come up with a truly representative sample.

Other techniques such as the judgemental approach are open to human bias (Curtis, Gesler, Smith & Washburn, 2000) and imply that no attempt is made to ensure that a representative cross-section of the population is achieved (Yin 1984), it is the reason why the researcher allowed Simple Random Sampling to take centre stage in this research because with the former it is a challenge to assess reliability (Yin 1994).

3.6 Questionnaire Designing

While it seems relatively easy to design a good questionnaire, Muranda (2004) advises against complacency. However, the author assures that it is always profitable when it is done well. Firstly, it is paramount to decide that only information crucial to the research is included. In other words, questions need to be included only when absolutely necessary and after seriously considering how answers to the questions can be of use in driving home the objectives of the research. Wider scope questions are associated with difficulty in comparing the various answers across respondents and to properly interpret each respondent's responses. This is not good to the research as a whole.

To deal a blow to misleading results, there is need for questions in a questionnaire to be clear and concise, must elicit honest and reliable answers and must keep the respondent interested in providing answers (Kaseke, 2009). The number of questions to be asked should be only to the extent that the respondents have the time, energy and comprehension to answer. The general guidelines for designing a questionnaire usually focus on the importance of simplicity, clarity, validity, reliability and objectivity. A questionnaire that is closely spaced, with tiny print or long questions, will put off many respondents A valid measure is one that seems to represent a particular idea in a convincing way. Reliability is construed in light of consistency. Reliable instruments have the capacity to obtain similar responses when administered to different respondents. The true measure of objectivity, on the other hand, is the absence of subjective judgments.

3.7 Questionnaire Pre-testing and Piloting

Many researchers advise that before going into the field to collect data using the questionnaire, usually a pilot study for testing the questionnaire must be conducted which reveals its weaknesses (Kothari, 2005). These weaknesses are then addressed. In this research a pilot test was carried out to establish whether the questionnaire did not carry any ambiguities, weaknesses, or double barreled question. In fact, every aspect of a study has to be tried out beforehand to make sure that its works as intended (Weru, 2005). Six questionnaires were issued to small business owners who were not going to be part of those sampled. The responses obtained from this pilot test were used to improve the questionnaire.

The pilot survey helped the researcher to rephrase some of the questions, making the instructions clearer and creating more relevant questions as well as replacing some open-ended questions with closed questions. The importance of piloting goes beyond improving the wording of the questions (Hague, 1993). It also deals with matters of procedure such as the ordering of questions, design of the letter of introduction, and the minimisation of non response rates. Overall, the purpose of the pilot test was to ascertain the validity and practicability of the questionnaire as a data collection instrument, together with the follow-up interviews.

3.8 Data Sources

The basic sources of data available to any researcher are usually primary and secondary sources (Oyemomi, 2002; Robson, 2002). However, it is not uncommon that most researchers use a combination of both sources to gather data.

Primary data refers to the data collected by the researcher from the original source (Yin, 1994). This data is usually collected through use of interviews, questionnaires, and observation. By its nature, therefore, the collection of primary data is very expensive and time consuming.

In any research, if the required data had already been collected by some agencies or individuals and are now available in the published or unpublished records, they become known as secondary data (Saunders et al, 2003).

In this research, the researcher utilized both primary and secondary sources of data. The primary data was collected from the businesses at the Complex through the use of the questionnaire and follow-up interviews. The secondary data was collected from literature, academic articles, and information provided by the government and institutions that deal with SMEs in Zimbabwe.

3.9 Data Analysis and Interpretation

After data was collected from the surveys, a descriptive analysis using the Statistical Package for Social Scientists (SPSS) and Excel Spreadsheets was carried out. The researcher used the statistical analytical methods, such as graphs, simple tables and pie charts to present and interpret the results and to infer the meaning of the outcome.

The data collected was divided into qualitative and quantitative. Survey data obtained from the questionnaire was treated quantitatively and was analysed using SPSS and MS Excel. The subjective ambiguous and elastic nature of qualitative data make its analysis very difficult and demanding (Yin, 1994). This study used transcripts and notes of qualitative interviews and observations to identify key themes or patterns for validating the results of the primary data.

3.10 Access and Ethical Considerations

The ability to collect the required data in any research project depends on gaining access to its source. According to Saunders et al (1997), gaining physical access may be difficult because organizations and individuals may not be interested or prepared to participate in voluntary activities due to time constraints. Further, they do not see any positive benefit they obtain from giving out key business information.

In this research, questionnaires were sent out to the targeted businesses under cover of an introductory letter that clearly and politely explained the purpose of the study as well as gave assurance of the confidential handling of responses. The University stamped letter confirming the studentship of the researcher was handy. Appointments for interviews were made a week in advance to allow respondents time to prepare. The researcher tried to uphold ethical standards in the conduct of the research by seeking permission from participants to conduct the research with minimal disturbance on their normal activities. May (2001) recommends that ethical decisions should not just be defined in terms of what is advantageous to the researcher, the project, sponsors, or workers but also to those who are participants in the research.

3.11 Validity and Reliability

Validity, Reliability, and objectivity are held out to be standard benchmarks to measure how good the research instruments are.

3.11.1 Validity

Validity refers to the capability of a data collection instrument to measure what it is expected or supposed to measure (Labovitz & Hagedorn, 1976). There is no shortage of evidence that this definition is shared by other scholars like Saunders et al (2006), Bellenger & Greenberg (1978). However, others argue that a more accurate definition of validity should primarily centre on the dependability of the generalizations the researchers make from the data collected through the use of that instrument (Fraenkel & Wallen, 1996). It is also proposed that validity of the instruments must also be considered within the context in which the researcher will be working so that he draws conclusions about the perceptions, beliefs and attitudes of the respondents he is studying. In this research, the researcher pilot-tested the questionnaire and thoroughly explained the importance and harmlessness on the research to the respondents so that only truthful and dependable answers would be solicited.

3.11.2 Reliability

In any research, a data collection instrument is said to be reliable if it is capable of giving results that are consistent (Babbie, 1973). This definition imply that reliability measures the extent to which chosen research instruments would yield consistent results or findings and enables similar conclusions to be reached by different researchers (Saunders et al, 2006). A reliable instrument achieves similar responses when administered to different respondents. In this research the researcher used the questionnaire and follow-up interviews at the data collection techniques.

3.12 Limitations of the Research

The major limitation in view of a research of this nature was that that many leaders in these indigenous businesses would find it difficult to discuss the performance figures of their businesses, most of which are performing dismally. It is possible that the respondents in these businesses would face a serious temptation to exaggerate these figures. In addition, it was also difficult to get the much needed primary data from all the companies as some do not keep records of their operations. Moreover, the choice of businesses based at Glen View 8 Complex for study may restrict extended generalisations to other small businesses in the economy.

