



EFFECTS OF TOTAL QUALITY MANAGEMENT ON THE PERFORMANCE IN THE  
LEBANESE BANKING SECTOR

Assaad A. Salman

---

*Abstract*

*Most of the organizations among the world are facing common challenges as a result of rapid change in the business environment. Organizations need to enhance their performance to maintain sustainability and competitive advantage over its competitors in the market. This is considered as a driver force for several strategic changes in different organizations. The research will implement the quantitative methodology through distributing a set of surveys over 100 respondents for data collection.*

*The findings of the study proved that total quality management had a direct impact on the performance of employees in the workplace and by that on the performance of the bank as a whole. Two variables were addressed briefly in the research which is the process focus and the continuous improvement and both proved that they had a positive strong impact on employees' performance in the bank*

*Keywords: Total quality management, Knowledge management, process focus, continuous improvement*

## I. INTRODUCTION

### 1.1 Background of the Study

Most of the organizations among the world are facing common challenges as a result of rapid change in the business environment. Organizations need to enhance their performance to maintain sustainability and competitive advantage over its competitors in the market. This is considered as a driver force for several strategic changes in different organizations.

To adapt with change, continuous improvement should be implemented to enhance organizational performance. Different innovations can be integrated to keep the performance high and above the competitors' expectations.

Both total quality management and knowledge management practices had been implemented to enhance organizational performance (Janpen,2010). Many organizations aim to implement total quality management practices as a management paradigm worldwide. Later on, this paradigm had spread many organizations and aimed to maximize profits such as banks and insurance companies).

### 1.2 Problem Statement

There are series of competitions among banks of all kinds, and this can be traced to the innovation brought by the information technology. However, there are some steps which should be implemented by the bank to maintain sustainability in a competitive environment.



Thus, there is a high need for improving the organizational performance to achieve an acceptable level of performance capable of gaining and sustaining competitive advantage.

Enhancing bank performance is not considered a new thing, but the perspectives have been different in which the best approach for improving organizational performance in this knowledge economy should be identified. Most of the organizations are affected by rapid changes in the business environment.

Referring to a research done by Amin (2016), major changes resulted from an emerging competitive environment have made most of the banks to think the same way like business organizations. Since the banking industry is becoming a global industry. Based on this fact, the ability to compete and remain sustainable in a business depends on the changes and improvement which are implemented by Lebanese Banks.

This research will focus on the importance of total quality management and its impact on banks performance.

### **1.3 Research Objectives**

The purpose of the study is to examine empirically the impact of TQM on KM and organizational performance. This major objective is divided into four objectives as follows:

1. To investigate the relationship between Total Quality Management and Knowledge Management.
2. To inspect the relationship between Total Quality Management and organizational performance.
3. To ascertain the relationship between Knowledge Management and organizational performance.
4. To ascertain the structural relationship between Total Quality Management and organizational performance through the presence of Knowledge Management.

### **1.4 Significance of the Study**

The research significantly contribute toward extending the boundary of existing knowledge as well as providing valuable evidence for practitioners.

Total Quality Management had survived and evolved through the efforts of researchers and practitioners. As stated earlier, the relationship between TQM and KM had not been identified briefly, thus such study is rare and not complete. The main objective that relies behind this research is that both TQM and KM have a direct effect on organizational performance especially in the emerging knowledge economy where all organizations depend on knowledge has opened up research opportunities to fill the gap.

Furthermore, most of the researchers aimed to create a relationship between the two concepts that lack empirical evidence, and the outcomes are not practical enough to generalize. In this research, the researcher aims to implement a theoretical and empirical approach to study briefly the correlation among Total Quality Management, Knowledge Management and organizational performance by using the quantitative technique.



In other words, this study is of high importance because of today's uncertain and risky environment, TQM and the knowledge management in business is of high importance for the sustainability of the organization.

In addition to that, to maintain sustainable competitive advantage, organizations need a TQM approach that considers knowledge management as a potential source of organizational performance improvement.

### **1.5 Research Organization**

The research is made up of five chapters, and they are as follows:

Chapter One: Aims to address the problem statement and the significance of the study, in addition to the identification of the research questions and objectives.

Chapter Two: Aims to address the definition of key terms, previous studies and literature done by different researchers in different countries.

Chapter Three: Aims to address the methodology that will be implemented by the researcher to collect data. The research variables and hypotheses will be identified in this section of the research.

Chapter Four: The findings of the research will be analyzed briefly through using the SPSS statistical tool. The results will be viewed in the form of descriptive and inferential statistics. Based on the mentioned results, the research hypotheses will be validated.

Chapter Five: The recommendations and limitations will be addressed in this section of the research to enhance the research level to an advanced level in further studies.

## **II. LITERATURE REVIEW**

### **2.1 Definitions of Key Terms**

This section describes briefly some important terms used in the context of this study.

**Total Quality Management (TQM):**It is an approach which aims to manage the quality to achieve high performance which requires commitment from the organizational leadership by adopting effective core quality elements including leadership commitment, strategic planning, continuous improvement and employee engagement to develop the required environment and design performance excellence (Anantatmula,2007).

**Knowledge Management (KM):**It is a combination of many processes which include knowledge identification, knowledge acquisition, storage and sharing. Such processes are integrated into the organizational activities to exploit the definite knowledge which leads to optimum performance in terms of academic achievement (Anderson,2008).



