
TQM – A Factor for Tourism Competitiveness

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Abstract

In a more globalized world, with the rise of the importance of tourism in the global economy (its share in GDP) and the growing competition on the market of global tourism, providing quality tourist products represent a desideratum recognized by all the actors involved in activities in the field. In this context, the Total Quality Management (TQM) concept should be a very important tool to be used in this sector. The latest report published in 2017 by World Economic Forum was a valuable source of information for the level of quality of touristic services in Romania and a starting point for our research. The objectives of this paper are to examine the present quality of Romanian touristic services, the place of TQM in the business strategy of Romanian companies, the advantages of implementing TQM and the measures proposed to raise the quality of touristic services in Romania. The research methodology is based on a questionnaire applied to 300 employees from the tourism sector in Romania and the results demonstrate the role and importance of TQM in increasing the quality of touristic services in Romania.

Keywords: competitiveness, quality, total quality management

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Introduction

The complexity of the globalization process and the current conditions on the international market, make quality an important source of competitiveness, which translates into a competitive advantage for the firm / tourist destination. Hence the constant concern of organizations to implement a systematic process of quality management in order to achieve / maintain competitive advantage in the market.

Tourism is a competitive industry, and companies / organizations in the field cannot afford to base their competitive advantage just on cost. That is why quality is a key element in the field of business / tourist destinations competitiveness. In fact, maintaining a high level of quality is a requirement for sustainable tourism development. Providing quality tourism services is a priority for all actors involved in the tourism sector.

Currently, businesses involved in tourism activities need to consider a number of factors, such as: the major role of information, knowledge and dissemination; the need to involve well-trained, motivated staff in tourist activities; involvement of the political environment and the need to promote sustainable tourism; the need to approach international / European standards in the field of quality of tourism services.

1. Competitiveness in tourism; TQM as a means of increasing Romania's competitiveness in tourism

In general, competitiveness is a comparative concept that refers to the ability and performance of a firm, subsector or country to sell and deliver goods and / or services on a particular market. Competitiveness is therefore an approach in comparative, relative terms: a country can be competitive or not in comparison to another looking at a certain sector or field of activity; it is based on natural factors (resources) and artificial (institutions, skills); competitiveness can be improved also through industrial policies (the role of the state).

In the latest report published by the World Economic Forum, 'The Travel & Tourism Competitiveness Report 2017, Romania fell 2 positions from 66 in 2015, to 68 in 2017 (see table 1) [1].

TABLE 1: TRAVEL & TOURISM COMPETITIVENESS INDEX 2017 FOR ROMANIA

Index component	Rank	Score
Business environment	76	4.4
Safety and security	39	5.8
Health and hygiene	31	6.1
Human resources and labour market	81	4.4

Index component	Rank	Score
Business environment	76	4.4
ICT readiness	60	4.7
Prioritization of Travel & Tourism	108	3.8
International Openness	45	3.9
Price competitiveness	85	4.7
Environmental sustainability	43	4.4
Air transport infrastructure	82	2.4
Ground and port infrastructure	92	2.8
Tourist service infrastructure	62	4.4
Natural resources	68	3.0
Cultural resources and business travel	46	2.3

Source: The Travel & Tourism Competitiveness Report 2017, p. 285

According to this report, our country ranks 6th among Eastern European countries, after Slovenia (41st), Bulgaria (45th place), Poland (46th place), Hungary (49th place) and Slovakia (59th place).

In service, quality has two major dimensions (Day and Peters, 1994), namely: a static dimension that quantifies consumer expectations and a dynamic dimension [2]. The dynamic quality dimension appears at the time of providing the service and gives consumers the opportunity to be delighted by the additional efforts made by the employees in the tourism industry.

The quality of services has been the subject of a large number of research papers [3]. The complexity of determining service quality results from the fact that they consist of a process in which the production and consumption can not be completely separated, and the consumer takes part in the production process [4].

Globally, the WTO defined these quality standards in 2003 in the field of tourism products/services, namely: safety and security, accessibility, hygiene, transparency, authenticity and harmony.

2. Evolution of total quality management system

A quality inspection (product characteristics, coercive actions, identification of sources of non-compliance) was implemented in a first step; Quality control (basic quality planning, product testing, use of statistical indicators); total quality control (the organization's efforts towards quality satisfaction - third party intervention, existence of an audit system in terms of quality); total quality management

(continuous quality improvement, involvement of suppliers / customers / company staff, quantification of human resource performance) [5][6][7].

Total Quality Management can be defined as the company's strategy aiming at better customer satisfaction at the lowest cost, involving all members of the organization. Thus, the main role of this strategy is to increase the level of customer satisfaction, the activities being organized in a systemic manner, with the main objective of offering quality products / services.

Improving the quality of tourist products / services [5] is manifested at international, national, regional and entrepreneurial level.

At national level, following WTO initiatives in the field of quality of tourism services, most countries consider quality as an essential factor in defining national tourism development strategies.