To deal with the possibility of the falsification of figures the researcher thoroughly explained the purpose and importance of the research to the respondents through a letter and during follow-up interviews. Consistency of thee questionnaires from each company would be checked. The use of simple random sampling in selecting the sample of study and the ultimate respondents ensured that the sample remained representative of the population and that the results would be dependable.

3.13 Chapter Summary

This chapter explored the methodological framework followed in order to collect the data required to conduct this study. It outlined how the final sample studied was arrived at and how the data was collected. The chapter discussed the methods used to collect, analyse and present the study information. The research findings as well as the complete set of analysis and discussion of the results are shown in the next chapter.

CHAPTER 4

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

The purpose of this chapter is to present the research findings and discussions of the results in respect of each of the issues on which the respondents provided data through questionnaire responses. The first part focused on the presentation of the data and the second on the logical analysis and presentation of the data.

4.2 Response rate

The researcher's target sample was **54** SMEs from about **180** registered SMEs at Gen View 8 complex. This represents about **30%** of the total number of registered SMEs at the complex. The questionnaires were sent to the entrepreneurs or owners of the SMEs with each SME receiving one questionnaire. Of the 54 questionnaires dispatched, a total of **48** questionnaires were returned, which represents a response rate of **89%**. This response rate is high by any standard and this can be attributed to:

- The purpose of the research was well explained to the respondents and they willingly participated
- The questionnaires were delivered by hand and the researcher made follow-up interviews to help respondents fill in all gaps they had initially left.

4.3 Demographic Information

Demographic information explains the characteristics of respondents. The characteristics are useful in explaining the behavior of some variables. The choice of respondents was made using the systematic sampling technique. The names of the sample members were picked from the register of legal members in a systematic way. Since the intention was to chose 30% of the members, the first member on the list was picked and then the ($i^{th}+3$) member was picked thereafter until the sample of 54 members was reached. The following table displays an array of demographic data captured from the questionnaires returned:

Table 4.1: Demographic information

	Age Of The Respondent (Yrs)			Service In The Organisation			Level Of Education Of Respondent		
	Below 23	23-35	Above 35	Less Than 5 Years	5-10 Years	Above 10 Years	Secondary	Cert/Diploma	Degree/ Postgraduate
Male	5	26	4	1	27	7	32	3	0
Female	0	12	1	0	11	2	12	1	0
Total	5	38	5	1	38	9	44	4	0

Results above show that **38 (79%)** SMEs have been in operation for between 5 to 10 years whilst only **1 (3%)** have been in operation for less than 5 years. Naturally, it is expected that with more years of operation comes experience and business growth which then results in increased number of employees. The most worrying issue from these results is that **44 (92%)** of the respondents have secondary certificates and below. It remains to be seen whether the managers will have an appreciation of TQM practices or will be able to understand it. It was also interesting to note that women were fairly represented at 27%, though way below the 50% being advocated for by the Ministry of Women Affairs.

4.4 Number of employees in the SME

The researcher solicited for information on the size of the SME which can be represented by the number of employees. The responses are as shown in the graph below;

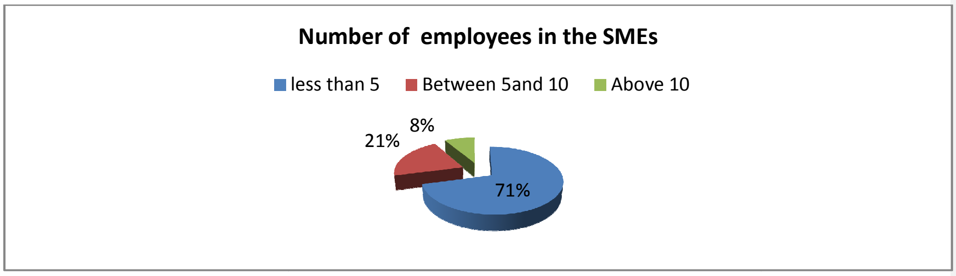

Figure 4.1: Number of employees

Results above show that 71% of the SMEs have less than 5 employees whilst only 8% are above 10. This shows that the majority of the SMEs are small, fitting the definition of micro-businesses, but only redeemed by the SEDCO definition which emphasise that an SME has less than 100 employees. More employees were actually expected, especially for those who have over five years in operation.

4.5 Customer focus

As defined in chapter two, customer focus is a measure of the extent to which enterprises continuously engage their customers so that they know the customers' tastes and be able to address them. This in turn helps the companies to achieve their bottom line. The following three sections discuss the findings that depict the SMEs' performance on the aspect of customer focus:

4.5.1 Customer visits

The researcher solicited for information on whether the SMEs were carrying out customer visits to discuss their taste trends and expectations and the responses were as depicted by the following figure:

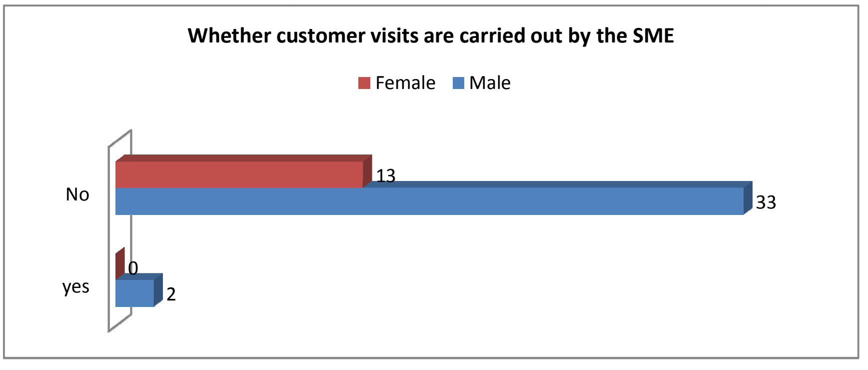

Figure 4.2: Customer visits

An analysis of the graph above shows that 46 (96%) of the SMEs did not carry out visits on their customers so as to check on customer tastes and needs. This shows that the SMEs are not customer-focused as defined by the TQM framework. This outcome is validated by the Chi-square results in the first appendix. It sharply contracst with the assertion by authors like

Husband & Mandal (1999) and Teo (2003) who propounded that it is the customer who should certify that a quality standard has been met. It becomes worrisome how the SMEs continue to churn out production without customer approval. This may be resulting from the issue of being short staffed as observed above and, therefore, assigning someone to carry out a survey of the customers' tastes and would strain their already meagre resources. This absence of customer focus might also be a result of lack of appreciation of its importance and benefits owing to the fact that the majority of the SMEs were being led by management with only secondary level education and below. Without further education and training for both workers and the leadership (Tena, 2004), the future of the SMEs is therefore bleak.