**Organizational Performance (OP):** Is a broad construct, which captures what organizations are involved in, produce, and achieve for the various constituencies with which they interact. For this study, organizational performance is viewed at the level of the institution in terms of banks achievements.

## **2.2 The Benefits of TQM**

The benefits of TQM can be considered as consequences of its successful implementation. Such can be estimated through implementing a number of approaches which are used to evaluate the benefits of TQM in terms of measuring the cost of poor quality (Evans, 2013)

It had been explained by many researchers that the main aim of total quality management is to enhance organizational performance (Daud,2008). Thus, organizational performance enhancement can be considered as the best nexus of evaluating TQM benefits. Thus, total quality management is considered worthy if organizational performance is enhanced.

Similarly, it is known that adopting TQM has a benefit of enhancing customer satisfaction, higher products and services quality and better market share. Continuous improvement, leadership and top management commitment aims to satisfy customers' satisfaction, employee empowerment and customer focus have been identified as the goals of total quality management (Darroch,2015).

The mentioned are considered as the benefits of TQM since they aim to enhance productivity, operations performance in terms of effectiveness and efficiency, and at last enhancing the financial performance.

## **2.3 The Core Elements of TQM**

Different researches had been implemented to identify the elements which can be constituted the TQM model. This can be viewed from three different perspectives and they are the contributions from quality gurus, previous studies, and quality award models. This approach had been a main concern for many researchers in such a way that the literature on TQM has increasingly developed the TQM guru's contributions through identifying the different elements for effective quality management (Crosby,2013).

TQM studies proved that the core elements were assessed both conceptually and empirically. There are models of quality award and accreditation which can be used by organizations and can be considered as a guideline for TQM. Fenghueih and Yao-Tzung (2012) noted that the achievement of TQM is typically based on the philosophy derived from Deming, Juran and Crosby where the achievement is categorized into two parts as follows:

1. The soft part of TQM which forms the principles behind it and;
2. The hard side of TQM that represents the techniques involved.

Furthermore, TQM requires the commitment of the top management, leadership, training and teamwork which are identified the main elements for the success of TQM (Dale,2009). Referring to a research done by Davis, he said that there are two major components which are essential for the success of TQM and these are the (What) and the (How) of TQM.



As the component of what, it diverges in almost every single study and text book, as for the how component it distinguishes the TQM from other quality management approaches and includes core factors that are generally accepted (Vouzaz,2017).

## **2.4 Leadership Commitment**

Many researchers revealed that TQM requires a serious commitment on the part of the decision makers of the organization for achieving its goals (Bayraktar,2008). These researchers agreed that leadership commitment provides a focal point for aspirations and wishes of employees in organizations where TQM is implemented.

The two quality gurus' Deming and Crosby supported leadership or top management commitment and revealed that TQM way of life begins and ends in the leadership of top management.

Referring to a research done by Dahlgaard (2013), they revealed that quality is not just a pool for fording, it is an ocean. It was recommended that leadership commitment to TQM is considered the base to the rest of the elements which are required to maintain an efficient quality management system.

## **2.5 Process Focus**

The aim of a process is to study the past events and recommend strategies to enhance the workflow. A good process will always lead to a better product or service (Bergman,2009). Organizations that implement TQM philosophies are placing increasing responsibilities on those working within it to enhance the work process (Ahmed,2008).

Thus, the process focus is considered as a main element of TQM. A description of the process concept is essential in this work to explain the element "Process Focus".

A process is defined as a chain of activities which aims to continue, add and create value for the customers of the organization (Rumler,2009). Similarly, Bergman (2008) defined the process as a chain of activities that are frequent in nature and aims to create value to external or internal customers.

It can be concluded that the process in an organization as a group of activities, with an accurate beginning and ending which are repetitive in nature. It alters certain resources to consequence that should satisfy its customers. Juran (2008), revealed that when talking about processes, there are three different associated roles which include suppliers, processors and customers.

This means that process focus is considered as a main element of TQM. As a summary, the process focus is conceptualized in terms of designing work processes that add values to customers, by introducing new work flows examined prior to its actual implementation, emphasis on effective service delivery, value creation through facilities, maintaining good leaders and commitment towards employees' experiences and techniques implemented in the workplace.





---

## **2.6 Knowledge Management (KM)**

The knowledge management has been well known as the best and procedure when we would like to achieve any organized performance.

This performance was till the ends which extent briefly that a lot of missed implementations made by the enterprises.

According to some studies that were submitted in the aim of assessing the high rate at which the organizational performance is improved by the Knowledge management. (Zack et al., 2009).

Despite of the fact that KM is defining a relevant new discipline, that is descended from many different disciplines, such as management, the basic information system; the important theories in Business, the traditional behaviors of the employees in the organization, and their socio cultural psychology and many others... ( Liao & Wu, 2009).

To compare with other disciplines we find that the way in direction and processing in KM is influenced by a historical list of theorists and applied academics.

Therefore, they still didn't arrive to an agreement applying the "KM gurus" describing like TQM, but also it is true to say that primordial contributions to the best way of handing management in the last decades of the knowledge era age have been influenced by scholars ( Drucker, 1993) . In addition this was mentioned also by Argyris (1993) presenting for example the management theorists.

