

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN
QUALITY MANAGEMENT
PRACTICES AND CUSTOMER
SATISFACTION AT SIMPANG
RENGGAM DISTRICT
COUNCIL**

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ABSTRACT

There are researchers which they found evidence in which the implementation of quality management practices in an organization could not be done by reference, on the contrary it needs to be adjusted to the unique features of an organization. There is an empirical evidence which shows that the success from quality management implementation is also subject to the internal component of an organization. One of the important organizational components is human resource. Numerous of writings have descriptively stressed on the staff commitment against quality management practices as a critical element to ensure the successful implementation of quality management, indicated that the empirical evidences about this affirmation is still limited. Not only that, empirical evidence on the generalizing the findings to local authorities with the status of the district council is still limited. This study has examined the relationship between customer satisfaction at Simpang Renggam District Council and quality management practices involving three different independent variables which are customer focus; benchmarking performance; continuous improvement. This study adopts a quantitative method approach with a purposive sampling and convenience sampling of 86 respondents in Simpang Renggam District Council. Data collected were analysed by using Pearson correlation test and the test of Hayes' process. The study focuses on the relationship between customer satisfaction and customer focus, benchmarking performance as well as continuous improvement together with whether staff commitment moderates the relationship between quality management practices (customer focus; benchmarking performance; continuous improvement) and customer satisfaction at Simpang Renggam District Council. This study has discovered that there is a positive relationship between customer satisfaction and quality management practices (customer focus; benchmarking performance; continuous improvement). Besides, current study has proven that there was no moderating effect between quality management practices (customer focus; benchmarking performance; continuous improvement) and customer satisfaction at Simpang Renggam District Council. In this study, there are a few limitations which are limited scope, limited variable factors and appropriate method. Thus for future study, they should enlarge the scope of the study, include more variables and conduct a qualitative analysis study.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Customer is considered as King in the market (Rasheed, 2016). Every single organization in this universe targets the customer satisfaction as the way for them to earn profit. Service sector plays an important role in providing customer satisfaction as well as customer retention, and closely follows behind the sales sector. In the other words, service sector creates loyal customers. Rasheed (2016) in his study also mentioned that customers have started their belief in the brand along with getting more associated and loyal with the business for a longer period of time. Not only that, these customers also speak nicely regarding the business along with its products. Quality management practices is a management tactic of an organization which its focus is on quality, based on the all of its members' participation as well as targeting a long term success by customer satisfaction and will give benefits to the organization's all members and also to the society. The behaviour of a consumer after his purchase should be depending on the service provided after sales too (Rasheed, 2016). Furthermore, quality management practices have its function towards the organization in which whoever involves with the process of creating and consuming of the products and services which being offered by the organization, therefore, the quality of the products and processes is the responsibility of them also. In other words, the quality management practices getting benefit from the management involvement, suppliers, workforce, as well as the customers, in order for the organization to meet or even exceed their customer expectations (Rasheed, 2016).

According to a study done by Rasheed (2016), quality management practices is a method used by organizations in order to improve their effectiveness, competitiveness as well as their flexibility to bring greater benefit of customer satisfaction. He also mentioned in his study that an excellent service will affecting on the level of existing customers' retention along with new customers' inducement. As for the result, this excellent service provided by the organization will be resulting to a high customer satisfaction and retention that will help the organization on the aspect of sustainable development. Meanwhile, in the aspect of global competition as well as on the declining profits from sales of the product, the services and activities provided after-sales create a significant source of profit and as a key differentiator for resellers and manufacturing companies. Moreover, the generated profit by the services in