4.5.2 Provision of product warrantees

The researcher's intention was to investigate whether the SMEs were providing warranties for products sold to customers. In a market flooded with homogeneous products, as is the case at the Glen View 8 complex, warranties provide a signalling effect to distinguish oranges from lemons. The following figure shows the number of SMEs who offer and those who do not offer warranties for their products:

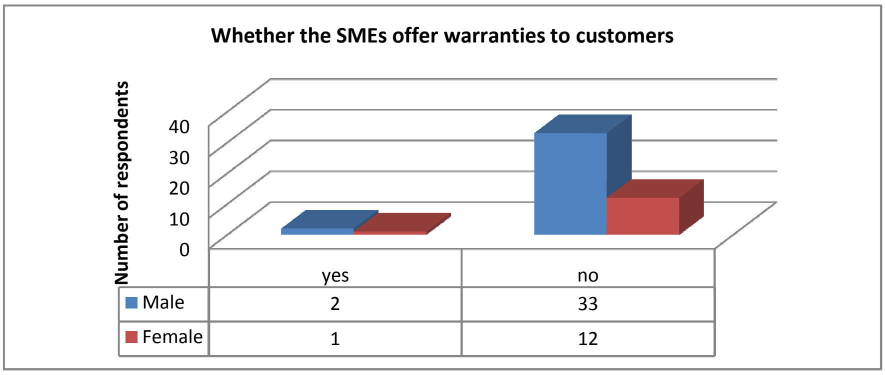

Figure 4.3: Customer warranties

An analysis of the above information shows that the 45 out of the 48 (94%) of the SMEs who responded were not offering warranties to customers. This is despite that warranties are known to attract customers. This result is also confirmed by the chi-square statistical output.

The non-provision of warranties might be interpreted as a self vote of no confidence in the quality of their products by the SMEs. It becomes tricky as to how SMES would handle customer complaints aligned to product quality. Buying products without warranties would then be as good as procuring from a *voetstoots* auction floor.

4.5.3 The importance of being customer focused.

The intention of the researcher on this was find out whether owners are in agreement with the notion that being customer-focused improves performance of their businesses. The researcher solicited for information on this and the responses are as shown in the figure below. An analysis of that figure shows that the majority of the SMEs 41(85.42%) do not subscribe to the customer-focus approach. Without warrantees and customer visits to lure and retain customers as well as getting references, it is difficult to expect sources of growth for the SMEs. In view of this, growth of employee figures is thrown in doubt as confirmed by figure below and upheld by the chi-square result in the appendix.

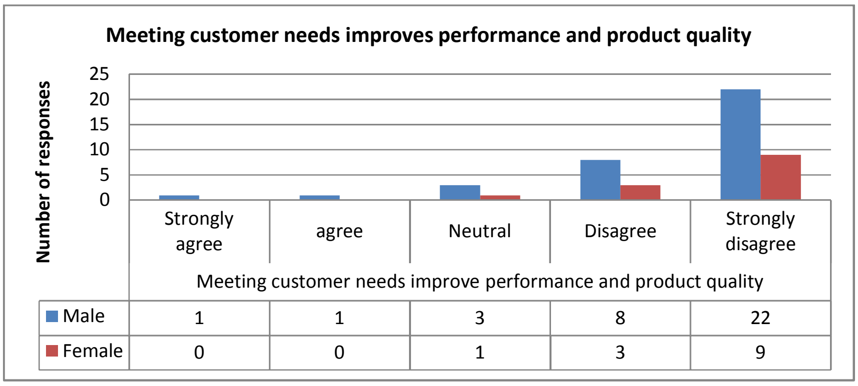

Figure 4.4: Customer needs

4.6 Product quality audits

The intention of the researcher was to find out if SMEs carried out product inspection before dispatching the product to customers. This is an important aspect of quality assurance. It helps avoid dispatching defective units from the production line. Apart from minimising customer returns and complaints, it also helps minimise warranty costs. The following are the respondents' position on whether they carry out product quality inspections before dispatch:

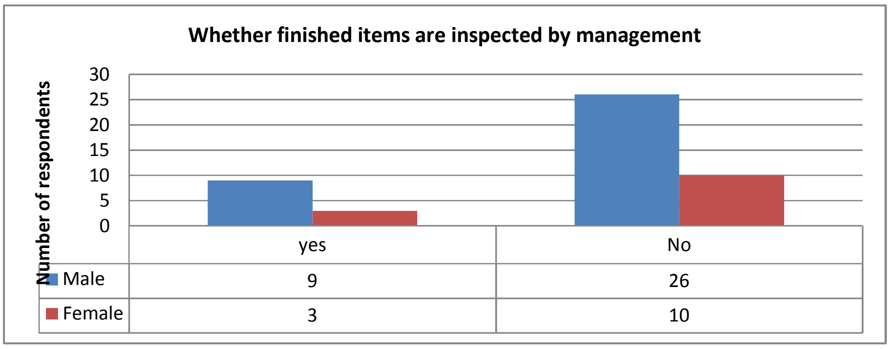

Figure 4.5: Inspection of finished goods

With a whooping 75% (36) of the SMEs not inspecting their products before dispatching them to customers, the situation is seemingly hopeless at a test statistic of 0.035, well below the critical value of 5% in the chi-square tables. This is because the process of inspecting finished products should not be seen as adding a lot of costs to the SMEs, but nevertheless they do not value it. When asked why they were not carrying out inspections, 27% of those not carrying out inspections said that have confidence in their subordinates. Whether employees are educated or not, quality audits are a necessary procedure in businesses to ensure that defective products are not delivered to customers.