Serge (2009) stated that the global emergence in the ethics of the organizations and the benefits results in the workplace as a hall are connected in the first place to the success translating effective changes and implementing knowledge in the organizations.

On the other hand, Drucker (1999) argued that any information or data is composing a new resource for the organization, and the knowledge is globing a new experience juridical or economically or social area.

Leonder (2005) introduced and developed how information have become important. It created a new concept and it can leave innovated touch that influence the core system. Moreover, the findings upon Nonaka and Takeuchi (2005) addressed a perspective contribution to the theories. we cite between others the theory of reputational knowledge, contacting a supported knowledge in a competitive society.

## **2.7 Organizational Performance (OP)**

The growing challenges to the organization in either attaining or sustaining competitive advantage have made organizational performance to gain serious attention to survive in such a highly competitive environment.

As a result, organizational performance is considered as an important construct in achieving the aim of the organization activities (Richard, Devinney, Yip & Johnson., 2009).



According to Poister (2003), high demand for accountability on the part of governing bodies, the media, including the public and the commitment on the part of managers and government agencies to focus on achievements and work more deliberately to improve performance are identified as the two forces that are forcing organizations to institutionalize the concept of organizational performance.

Organizational performance has been defined in different ways and from different perspectives. In defining OP, there is a need to look at what performance it is.

According to Harbour (2009), performance refers to instigate and execute a set of actions. These actions represent as an actual result, outcomes, or achievements. Based on this description, several definitions have been given for OP; but the researcher is willing to agree with the position of Kirby (2005) where the author argued that a consistent definition of OP is important in order to remove any form of ambiguity and to have a clear operational definition of the concept without any confusion.

Conventionally, OP is narrowly viewed from the financial performance perspective, giving considerations to assets, budgets, sales volume, revenues growth or profitability results (Liao & Wu, 2009).

### **III. PROCEDURES AND METHODOLOGY**

#### **3.1 Introduction**

This part of the research will address the methodology that will be used by the researcher to study the impact of total quality management on organizational performance. In addition to that, the research variables, and research hypotheses will be identified in this part of the research. At last, this chapter will define the statistical terms that will be used by the researcher for hypotheses validation.

#### **3.2 Methodology Types**

Quantitative and qualitative methodologies are two different types of methodologies which can be used by a researcher. The quantitative methodology is the methodology which is used to collect data through distributing a set of survey over defined number of respondents, and after that the data collected will be analyzed using the SPSS statistical tool for hypotheses validation.

On the other hand, the qualitative methodology is used to collect data through the means of conducting in-depth interviews with managers to study their point of view regarding the impact of total quality management on organizational performance.

The research will implement the quantitative methodology through distributing a set of surveys over 100 respondents for data collection.



### 3.3 Types of Data

Primary and secondary data are two different types of data which should be used in every research. The primary data is the data which is collected by the researcher himself, and this is done through the means of distributing surveys or conducting in-depth interviews for data collection, and then analyzing them using the SPSS statistical tool for hypotheses validation.

As for the secondary data, it is the data which is maintained through addressing previous studies and researches done about the impact of total quality management and its impact on organizational performance.

Both primary and secondary data will be used in the research to maintain the required results and to add value to the research.

### 3.4 Research variables

There are two types of variables, and they are the dependent and independent variables.

The dependent variable is: Organizational performance

The independent variables are: Process Focus, Continuous improvement and Knowledge Management.

Based on the mentioned research variables, the research hypotheses will be constructed.

### 3.5 Research Hypotheses

H1-0: There is no relationship between process focus and organizational performance

H1-1: There is a relationship between process focus and organizational performance

H2-0: There is no relationship between continuous improvement and organizational performance

H2-1: There is a relationship between continuous improvement and organizational performance

### 3.6 Definition of Statistical Terms

This section will address the definition of statistical terms which will be used by the researcher for analyzing the data, and they will be explained as follows:

**Descriptive Statistics:** It aims to address the results of the collected data through displaying them in the form of bar graphs and pie charts.

**Regression Analysis:** It is a form of an inferential statistics which aims to identify the relationship between the dependent and independent variables based on a significance level of 5%.





**Adjusted R-Square:** It aims to study the strength of relationship between the research variables. If the sign shown was above 25% then there is strong relationship and vice versa.

**Pearson Correlations:** Aims to show whether the relationship among the variables is positive or negative. If the Pearson Coefficient is above zero, then there is a positive relation and vice versa.

**Validity and Reliability Analysis:** Aims to show whether the data collected is valid and reliable for data analysis based on an indicator called Cronbach Alpha. If the indicator showed a number between 0.7 and 1 then the data collected is valid and vice versa.

### 3.7 Conclusion

This part of the research aimed to study the procedures and methodology which will be implemented by the researcher for data collection. In addition to that, the research variables and hypotheses had been identified, and will be tested in the following chapter of the research after collecting the data.

## IV. FINDINGS

### 4.1 Data Analysis

The following section will address the results of the research throughout distributing survey and questionnaires over 100 respondents in Lebanese Banks and the results will be displayed in the form of descriptive and inferential statistics.

