

Ni Made Ernawati
Cokorda Istri Sri Widhari



Managing Quality
**in TOURISM
BUSINESS**

Author's Biography



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Management Program in the field of Human Resource Management was completed in 2010 at Udayana University, Denpasar.

Since 1993 and until now, the author is a permanent lecturer for the subject of Introduction to Management, Tourism Marketing, Quality Management and Business and Entrepreneurship at the Department of Tourism, Bali State Polytechnic. Apart from being a lecturer, the author also conducts research in the field of hospitality/tourism and writes in several national and international journals. Textbook published include: Quality Management and Hotel Supervision Management.



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PREFACE

This book on managing quality in tourism business could be used as a reference for tourism practitioners and students learning Quality Management. It discusses concepts related to quality management, and provides a practical approach on managing quality in tourism business. The topics discussed include: Quality in tourism business, Total Quality Management (TQM), Total Quality Service (TQS), some models of quality management, tools for managing quality, cost of quality, managing quality in hotel business - ACCSTP, The 7 Quality Principles of ISO 9000/9001 quality standard. This book could still be further developed, any constructive feedback are welcome for its enhancement.

Mangupura, 10 August 2021
Author

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CHAPTER

1

QUALITY IN BUSINESS

Objective

This topic introduces the concepts related to quality in business and quality management.

A. Quality

People understand quality differently; market and customers have different perspective and priority regarding quality, as it is discribed in the results of the survey conducted by American Society for Quality Control (ASQC) and Gallup Organization in 3 different countries: USA, Germany and Japan; the findings in 3 countries are compared in Table 1 (Tjiptono, 2005). Quality from customer perspective is a comparison between expectation and perception. Diagram 1 presents quality standard according to customers.

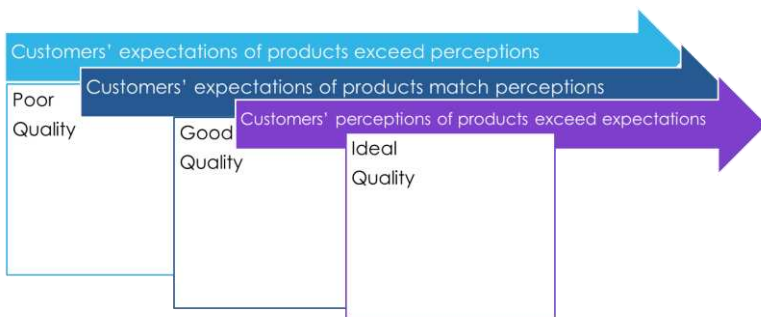


Diagram 1: Quality according to customers (Ernawati and Widhari, 2017, p.9)

Objective

This topic presents model of quality management that is popular which can be applied by businesses that produce good and service products.

A. Definition and Principle of Total Quality Management

Total Quality Management (TQM) was coined by Nancy Warren, a United States Scientist (Dhillon, 2002). The term total implies the entire components in the company including processes, people, and works. TQM covers 2 main aspects: the first aspect is understanding TQM; the second is implementing TQM.

TQM is a new managerial paradigm that transforms the business culture started by evaluating and refreshing the definition of 'management' and its role in the company. TQM is viewed as a modern management concept that seeks to provide an appropriate response to any changes that occur driven both by external and internal forces of an organization. TQM is also a challenge to traditional management theory. The traditional approach emphasizes the company's aim at maximizing profits or maximizing the wealth of the owners; while TQM is more focused on the company's goal to serve the needs of customers by supplying goods and services that have the highest quality possible and benefits for customer.

CHAPTER 3

TOTAL QUALITY SERVICE (TQS)

Objective

This chapter introduces Total Quality Service (TQS) a quality management model applied for service products. The topics include: Total Quality Service and the advantage of implementing TQS.

A. Total Quality Service (TQS)

In a highly competitive global market, companies that fail to satisfy their customers will face complex problems. Generally, dissatisfied customers will share their bad experiences with others. Therefore it is vital for every producer of goods and services to plan, organize, implement, and control the quality system in such a way that it can satisfy its customers.