4.7 ISO-Certification status

Attainment of a quality standard certificate is an indication of the businesses commitment to quality products. The researcher went on to find out whether SMEs are ISO certified and the responses are as follows:

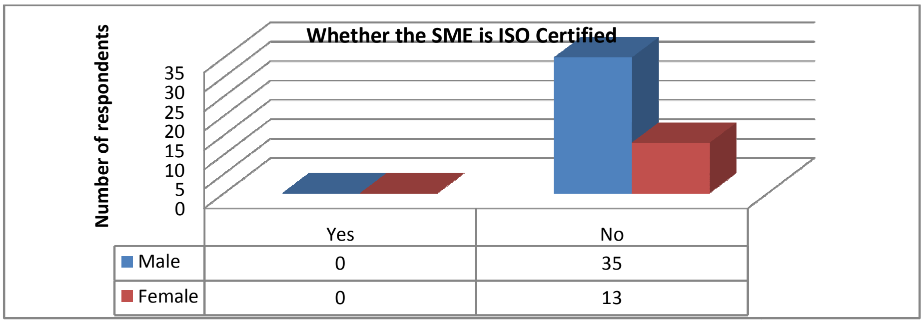

Figure 4.6: ISO Certification status

An analysis of the above graph shows that all the 48 (100%) of the SMEs are not ISO certified. This does not augur well with the assertion by Bradley (1994) who posited that ISO certification is the first step towards implementation of TQM in businesses. This might mean that either they do not believe, they do not have resources or are unaware of the importance and benefits of ISO certification. Results on these aspects were not surprising at all given those on customer visits and product inspection discussed above.

4.8 Understanding TQM

The intention of the researcher was to find out whether the SMEs do understand the TQM concept. Having an understanding of this concept would be expected to help them to know its benefits and work towards its implementation. The responses were as follows:

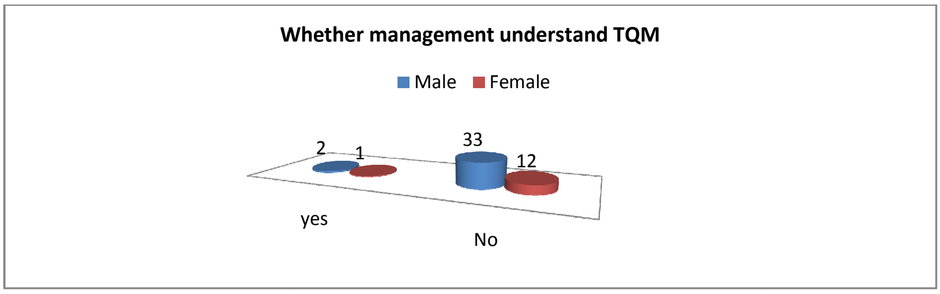

Figure 4.7: Management understanding TQM

Forty-five (94%) of the SMEs do not know anything about Total Quality Management whilst only 3(6%) have an appreciation. This scenario can be interpreted in many ways, all of them portraying a gloomy picture about the future of SMEs. Firstly, their lack of understanding of TQM matches their possession of below diploma education by the majority. Secondly, it may be evidence of the long held view that SMEs are being run only for subsistence without intention of growth (lack of growth having already been confirmed by small employee figures above).

4.9 Management opinion on TQM vision and goals

According to the conceptual framework on TQM, the leaders of the business should have a clear vision and goal on total quality management. They should always focus on instilling a culture of quality in their businesses. The researcher solicited for information on whether the SMEs believe that having vision and goals on quality will help improve product quality as well as company performance and the responses are as follows:

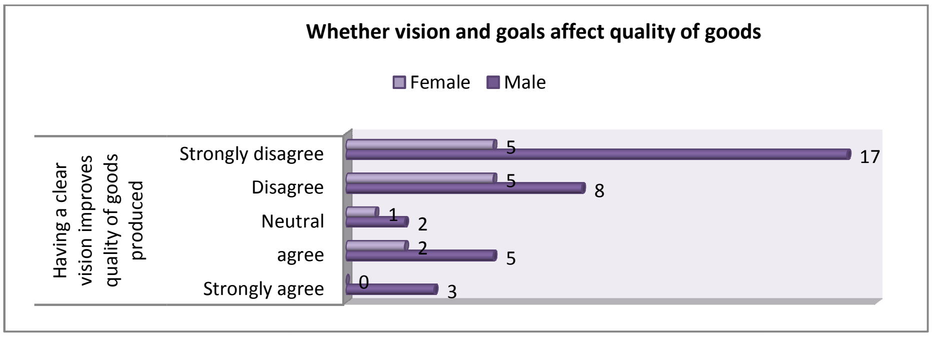

Figure 4.8: Role of vision and goals of TQM

The figure above shows that 38(79%) of the owners of SMEs either do not agree or are indifferent on the notion that the crafting of mission and goals affect the quality of goods produced by the SMEs and also the performance of their businesses. They are against a quality-focused approach and see it as a waste of time. Again the reason might be attributed to their lower education, and that they exist purely for subsistence. This attitude contrast with advise by Hiam (1999) who argue that only quality systems imbedded in the company see light of day because they would then naturally enjoy management commitment an allocation of resources for their successful implementation.

4.10 Training and development

In view of the conceptual framework stated in the literature review, employees are a key resource and addressing quality of performance cannot be tackled without them. The researcher wanted to find out employees in SMEs are being accorded the opportunity to go for training to sharpen their skills so as to produce good quality products. The responses received were as shown below:

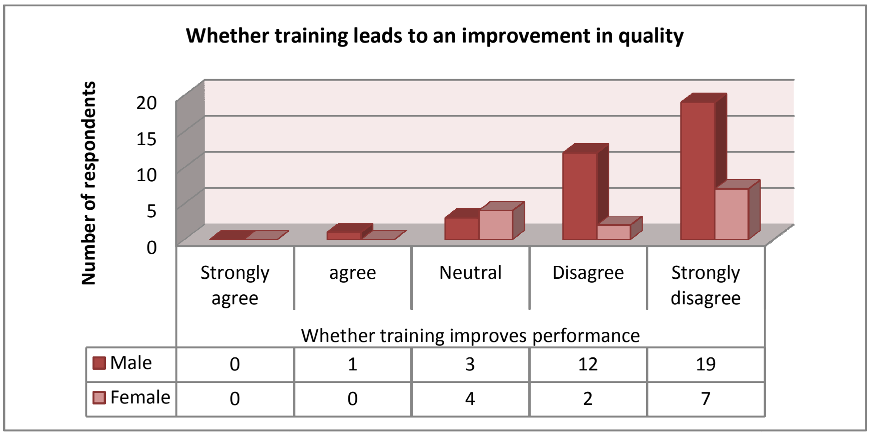

Figure 4.9: Training and Quality

Forty (83%) of the SMEs disagree with the notion that training leads to an improvement in quality. Only one (2%)) is in agreement with the use of training to improve performance. The owners of SMEs do not take SMEs as a vital component in ensuring improvement in the quality of products. However the SMEs might also be influenced by a limit in resources which might necessitate the treatment of training as an unimportant item.