### 4.2 Descriptive Statistics

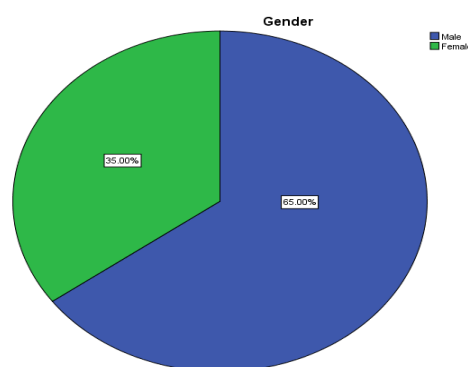


FIGURE 1 GENDER

With respect to the above pie chart, 65% of the respondents who participated in the survey are males and 35% of the respondents are females.

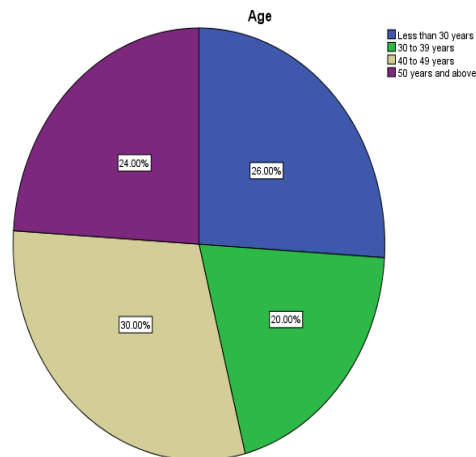


FIGURE 2 AGE

With respect to the above pie chart, 26% of the respondents who participated in the survey are less than 30 years and 20% of the respondents are between 30 and 39 years old. However, 30% of the respondents are between 40 and 49 years old and 24% are 50 years old and above.

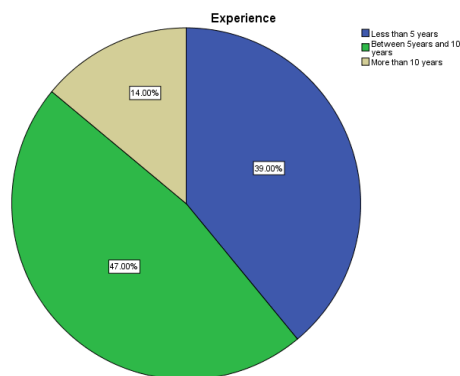


FIGURE 3 EXPERIENCE

With respect to the above pie chart, 39% of the respondents who participated in the survey have less than 5 years-experience and 35% of the respondents have experience ranging between 5 years and 10 years and 14% have more than 10 years of experience.

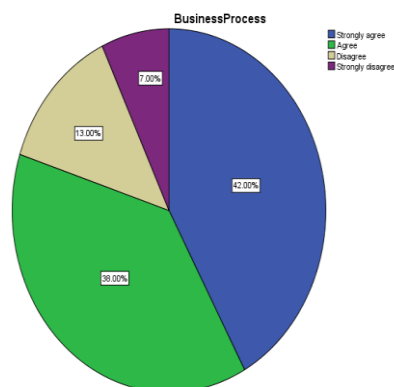


FIGURE 4 THE BUSINESS PROCESS IS DESIGNED IN SUCH A WAY THAT IT ADDS VALUE TO CUSTOMERS



According to the above pie chart, 42% of the participants strongly agree and stated that the business process is designed in such a way that it adds value to customers and 38% of the participants agree and stated that the business process is designed in such a way that it adds value to customers.

On the other hand, 13% of the participants disagree and stated that the business process is not designed in such a way that it adds value to customers and 7% of the participants strongly disagree and stated that the business process is not designed in such a way that it adds value to customers.

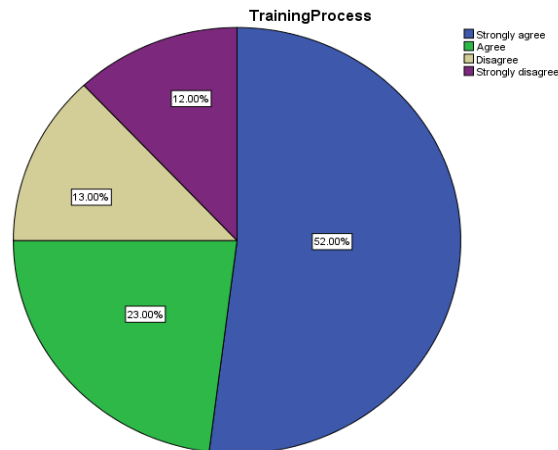


FIGURE 5 NEWLY INTRODUCED TRAINING PROCESS IS CRITICALLY EXAMINED PRIOR TO ITS ACTUAL IMPLEMENTATION.

According to the above pie chart, 52% of the participants strongly agree and stated that newly introduced training process is critically examined prior to its actual implementation and 23% of the participants agree and stated that newly introduced training process is critically examined prior to its actual implementation.

On the other hand, 13% of the participants disagree and stated that newly introduced training process is not critically examined prior to its actual implementation and 12% of the participants strongly disagree and stated that newly introduced training process is not critically examined prior to its actual implementation.

