

CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

6.1 Introduction

The following chapter of the study intends to summarise and conclude the entire findings of the study. The following chapter includes a summary of the findings, recommendations to the small hotels, and a thorough conclusion and contribution to the theory regarding this study. The study has still room for improvement and this aspect has been addressed in future implications.

6.2 Summary of the Findings

The following study has focused on the examination of the Impact of Total Quality Management Practices on Profitability in the Small Hotel Sector London (UK) that is one of the most important topics for assessing the profitability of small hotels in London. The study has been designed using mixed methodology that has collected data from the survey questionnaire and the interviews with the respondents. It has been observed that the hotel sector has been using different quality assurance aspects that are considered to be important for gaining higher customer satisfaction, loyalty and customer retention within the hotels. It is necessary for the hotels to gain customer satisfaction and customer retention because there is an increasing number of competitors in the industry that has increased competition in the hotel industry.

The researcher has carried out the assessment using quantitative analysis, correlation analysis, and the reliability analysis for gaining accurate results for investigation. The variables considered in the study are TQM, and its critical success factors, which are quality policy, continuous improvement, quality improvement, top management' commitment, training and education, and employee empowerment. The dependent variable was profitability of the hotels.

From the results gained from the quantitative analysis gathered from the questionnaire Cronbach alpha was used for internal consistency, it has been

observed that reliability is computed to be 0.860 which is above the threshold of 0.7, which shows that the variables are accurate for further testing and investigation. Based on the analysis gained from the number of respondents, it has been observed that the total number of respondents has been 116 for analysis; as the table shows, 61.21% were male respondents and 38.79% were female respondents. According to the investigation of the quantitative assessment, it has been observed that most of the respondents in the study were aware of TQM as an effective management tool that can be used for enhancing the quality of the working managers and the overall improvement of the company and its performance.

Therefore, it has been observed that the association of all six TQM dimensions of profitability was found to be significant ranging from weak to moderate. However, the dimensions of continuous improvement and training and education were partially significant, where the first one's significance was based on Spearman's correlation, whilst the latter was based on chi-square testing. Based on these results it has been observed that quality improvement, and employee empowerment have a positive and strong impact on the profitability of the small hotels as compared to other factors. Additionally, the association with the variables is found to be significant in terms of the quantitative analysis.

In the next section of the analysis, the researcher has carried out the investigation using a qualitative analysis of data collected from the interviews of the respondents. The interviews were based on different themes that have provided the favourable aspects of TQM that can be used and practised in the hotels. The result from the following themes is that the TQM structure needs to be practical in order to achieve the successful implementation of practices as well as gaining competitive edge in the market. Additionally, the researcher has gained from the results that overall the TQM framework is significant for providing efficient and certain procedures to management in order to deal with pertaining customer demands.

The results gathered from the interviews have assessed that the use of TQM is highly essential for the hotels in their management of consumers' demands and can also support in gaining the features that can actually retain the consumers. Another theme of the study is the aspect of TQM being associated with both the customer orientation and employee orientation that can be used by the hotels for understanding the issues and concerns of the employees and the consumers of the hotel.

The key aspect of considering the employees is that if employees of the hotel are courteous and respectful towards customer needs, there will be higher customer perceived value. Therefore, the results of the assessment show that consumer value can be highly encouraged by obtaining better service from the employees which can support in gaining higher customer satisfaction. The hotels find it necessary to improve the quality of the hotels and the services provided by them for providing higher consumer satisfaction. It has been assessed and concluded that the use of TQM undertakes the continuous improvement and carries out the features that are effective for improving the overall performance in the hotels.

Another theme designed by the researcher regarding TQM Practices and Organisational Profitability has provided the results that customer satisfaction and organisational profitability can be related to each other since the consumers prefer the hotels that offer better services at affordable prices. This is the core aim of the hotels to offer exceptional services to fulfil the higher demand from consumers. Therefore, the results of the assessment show that TQM practices can increase organisational profitability by obtaining customer retention and satisfaction. The theme associated with the impact of TQM on employee performance has also addressed that the employees who are provided with training sessions that can improve the overall employee performance and increase staff satisfaction for gaining their enhanced performance in the long-term.