4.11 Importance of employee initiatives

The conceptual framework for TQM alluded to the fact that employees should be empowered to use their own initiatives in performing their duties. Empowering employee facilitates a sense of ownership and in the long term leads to an improvement in their skills, independence, responsibility which in turn will spur production of quality products and firm performance. The researcher solicited for information on whether the employees were being given an opportunity to use own initiative in carrying out their duties and the responses were as follows:

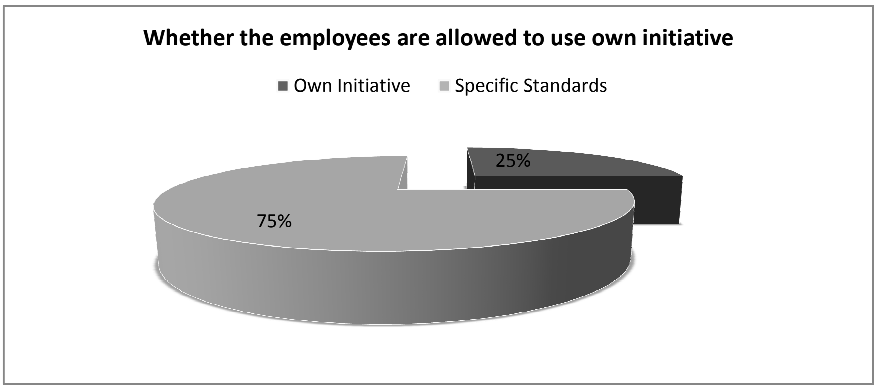

Figure 4.10: Employee initiative

The pie chart above shows that three quarters of SME employees work under strict instruction without room to experiment with their initiatives. This is in line with the findings above where owners of SMEs were found to be against the idea of improving quality through the development of the employees. It also tallies with the level of education of the SME leaders. Employees would generally be expected to be worse than their bosses. This is a common problem with owner managed businesses everywhere as they do not want to lose control via employee empowerment. Failure to allow free will on employees by SMEs might be a chance squandered for initiating quality improvement, firm performance and growth from within.

4.12 Payment of tax

Payment of tax is part of an assessment of the organization’s compliance to laws and regulations. The intention of the researcher was to determine the level of information management and professionalism in SMEs. The researcher solicited for information on whether the SMEs are tax compliant and the following were the responses:

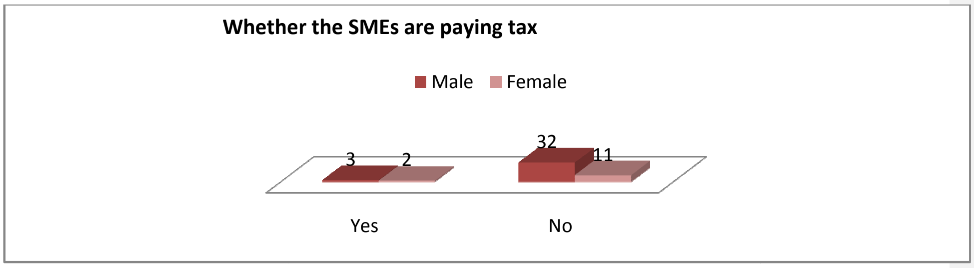

Figure 4.11: SME Tax Compliance

Forty-five (90%) of the SMEs not paying tax meaning only 5(10%) are paying tax. While it is tempting (and may be still correct) to conclude that SMEs are evading tax, it might as well confirm what is being clearly shown by other points above. Firstly, most SMEs may be making losses. Secondly, most SMEs may be paying their workers non-taxable wages. Thirdly, it is a confirmation that there are no records being kept after all. Whatever is the case, given that most SMEs have been operating for between five and ten, such a scenario is worrisome.

4.13 Business bank account status

Still on the issue of professionalism, the researcher went on to solicit for information on whether the SMEs do have a company bank account. The responses were as follows:

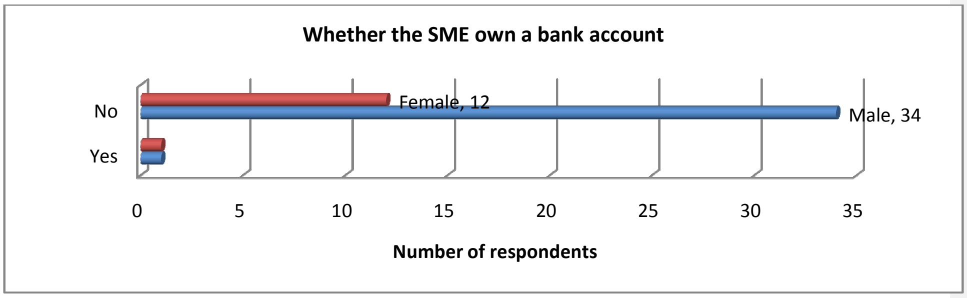

Figure 4.12: SME Banking Status

Forty-six (96%) of the SMEs have no business bank accounts. The fact that the SMEs have been operating for more five years without a business bank account shows the extent of unprofessionalism. In essence, the businesses are being run from the pockets of the owners. The absence of a business bank account might be a clear testimony that they do not expect to grow but are only concerned about their survival. Further, it makes it difficult to score good marks when being assessed for ability to repay a loan or goods bought on credit. It simply tells everyone that there is no money to bank after all. Under that scenario, it will be a sheer waste of time to expect to find good record keeping, because the most important record in a business is that on money.

4.13 Engagement of suppliers

It is a given that the quality of raw materials used determine the quality of finished goods. Organisations are expected to engage their suppliers and discuss with them all matters of common interest, including the quality of raw materials. This will help in that the suppliers will be able to supply raw materials according to specified needs. The researcher solicited for information on whether SMEs work hand in glove with their suppliers and the responses are as follows:

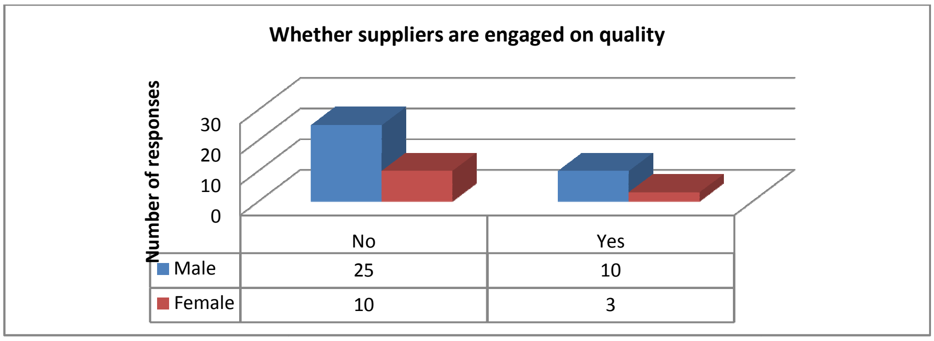

Figure 4.13: Supplier engagement

The graph above clearly shows that 35 (73%) of the SMEs are not engaging their suppliers. The reason might be that the SMEs the do not have an appreciation of the benefits derived form supplier engagement. However, a further outside the box analysis may also bring into the fray issues of the nature of the market in which all this happen. The market model being examined is mainly a perfectly competitive market scenario where there are many buyers and sellers. As such, engagement has very little room since each supplier or customer contributes very little to his/her counterpart.