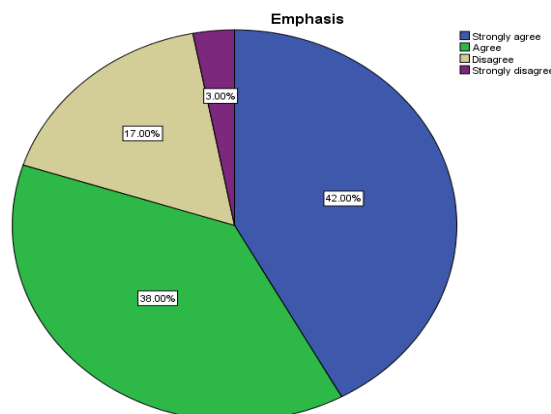


FIGURE 6 EMPHASIS IS PLACED ON EFFECTIVE SERVICE DELIVERY CONCERNING QUALITY.

According to the above pie chart, 42% of the participants strongly agree and stated that emphasis is placed on effective service delivery concerning quality and 38% of the



participants agree and stated that emphasis is placed on effective service delivery concerning quality.

On the other hand, 17% of the participants disagree and stated that emphasis is not placed on effective service delivery concerning quality and 3% of the participants strongly disagree and stated that emphasis is not placed on effective service delivery concerning quality.

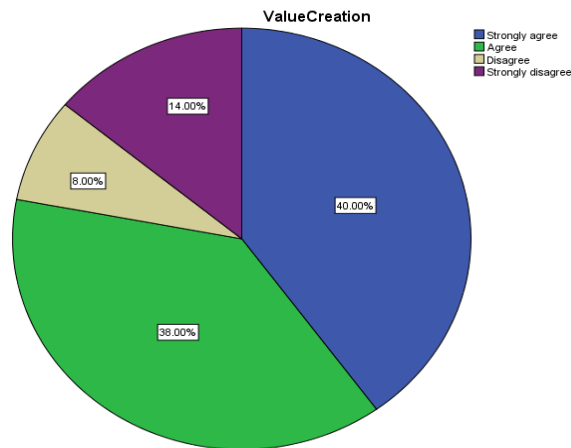


FIGURE 7 THE NECESSITIES OF THE WORKFLOW PROCESS ARE TOTALLY PROVIDED TO GUARANTEE VALUE CREATION FOR CUSTOMERS

According to the above pie chart, 40% of the participants strongly agree and stated that the necessities of the workflow process are totally provided to guarantee value creation for customers and 38% of the participants agree and stated that the necessities of the workflow process are totally provided to guarantee value creation for customers.

On the other hand, 8% of the participants disagree and stated that the necessities of the workflow process are not totally provided to guarantee value creation for customers and 14% of the participants strongly disagree and stated that the necessities of the workflow process are not totally provided to guarantee value creation for customers.

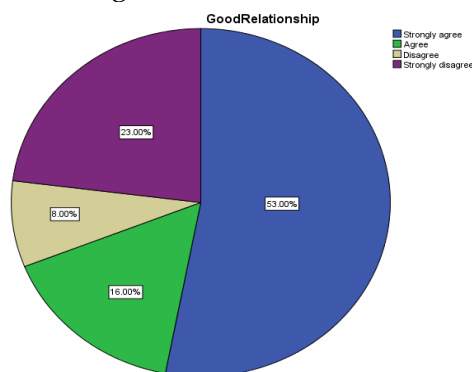


FIGURE 8 GOOD RELATIONSHIP BETWEEN EMPLOYEES AND CUSTOMERS IS MAINTAINED.

According to the above pie chart, 53% of the participants strongly agree and stated that good relationship between employees and customers is maintained and 16% of the participants agree and stated that good relationship between employees and customers is maintained.



On the other hand, 8% of the participants disagree and stated that good relationship between employees and customers is not maintained and 23% of the participants strongly disagree and stated that good relationship between employees and customers is not maintained.

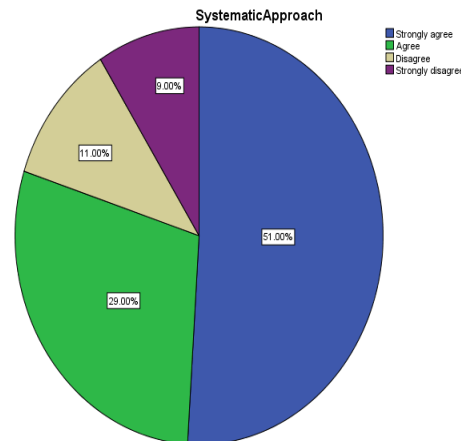


FIGURE 9 CONTINUOUS IMPROVEMENT OF THE BUSINESS PROCESS IS BASED ON A SYSTEMATIC APPROACH.

According to the above pie chart, 51% of the participants strongly agree and stated that continuous improvement of the business process is based on a systematic approach and 29% of the participants agree and stated that continuous improvement of the business process is based on a systematic approach.

On the other hand, 11% of the participants disagree and stated that continuous improvement of the business process is not based on a systematic approach and 9% of the participants strongly disagree and stated that continuous improvement of the business process is not based on a systematic approach.