The most used tools are: legislative initiatives (eg setting quality and safety standards for the tourism industry), financial measures (eg investments aimed at creating new tourist areas), operational measures (eg planning, coordination, cooperation at the level of national information system in the field of tourism). At local / regional level, quality is a recognized success factor in the different regions that have introduced procedures for quality assurance in tourism. At the firm level, it is necessary to adopt a strategy that focuses on improving the quality system and customer satisfaction. The large hotel chains (Marriot, Hilton), the big tour operators (eg Thomas Cook), airlines, and small tour operators have understood the importance of improving / maintaining quality as a prerequisite for maintaining competitive advantage.

3. Research methodology

For this research, we used an online questionnaire (through google drive), and of the 300 questionnaires collected, 263 were validated. The sample included tourism employees from Romania. The questionnaire was structured in 3 parts: in the first part of the questionnaire we included questions regarding the quality of tourism services in our country. In the second part of the questionnaire, the questions focused on total quality management, its place in the business strategy of the firm, the advantages of TQM implementation and the objectives underlying the TQM implementation decision. In the final part of the questionnaire, respondents were asked to indicate the necessary steps to be taken by service providers to improve the quality of their services.

4. Research results

The most important results of the questionnaire survey we conducted for our research are presented in this section. We selected the most relevant questions from our questionnaire, regarding the implementation of TQM in the tourism services sector in Romania.

The first question we analyse is: “How do employees in the tourism sector define quality of services?”

The synthesis of the answers for this question is presented in Figure 1, as percentages of how many employees considered each statement to be a factor defining quality of services in tourism that is: Very important, Important, Moderately important, Slightly important or Not important (Likert scale).

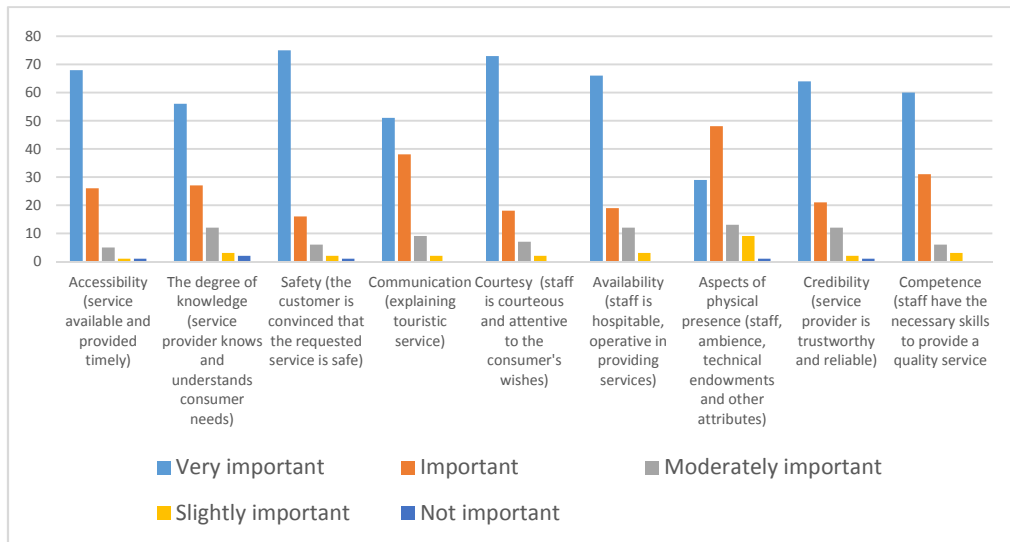


FIGURE 1: QUALITY OF SERVICE - IMPORTANCE

Source: own calculations

According to the answers of tourism employees which took part in our study, the most important factors that determine quality service in tourism are safety (75%), followed by courtesy of personnel involved in providing the service (73%) and availability of timely provided services (68%).

The second question we analysed the results for is: “According to the research literature, the implementation of TQM presents a number of advantages for an

organization from the tourism services area. In your opinion, how important are the advantages mentioned below?”