4.13.1 Factors considered when selecting suppliers

In light of the above, the researcher also felt that it was necessary to gather data on SME considerations in supplier selection. The following were their responses:

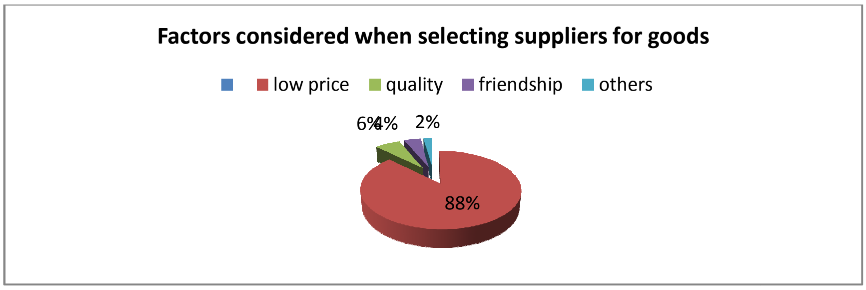

Figure 4.14: Supplier selection considerations

The pie chart shows that a whooping 88% of the SMEs surveyed use price as a dominant criterion for choice of supplier. Only a meager six percent considers quality. While it first appears that the main aim of the SMEs is to maximize the revenue-cost gap, there is no evidence that indeed that profit was being realized. This is mainly because they could have been taking a risk and buying cheap raw materials instead of buying raw materials cheap. Their shunning of supplier engagement as noticed above, tied them to the former rather than the latter. With cheap raw materials, the whole quality story is cut short, very short.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes and concludes on the main findings of the study and provides policy recommendations on the feasibility of implementing Total Quality Management in

SMEs and the critical factors that have to be addressed if the implementation is to be successful. It also proffers areas for further research.

5.2 Conclusion

The study revealed the current operations of SMEs vis-à-vis expected TQM practices. It further unraveled the main factors that might hinder the successful implementation of TQM in SMEs. Using a panel data from 48 respondents chosen using the systematic sampling technique at Glen View 8 Complex in Harare, Zimbabwe, the study established that there are wide gaps that need to be addressed in order to successfully implement TOM practices. It was observed that the main hindrance to TQM practices hinges on the mentality and level of education of the top management of the SMEs. The low level of education in SMEs, coupled with the absence of training programs, shows lack of appreciation of Total Quality management practices. It also caused owners of these businesses to be indifferent to issues of quality, business excellence and the integrated management system. Owners of SMEs do value training and development for their employees, and, in the end, do not value their initiative. The results from the research show that the SMEs are against the idea of implementing TQM in their businesses. The SMEs do not have an appreciation of TQM practices.   To them it is just another cost, which should be avoided.

The limited strategic planning, the capacities of the SMEs and their short-termist approach to doing business do not present a good platform for the successful implementation of the TQM provisions. Even the stand-points and perceptions of the employees in SMEs are also a barrier to the implementation of that programmes. SMEs view themselves as too small businesses which do not have the resources to implement Total Quality Management practices. The result is that their operations are characterized by lack of management efficiency, the inability of the SMEs to access new technology, and a subsistence orientation.

The study also established that SMEs did not have records of key information on performance, customers and suppliers, meaning that their information management procedures and systems were not up to scratch. They do not produce financial statements and do not advertise. In the end, they survive by sheer luck as they do not have guaranteed customer loyalty or references associated with the quality of their products.

5.3 Recommendations

The results of the study are relevant for policy makers and owners of SMEs in Zimbabwe. They are also relevant for researchers with a keen interest on the issue of TQM and in the SME sector. Since it emerged that using the conventional TQM framework on SMEs is misplaced, it would be interesting to have one specifically designed with them in mind. The following recommendations were thus raised:

5.3.1 Recommendations to Policy Makers

5.3.1.1 The government to fund training for SME TQM.

The government should prioritize TQM implementation in SMEs, especially if they are serious that the sector is becoming a force to reckon with in terms of GDP contribution and employment creation. The Total Quality Management will be effective in SMEs, have a long lasting life, if the TQM tools are accepted, practiced, integrated and institutionalized as a way of life of employees and of the organisation as the Japanese practice. This can be successfully done if employees are trained and advised on the importance of the benefits of implementing TQM practices. One big mistake that the SMEs were neglecting was the issue of education and training. This again will be done as a way of changing perceptions and attitudes of owners of SME so that they will have an appreciation of the benefits of implementation of TQM practices.

5.3.1.2 Government to establish of a Coordinating Agency for SMEs

The agency will be mandated to work closely with the SMEs on a day-to-day basis providing the necessary guidance, training and assistance. These SME programmes should be scheduled for the whole year, instead of the current set up where the government only mentions about SMEs only during budgets and towards elections..

5.3.1.3 Government to set up a revolving fund for SMEs

Considering the status of the economy and the dried lines of credit for the economy, the honey moon should just be over for the SMEs who always expect to be spoon-fed by the government through loans and grants year in year out. Instead, the government must set up a revolving fund which is run commercially by private players who report to government. The fund may be loaned out to SMEs at nominal interest rates which are not as prohibitive as the commercial rates by banks. Applicants must be vetted thoroughly and defaulters should be sued and. That way the SMEs will learn, albeit the hard way, to be professional, to lure and lock in customers, to maintain a business bank account and to keep records. These things were found amiss through this research.

5.3.1.4 Government to allocate meaningful business stands to SMEs

Government should carefully plan the allocation of stands for SMEs, more importantly, with their growth prospects in mind. The scenario at Glen View 8 Complex shows unhealthy congestion and haphazardness. Under those conditions, it is discouraging, near impossible and unrewarding for a single SME to try and implement TQM. SMEs therefore, need more space to accommodate growth, materials, offices and workshops and show rooms for their finished products.

5.3.1.5 Government to Draw up an SME-Specific TQM Framework

Perhaps the conventional TQM framework used in this research to gauge the operations of SMEs is rather too harsh. It is recommended that using that framework on them is like expecting a new born baby to run. Government can come up with a framework that is sensitive to SMEs' situation. It will be that framework that the SMES can then use to rate themselves or be rated by others on their quality compliance.