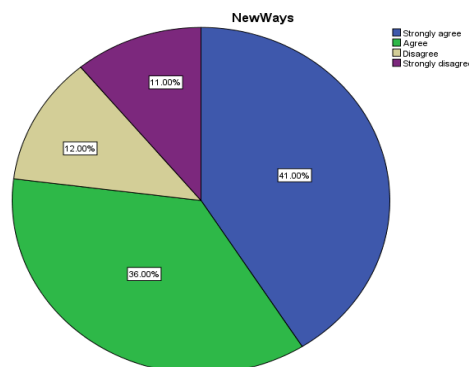


FIGURE 10 BUSINESS CONTINUALLY LOOKS FOR WAYS TO IMPROVE THE WORK PROCESSES

According to the above pie chart, 41% of the participants strongly agree and stated that business continually looks for ways to improve the work processes and 36% of the participants agree and stated that business continually looks for ways to improve the work processes.

On the other hand, 12% of the participants disagree and stated that business doesn't continually look for ways to improve the work processes and 11% of the participants strongly disagree and stated that business doesn't continually look for ways to improve the work processes.



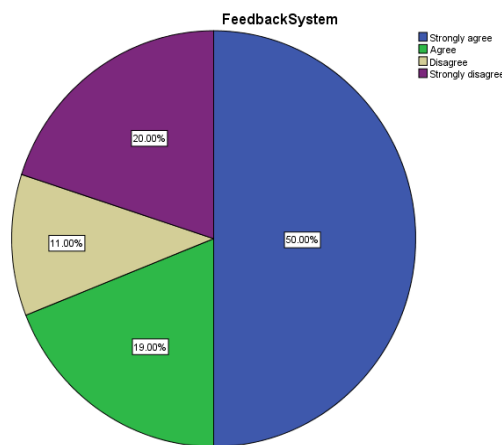


FIGURE 11 THERE ARE AN EFFECTIVE FEEDBACK SYSTEM FOR WORK QUALITY IMPROVEMENT AND QUALITY ASSURANCE

According to the above pie chart, 50% of the participants strongly agree and stated that there is an effective feedback system for work quality improvement and quality assurance and 19% of the participants agree and stated that there is an effective feedback system for work quality improvement and quality assurance.

On the other hand, 11% of the participants disagree and stated that there is not an effective feedback system for work quality improvement and quality assurance and 20% of the participants strongly disagree and stated that there isn't an effective feedback system for work quality improvement and quality assurance.

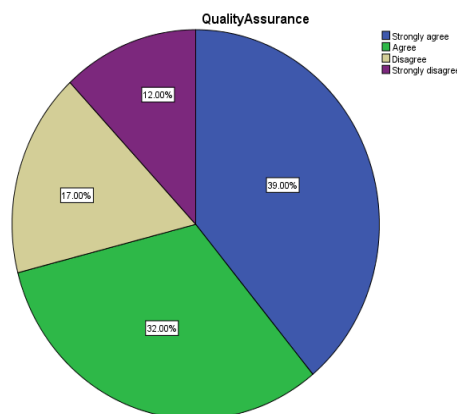


FIGURE 12 QUALITY ASSURANCE SYSTEM OF THE WORK IS DOCUMENTED PROPERLY

According to the above pie chart, 39% of the participants strongly agree and stated that quality assurance system of the work is documented properly and 32% of the participants agree and stated that quality assurance system of the work is documented properly.

On the other hand, 17% of the participants disagree and stated that quality assurance system of the work is not documented properly and 12% of the participants strongly disagree and stated that quality assurance system of the work is not documented properly.

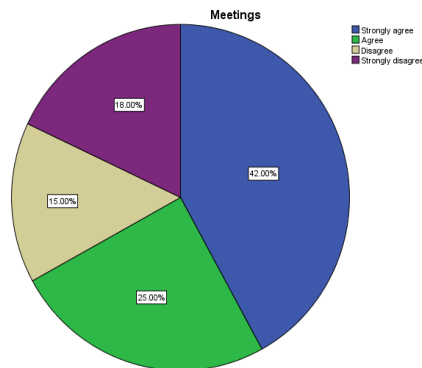


FIGURE 13 THERE IS A CONTINUOUS REVIEW OF WORK QUALITY-RELATED ISSUES AT THE WORK LEADERSHIP MEETINGS

According to the above pie chart, 42% of the participants strongly agree and stated that there is a continuous review of work quality-related issues at the work leadership meetings and 25% of the participants agree and stated that there is a continuous review of work quality-related issues at the work leadership meetings.

On the other hand, 15% of the participants disagree and stated that there isn't a continuous review of work quality-related issues at the work leadership meetings and 18% of the participants strongly disagree and stated that there isn't a continuous review of work quality-related issues at the work leadership meetings.

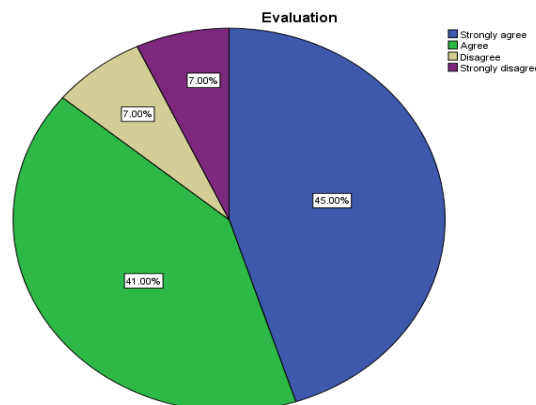


FIGURE 14 THERE IS A CONTINUOUS EVALUATION OF SERVICE QUALITY RELATED STRATEGIES

According to the above pie chart, 45% of the participants strongly agree and stated that there is a continuous evaluation of service quality related strategies and 41% of the participants agree and stated that there is a continuous evaluation of service quality related strategies.