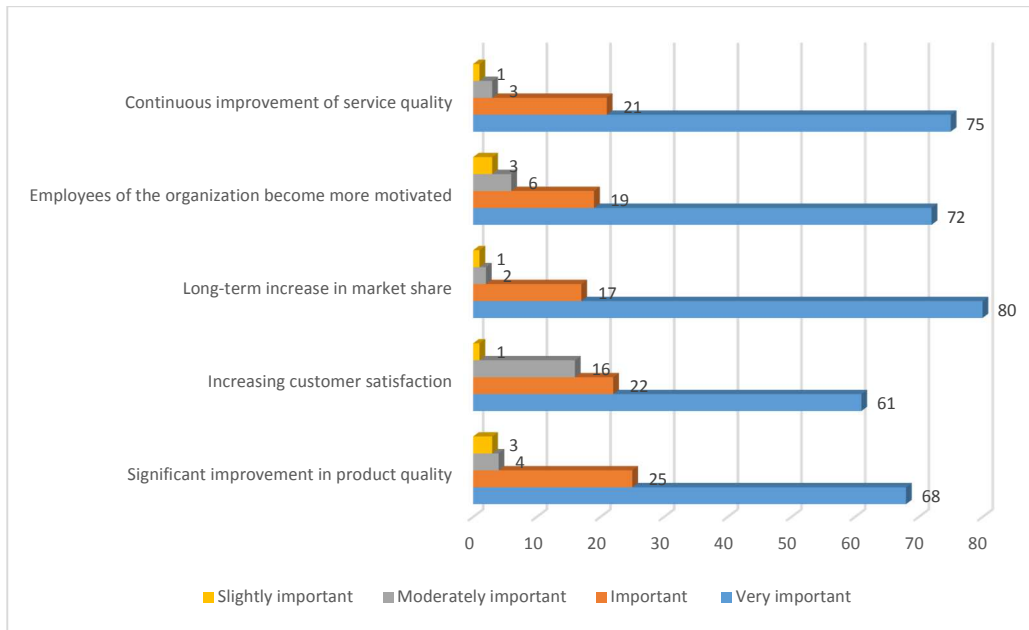


FIGURE 2: ADVANTAGES OF IMPLEMENTING TQM FOR A TOURISM COMPANY

Source: own calculations

As it can be observed, most respondents considered all the mentioned advantages very important, as over 60% of them choose the highest importance option. This indicates that there is a high degree of awareness among the tourism sector employees towards the advantages of using a TQM system. The most important advantage is considered to be the long term increase in market share, as this is a target most companies set for the future.

The last question we analyse is: “If you decide to implement a quality management system in your company, how important are the following goals?”

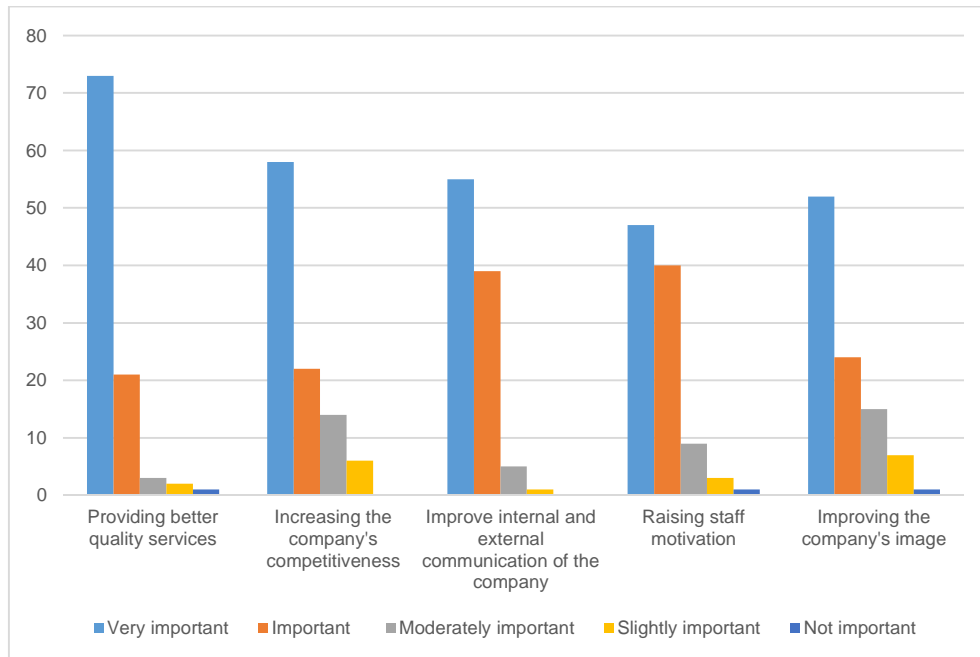


FIGURE 3: TQM OBJECTIVES FOR A TOURISM COMPANY

Source: own calculations

Most respondents consider that “Providing better quality services” is the top objective (73% of respondents) of implementing a TQM system in their company, followed by “Increasing the company's competitiveness” (58% of respondents) and “Improve internal and external communication of the company” (55% of respondents). Improving the company's image and raising staff motivation were placed last on the list, still they were considered by approximately 47% of respondents as “very important” and by 20-40% of respondents as “important”.

5. Conclusions

A way to differentiate a tourism business is to implement total quality management to provide a quality tourism service superior to that offered by competing firms. A quality management system ensures that the organization / firm's efforts are geared towards meeting the consumer's expectations / requirements, providing the company with a competitive edge.

With the increasing importance of tourism in the global economy (its share in GDP), but also with increasing competition on the global tourism market, offering

high quality tourism products is a desiderate recognized by the actors involved in the field.

Research carried out shows that employees from the tourism sector in Romania are familiar to the factors that are included in the definition of service quality so they know the key areas in which they should continue to improve their services. Either the company in which they work has already implemented a TQM system or they are planning to do so in the future, the employees have a good idea about the objectives that they must pursue and of the advantages which came from it. The objective which is considered most important is the long term increase in market share and the most appreciated advantage of implementing a TQM system is providing better quality services. Among the quality of service dimensions, safety is the top priority for all the respondents of our survey. All the analysed responses from the tourism employees demonstrate that they understand the role and importance of TQM in increasing the quality of touristic services in Romania.

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