5.3.2 Recommendations to SMEs

5.3.2.1 SMEs to be Commercial

It would be naïve for the government to help set up SMEs and support them if the SMEs were not destined to contribute something to the fiscus. The government would rather help big companies grow and increase employment. But perhaps, the situation on the ground is showing that the SMEs themselves had that mentality as the majority of them are not paying any tax to ZIMRA. Thus, the government must help change attitudes of SMEs from being subsistent and sole trading and persuade them to grow into large corporations for the benefit of everyone. The SMEs must change their attitude and must not expect permanent assistance form the government. The SMEs may be encouraged to form an SME Association which helps coordination, information sharing and market outreach, including export orientation.

5.3.2.2 Information management

The SMEs are encouraged to adopt a professional approach to business. Documentation of business processes and activities offers to any leadership the constant view into the adequacy and efficiency of those processes, enabling them to establish possibilities on improvements. They should make decisions based on the analysis of information. This will ensure informed decisions on issues to do with quality. In this way, SMEs can make quick decisions through reference to factual records and there is increased ability to review challenges for better decision making.

5.3.2.3 ISO Certification

Implementation of standards and its verification by the certifying body ensure improvement on the operations especially on those activities where clients consider the certificated quality system as a condition for contract signing. Thus, SMEs are encouraged to approach the ISO certification body to start the ball rolling, a long journey towards full implementation of the Total Quality Management Framework.

5.3.2.4 Supplier focus

SMEs and suppliers depend on each other for survival in business. Therefore, it is recommended that SMEs must maintain a mutually beneficial relationship with their suppliers. This will create value for both the SME and the supplier and will in the long term enhance flexibility and speed of joint responses to changing trends and expectations. Engaging the suppliers will facilitate optimization of costs of raw materials as the SME will actually have an opportunity to discuss issues to with price, credit and delivery with the supplier without compromising quality of raw materials.

5.3.2.5 SMEs to harmonize their systems to those of TQM

SMEs are encouraged to carry out a self assessment of their operations. The purpose is for them to start moving towards the harmonization of their operations with the principles of TQM. There should be a clear link between all the elements of the TQM practices. There are a number of ways the SMEs can do that. Firstly, the SMEs have to be customer focused. This entails producing quality products, giving customers warranties and making follow ups to address product related complaints as well as engaging them to know their tastes. In fact, the aim is to strive to meet or exceed customer requirements and expectations. Customer focus will enhance customer loyalty leading to repeat business.

SMEs should adopt a systems approach in the implementation of TQM systems so as to be effective and efficient. They should integrate their internal processes so that they align them to the TQM framework. In the absence of an SME specific framework, the conventional framework can be used as a starting point. Furthermore, the SMEs must focus on key processes and operate in such a way as to provide confidence to their business stakeholders as to consistence, efficiency and effectiveness.

Since studies elsewhere have recommended training and development of employees as a prerequisite for firm success, SMEs also ought to be serious about training and development of their workers so as to use employee knowledge as a competitive weapon against rivals. The implementation of TQM practices in SMEs must involve employees at all levels within the organisation to instill a culture of quality in SMEs. The successful implementation of TQM practices in SMEs will result in employees who are more motivated and committed to perform their duties. In the same vein, the SMEs will benefit from the innovation and creativity thus furthering the objective of the SMEs. As a result employees become more accountable for their performance and therefore will be more eager to participate in the continual improvement of processes within SMEs. Even the leadership in the SMEs themselves needs further education and training so as to provide visionary leadership.

5.4 Further Research

The most important contribution of this research paper was to identify the critical success factors of the successful implementation of TQM in SMEs in Zimbabwe. However, little or no previous studies have tried to investigate the relationship between the TQM practices and organizational performance particularly in Zimbabwe. Some further research is needed on a wider scale possibly on a national scale and look at other factors that may also be critical in the implementation in other areas in Zimbabwe.

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APPENDIX 1: CHI-SQUARE ANALYSIS

Whether SMEs visit their suppliers

Whether supplier visits are made							
	NO			YES			
	Observed	**Expected**	**Chi-Square**	**Observed**	**Expected**	**Chi-Square**	Total
Male	25	25.521	0.010636	10	9.479	0.028636	**35**
Female	10	9.479	0.028636	3	3.521	0.077092	**13**
Total	**35**		**0.039272**	**13**		**0.105728**	**48**
				Total Calculated Value			0.145

H$_o$: The SMEs were not engaging suppliers on issues of mutual consent.

H$_1$: The SMEs were engaging suppliers.

Level of significance: 5%

Critical Value (x^2) = $X^2(0.05, 1)$ =

Test Statistic = 0.145 (*See table above*)

Decision: Since the calculated value is less than the critical value, conclude that the SMEs were not engaging their suppliers.

Understanding the TQM concept

Whether Top leadership understands TQM							
	NO			YES			
	Observed	**Expected**	**Chi Square**	**Observed**	**Expected**	**Chi-Square**	Total
Male	33	32.813	0.001066	2	2.188	0.016154	**35**
Female	12	12.188	0.0029	1	0.813	0.043012	**13**
Total	**45**		**0.003966**	**3**		**0.059166**	**48**
				Total Calculated Value			0.063

H$_o$: The SMEs do not understand the TQM concept.

H$_1$: The SMEs do understand.

Level of significance: 5%

Critical Value (x^2) = $X^2(0.05, 1)$ =

Test Statistic = 0.06313 (*See table above*)

Decision: Since the calculated value is less than the critical value, conclude that the SMEs did not have an appreciation of the TQM concept.

Inspection of finished products

Whether management inspects products before delivery to customer							
	NO			YES			
	Observed	**Expected**	**Chi Square**	**Observed**	**Expected**	**Chi-Square**	Total
Male	26	26.25	0.002381	9	8.75	0.007143	**35**
Female	10	9.75	0.00641	3	3.25	0.019231	**13**
Total	**36**		**0.008791**	**12**		**0.026374**	**48**
				Total Calculated Value			0.035164835

H_o: The SMEs do **not** inspect products before dispatch to customers.

H_1: The SMEs do inspect product when dispatching to customers

Level of significance: 5%

Critical Value (x^2) = $X^2(0.05, 1)$ =

Test Statistic = 0.0351 (*See table above*)

Decision: Since the calculated value is less than the critical value, conclude that the SMEs do not inspect finished products before dispatch to customers.