It has been found that a TQM framework in the hotel sector has included employee training and development as a key factor for not only gaining employee

performance but also customer value. Lastly, the theme associated with the topic of CSFs with respect to TQM at Hammersmith Hotels has found that effective communication skills play an important role in day to day operations. When employees, managers and customers interact with each other on a daily basis, employees are required to have major communication skills in order to resolve customers' issues.

6.3 Revised Conceptual Framework

The revised conceptual framework can be seen as follows, obtained from the adopted and emerged themes:

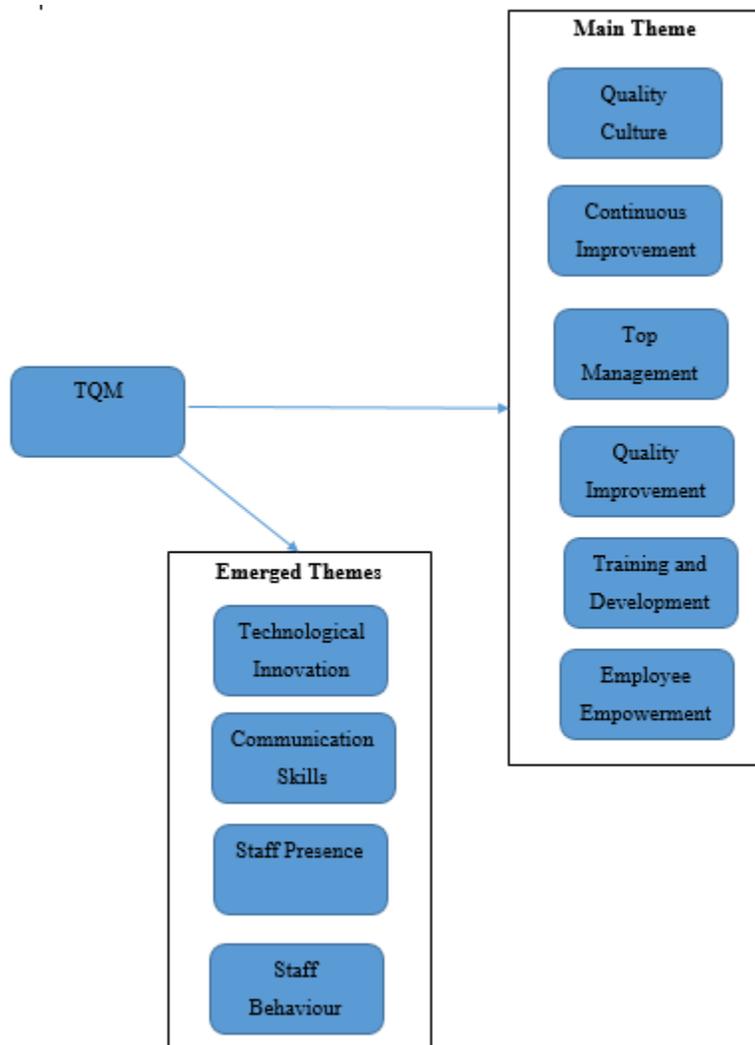


Figure 1: Revised Conceptual Framework; Author (2019)

The above framework has been modified with the addition of technological innovation as one of the factors of TQM in order to improve the performance of the small hotels in London UK; along with the communication skills, staff presence and staff behaviour, these can be deemed as the themes which emerged from the analysis. Previously, 6 factors of the TQM had been identified which were quality policy, upper or top management, continuous improvement, improvement in quality, empowerment of the employees, training and development of the employees. The new factors were added after analysing the obtained objectives. The dependent variable has not changed, which is profitability of the small hotels in London UK. The barriers of TQM based on the literature were added namely; resistance to change, lack of commitment, lack of leadership, bureaucratic culture and lack of TQM knowledge. The benefits of TQM have also been identified and added in the revised framework: reduce advertising cost, increase customer satisfaction, increase profitability and market share and increase operational efficiency and competitive advantage