Total Quality Service can be defined as a strategic and integrative management system that involves all managers and employees, and uses qualitative and quantitative methods to improve organizational processes on an ongoing basis, in order to meet the needs and desires and exceed customer expectations (Stamatis in Tjiptono, 1997). TQS strategy as a system can be seen more clearly in Diagram 6; the description is as follows:

1. Strategy: a clear and well-communicated statement regarding the organization's position and objectives in terms of 'customer service'

CHAPTER 4 | MODELS OF QUALITY MANAGEMENT

Objective

This chapter presents some quality management models that focus on specific issue which can be used to resolve problems faced by organization or businesses. A suitable model could be selected and implemented to solve specific problem in businesses. The models include: Just in Time, Quality Function Deployment (QFD), Value Chain, Benchmarking, and Servqual.

A. Just in Time

In this section, the definition of just in time principle and the just in time concept work process are explained in two scopes, namely related to suppliers and production processes.

1. Definition and Principle of Just in Time (JIT)

Sumayang (2003) explains that the basic rationale for the JIT concept as: inventory is an idle value and resource which is wasteful. The JIT concept seeks to empower all workers' abilities, to produce quality products and finish on time according to a predetermined schedule. Just in time tries to reduce and eliminate sources of inefficiency by managing inventory and stock within the production process. Further explained, the basic principles of JIT are continuously improving the company's ability to respond to changes by minimizing waste. The four main aspects of JIT are:

CHAPTER

5

TOOLS FOR MANAGING QUALITY

Objective

This chapter presents tools for managing quality, which include: Cause and Effect Diagram, Check Sheet, Pareto Chart, Run atau Trend Chart, Histogram, Control Chart, Scatter Diagram.

Deming the quality experts in (Tjiptono, 1997: 163) proposes ways of solving problems through Statistical Process Control (SPC) or Statistical Quality Control (SQC) based on 7 main statistical tools, which are then discussed in the following sections.

A. Cause and Effect Diagram

The Ishikawa diagram that has become popular and been used throughout the world is a cause and effect diagram (Ishikawa Cause and Effect Diagram). Often referred to as a fishbone diagram because it resembles fish bone. This diagram is used to identify the factors causing the problem. Fishbone diagram is practical that could guide users to continue thinking to finally find the main cause of a problem.

For example, if the main problem is an increase in production (head section); then there are several problem factors that can be identified as big bones, namely management, materials/raw materials, human resources (manpower), machines and methods. Furthermore, based on the problem factor in the big bone, it is found the causes (small bones) that affect the increase in production (head) from each

CHAPTER 6

COST OF QUALITY

Objective

This chapter presents cost of quality, the topics cover includes: definition of cost of quality, types of cost quality.

A. Definition of Quality Costs

According to (Blocher, 2000) quality costs are costs for prevention, identification, repair and correction of low quality products and opportunity costs, namely the loss of production and sales as a result of low quality. Quality costs are also understood as:

- a. costs incurred if the product cannot meet customer expectations
- b. costs incurred due to low quality
- c. costs incurred by the company due to errors in doing work
- d. costs incurred due to activities that are not needed to support the goal.

B. Caregory of Quality Cost

Hansen and Mowen (2009) classify quality costs into four categories, namely: Prevention costs, Assessment costs, Internal failure costs, and External failure costs. Quality cost categories are explained in more detail as follows:

1. Prevention costs are expenses incurred to prevent quality defects. Prevention costs can be in the form of costs: quality training, quality planning, reviewing new products, process design or product design, equipment maintenance, supplier guarantees.

CHAPTER 7 | MANAGING QUALITY IN HOTEL

Objective

This chapter presents managing quality in hotel business according to ASEAN Common Competency Standards for Tourism Professionals (ACCSTP). The topics discussed include: Identify the needs of consumers/guests, Ensuring customers receive quality products and services, and Evaluate customer service. The other topic presented is managing quality according to ISO 9000/9001 Quality Standard that could be applied for good and service products.

A. Managing Quality – Model ACCSTP

This section explains about developing and maintaining quality customer service in accordance with the ASEAN Common Competency Standards for Tourism Professionals (ACCSTP). The entire material is summarized from: ACCSTP Trainee Manual entitled 'Maintain quality customer/guest service' written by Hyland (2012).

Maintaining quality with the ACCSTP model means applying the concept of 'Customer focus' which means 'Offering products that are needed and desired by consumers'. Many mistakes occur where management offers products that they think are needed by consumers, but these products cannot meet the needs of consumers. To avoid this, a simple market research can be done to find out what consumers really need and want. According to Hyland (2012: p.3) maintaining the quality of customer service in hotels consists of three main activities, namely:

1. Identify the needs of consumers/guests.

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