Visiting customers

Whether customer visits are carried out							
	NO			YES			
	Observed	**Expected**	**Chi Square**	**Observed**	**Expected**	**Chi-Square**	Total
Male	33	33.542	0.008758	2	1.458	0.201484	**35**
Female	13	12.4583333	0.023551	0	0.542	0.542	**13**
Total	**46**		**0.032309**	**2**	**2**	**0.743484**	**48**
				Total Calculated Value			0.775793044

H_o: The SMEs do **not** visit their customers.

H_1: The SMEs do visit their customers

Level of significance: 5%; **Critical Value (x^2)** = $X^2(0.05; 1)$; **Test Statistic** = 0.743 (*See table above*)

Decision: Since the calculated value is less than the critical value, conclude that the SMEs did not visit their customers to check on level of satisfaction and other issues of common interest.

Whether qualifications improves product quality

	Whether going to school improves quality														
	Strongly agree			agree			Neutral			Disagree			Strongly disagree		
	OB	EXP	Chi-sqr	OB	Exp	Chi-sqr	OB	Exp	Chi-sqr	OB	Exp	Chi-square	OB	Exp	Chi-square
M	1	1.458	0.144	3	2.917	0.002	5	5.1	0.0021	12	11.67	0.01	14	13.9	0.001539
F	1	0.526	0.427	1	1.083	0.006	2	1.9	0.0057	4	4.333	0.026	5	5.15	0.004142
Total	2		0.571	4		0.009	7		0.0078	16		0.035	19		0.005681
												Chi-Square			0.622654

H_o: Qualifications do **not** have an effect on quality.

H_1: Qualifications do improve the quality of products

Level of significance: 5%; **Critical Value (x^2)** = $X^2(0.05, 4)$ =

Test Statistic = 0.6226 (*See table above*)

Decision: Since the calculated value is less than the critical value and conclude that the SMEs believe that the qualifications do not have an effect on quality of the product.

Whether having a clear vision improves quality

	Whether having a clear vision improves quality														
	Strongly agree			agree			Neutral			Disagree			Strongly disagree		
	OB	EXP	Chi-sqr	OB	Exp	Chi-sqr	OB	Exp	Chi-sqr	OB	Exp	Chi-square	OB	Exp	Chi-square
M	3	2.188	0.301	5	5.104	0.002	2	2.19	0.0162	8	9.479	0.231	17	16	0.057456
F	0	0.813	0.813	2	1.896	0.006	1	0.81	0.043	5	3.521	0.621	5	5.96	0.154039
Total	3		1.114	7		0.008	3		0.0592	13		0.852	22		0.211495
												Chi-Square			2.03335

$\mathbf{H_o}$: Having a clear vision does not have an effect on quality.

$\mathbf{H_1}$: Having a clear vision does have an effect on quality.

Level of significance: 5%; **Critical Value ($\mathbf{x^2}$)** = $X^2(0.05, 4)$ =

Test Statistic = 2.03 (*See table above*)

Decision: Since the calculated value is less than the critical value, conclude that the SMEs believe that the qualifications do not have an effect on quality of the product.

APPENDIX 2: QUESTIONNAIRE

Questionnaire on The analysis of the Critical Factors for achieving the successful implementation of Total Quality Management practices by Small to Medium Scale Enterprises in Zimbabwe: A case of SMEs at Glen View 8 Complex.

Dear respondent,

My name is Stella Kudoma. I am a student at the University of Zimbabwe studying towards a Masters of Business Administration degree. I am currently carrying out a study on an analysis of the critical factors for the successful implementation of Total Quality Management practices by Small to medium scale enterprises in Zimbabwe in partial fulfilment of the requirements of the programme. I am therefore kindly requesting your assistance in the honest and prompt completion of the questionnaire. The information you are going to provide will be treated with confidentiality and will be strictly for the purpose of the study.

Your cooperation in this regard will be greatly appreciated.

SECTION A: GENERAL QUESTIONS

1. What is your gender? Male ☐ Female ☐

2. What is your age?
   - Below 23 years ☐
   - 23-35 years ☐
   - Above 35 years ☐

3. What is your level of Education?
   - Secondary and below ☐

Diploma /certificate ☐

Degree ☐

Post Graduate ☐

4. What is your position in the company?

…………………………………………………………………………………………………

…………………………………………………………………………………………………

SECTION B: TOTAL QUALITY MANAGEMENT PROGRAMMES

5. How many employees are in your organisation as of now?

   Less than 10 ☐

   Between 10 and 20 ☐

   Above 20 ☐

6. For how long have you been operating?

   Below 5 years ☐

   5 to 10 years ☐

   Above 10 years ☐

7. Do you have a business bank account?

   Yes ☐ No ☐

8. Are you paying any tax to ZIMRA?

   Yes ☐ No ☐

9. Is your business ISO- certified?

   Yes ☐ No ☐

10. Do you understand the Total Quality Management principle?

Yes ☐ No ☐

11. How many meeting do you hold per month?

Zero ☐ 1-5 ☐ above 5 times ☐

12. Does the management carry out any inspections on goods before they are sold

Yes ☐ No ☐

13. Do you visit customers and discuss with them on their needs and specifications.

Yes ☐ No ☐

14. Do you offer your customers warranties for products?

Yes ☐ No ☐

15. What other incentives do you offer your customers?

…………………………………………………………………………………………………
…………………………………………………………………………………………………
…………………………………………………………………………………………………

16. Do you have any training programmes for your employees

Yes ☐ No ☐

17. Enter the number of your employees holding the qualifications shown below:

Secondary and below	
Diploma/certificate	
Degree	
Post graduate	

18. Do you allow your employees to use their own initiative in production or they use given specific instructions?

Own initiative ☐

Specific instructions ☐

Both ☐

Please explain.

....

....

....

....

19. What factors do you consider when selecting suppliers?

....

....

....

....

20. What other incentives do you provide to your employees apart from their basic salary?

....

....

....

21. Do you collect information on quality from suppliers and other stakeholders?

Yes ☐ No ☐

If yes, how is the information analysed in your company?

....

....

....

....

22. What information do you exchange with suppliers, specify.

……………………………………………………………………………………………
……………………………………………………………………………………………
……………………………………………………………………………………………

23. Improving your qualifications and qualifications of employees will improve the quality of goods produced by your business processes.

    Strongly agree ☐
    Agree ☐
    Neutral ☐
    Disagree ☐
    Strongly disagree ☐

24. Having a clear vision and goals about quality will help the SME to produce better quality products

    Strongly agree ☐
    Agree ☐
    Neutral ☐
    Disagree ☐
    Strongly disagree ☐

25. In your own opinion what factors should be considered in the implementation of Total Quality Management?

    ....
    ....
    ....
    ....
    ....

THANK YOU