On the other hand, 7% of the participants disagree and stated that there isn't a continuous evaluation of service quality related strategies and 7% of the participants strongly disagree and stated that there isn't a continuous evaluation of service quality related strategies.

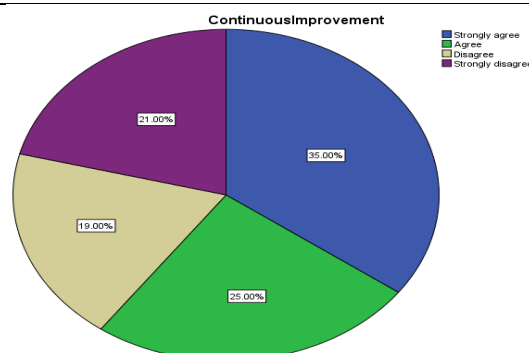


FIGURE 15 QUALITY ASSURANCE AS A MECHANISM FOR CONTINUOUS IMPROVEMENT IS INTEGRATED IN ALL ASPECTS OF THE WORK PROCESS

According to the above pie chart, 35% of the participants strongly agree and stated that quality assurance as a mechanism for continuous improvement is integrated in all aspects of the work process and 25% of the participants agree and stated that quality assurance as a mechanism for continuous improvement is integrated in all aspects of the work process.

On the other hand, 19% of the participants disagree and stated that quality assurance as a mechanism for continuous improvement is not integrated in all aspects of the work process and 21% of the participants strongly disagree and stated that quality assurance as a mechanism for continuous improvement is not integrated in all aspects of the work process.

### 4.3 Regression

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.491 <sup>a</sup>	.281	.233	.75842

a. Predictors: (Constant), ProcessFocus

#### Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.468	.244		1.916	.008
	ProcessFocus	10.381	1.863	.491	5.574	.000

a. Dependent Variable: Performance

The above regression analysis had been conducted to test the relationship between the research variables. The significance level showed a level of 0.008 which is lower than 0.05 which means that the null hypotheses which state that "There is an insignificant relationship between process focus and performance" had been rejected, and accepting the alternative hypotheses which states that "There is a significant relationship among process focus and performance" is accepted.

As for the R-Square it showed a level of 28.1%, meaning that there is a strong relationship among the mentioned variable.



**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.521 <sup>a</sup>	.271	.264	.74312

a. Predictors: (Constant), ContinuousImprovement

**Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.631	.201		3.134	.002
	ContinuousImprovement	8.543	1.415	.521	6.036	.000

a. Dependent Variable: Performance

The above regression analysis had been conducted to test the relationship between the research variables. The significance level showed a level of 0.002 which is lower than 0.05 which means that the null hypotheses which state that “There is an insignificant relationship between continuous improvement and performance” had been rejected, and accepting the alternative hypotheses which states that “There is a significant relationship among continuous improvement and performance” is accepted.

As for the R-Square it showed a level of 27.1%, meaning that there is a strong relationship among the mentioned variable.

**4.4 Pearson**

		ProcessFocus	ContinuousImprovement
Process Focus	Pearson Correlation	1	.844**
	Sig. (2-tailed)		.000
	N	100	100
Continuous Improvement	Pearson Correlation	.844**	1
	Sig. (2-tailed)	.000	
	N	100	100

Pearson Correlation had been implemented to test the relationship among the research variables, whether it is positive or negative based on Pearson Coefficient. The results proved that there is a positive relationship between process focus and continuous improvement



since the Pearson coefficient indicated a sign of (0.844) which is above zero reflecting a positive relationship.

#### 4.5 Validity

##### Reliability Statistics

Cronbach's Alpha	N of Items
.924	18

The validity and reliability analysis had been conducted to test whether the collected data are valid for statistical analysis or not. The Cronbach Alpha indicated a level of 0.924 which falls between the range of 0.7 and 1, reflecting a valid data.

## V. CONCLUSION AND RECOMMENDATIONS

### 5.1 Introduction

The research addressed briefly the total quality management and its effect on performance. Both primary and secondary data were implemented in the research to ensure rich data.

The findings of the study proved that total quality management had a direct impact on the performance of employees in the workplace and by that on the performance of the bank as a whole. Two variables were addressed briefly in the research which is the process focus and the continuous improvement and both proved that they had a positive strong impact on employees' performance in the bank .

### 5.2 Limitations

Following are some limitations that faced the researcher.

- Due to limited time constraints, the collected data is low.
- For confidentiality matters, some contributors didn't answer the questionnaires.
- The research was limited to specified variables, because its very wide and impossible to address all the variables related to total quality management
- The research is considered wide and general.
- Difficulty in gathering data from the bank, since obtaining data from Lebanese Banks is considered difficult because it is sensitive.

The research was able to address only one branch from the bank, and was not able to access other branches





### 5.3 Recommendation

- Widening the research by addressing banks which have several branches to increase the number of respondents.
- Studying the point of view of managers through conducting interview questions.
- Analyzing the dimensions of the research throughout targeting higher samples
- Practicing training and development in the bank sector to enhance the performance of employees and encourage them to share their knowledge and experience with each other to enhance the service quality in the bank.
- Top management plays a crucial role in TQM implementation, their support through providing staff with clear visions, resources, training and encouraging team work will translate into improved financial performance.
- Top management should provide stronger leadership and be more involved at every management level in the bank.
- Top management should provide staff with required resources to ensure they have all they require to perform.
- Banks should create more awareness of departmental procedures on how TQM programs should be implemented. They should develop a clear policy on how quality management should be implemented by creating a platform to ensure that departments comply with the quality standards.

### REFERENCES

- [1]. Anantatmula, V. S. (2007). Linking KM effectiveness attributes to organizational performance. *The Journal of Information and Knowledge Management Systems*, 37(2), 133-149.
- [2]. Anderson, J. C., & Gerbing, D. W. (2008). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological bulletin*, 103(3), 411.
- [3]. Anderson, J. C., Rungtusanatham, M., & Schroeder, R. G. (2004). A theory of quality management underlying the Deming management method. *Academy of Management Review*, 19, 472-509.
- [4]. Anderson, K. K. (2009). Organizational capabilities as predictors of effective knowledge management: An empirical examination. Unpublished doctoral dissertation, Nova Southeastern University. 299
- [5]. Antony, J., Leung, K., Knowles, G., & Gosh, S. (2009). Critical success factors of TQM implementation in Hong Kong industries. *International Journal of Quality and Reliability Management*, 19(5), 551-556.
- [6]. Arbuckle, J. L. (2008). *Amos 17.0 user's guide*. Chicago: Amos Development Corporation, SPSS Inc.
- [7]. Argyris, C. (2014). *On organizational learning*. Cambridge, MA: Blackwell.



- [8]. Asoh, D. A., Belardo, S., & Crnkovic, J. (2005). Assessing knowledge management: Refining and cross validating the knowledge management index using SEM techniques. *International Journal of Knowledge Management*, 3(2), 1-30.
- [9]. Aurum, A. k., Daneshgar, F., & Ward, J. (2009). Investigating knowledge management practices in software development organisations - An Australian experience. *Information and Software Technology*, 50(6), 511-533.
- [10]. Ahmed, P. O. (2008). Reflections on the digital divide and its implications for the internationalization of higher education in a developing region: The case of East Africa. *Higher Education Policy*, 22(3), 303-318.
- [11]. Baidoun, S. (2013). An empirical study of critical factors of TQM in Palestinian organizations. *Logistics Information Management*, 16(2), 156-171.
- [12]. Boister, R., & Wilkinson, R. (2004). The use and abuse of performance indicators in UK higher education. *Higher Education*, 27(4), 417-427.
- [13]. Bandalos, D. (2009). The effects of item parceling in structural equation modeling: A Monte Carlo study. Paper presented at the annual meeting of the American Educational Research Association.
- [14]. Bergman, D. L., & Finney, S. J. (2009). Item parceling issues in structural equation modeling. In G. A.
- [15]. Crosby, P. B. (2013). *Quality without tears: The art of hassle-free management*: McGraw-Hill.
- [16]. Cross, A. (2006). The higher education system in Iraq - current status, challenges and prospects: United Nations University, International Leadership Institute (UNU-ILI).
- [17]. Curry, A., & Kadasah, N. (2002). Focusing on key elements of TQM - evaluation for sustainability. *The TQM Magazine*, 14(4), 207-216.
- [18]. Dahlgaard, J. J., Kristensen, K., & Kanji, G. K. (2013). *Fundamentals of total quality management*: Nelson Thornes, UK.
- [19]. Dale, B. G. (2009). TQM: An overview. In B. G. Dale (Ed.), *Managing Quality* (3rd ed., pp. 3-33). Oxford: Blackwell-Business.
- [20]. Dale, B. G. (2003). *Managing quality* (4th ed.). Hertfordshire: Prentice Hall.
- [21]. Dale, B. G., Wu, P. Y., Zairi, M., Williams, R. T., & Vander W., T. (2001). Total quality management and quality: An exploratory study of contribution. *Total Quality Management*, 12(4), 439-449.
- [22]. Darroch, J. (2015). Knowledge management, innovation, and firm performance. *Journal of Knowledge Management*, 9(3), 101-115.



- [23]. Daud, S., AbdulRahim, R. E., & Alimun, R. (2008). Knowledge creation and innovation in classroom. *World Academy of Science, Engineering and Technology* (39), 241-245.
- [24]. Evans, S., & Yusoff, W. F. W. (2013). The influence of soft and hard TQM factors on knowledge management: Perspective from Malaysia. Paper presented at the International Conference on Management and Service Science, Singapore.
- [25]. Fenghueih and Yao-Tzung, H. (2012). Successful knowledge sharing in private higher institutions education: Factors and barriers. Paper presented at the Knowledge Management International Conference and Exhibition, K.L., Malaysia.
- [26]. Kirby, P. (2005). *Quality is free, The art of making quality certain*. New York: New American Library.
- [27]. Liao & Wu. (2009). KM is relatively a new discipline, derived from other various disciplines, including management, information system, business theory, organizational behavior and social social psychology>
- [28]. Zack & al. (2009). Knowledge Management (KM) knowledge management has been recognized as an important tool in achieving organizational performance to the extent that many organizations are making its implementation mandatory although only few studies have been done to assess the the rate at which knowledge management improves organizational performance.