

## The Effect of Quality Management System on Small Business: A Case Study of Somalia

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**Abstract:** *An effective quality management system (QMS) is the foundation of a quality organization, and while many small organizations may not have substantial resources to invest in quality management, it may still be done successfully. Effective QMSs are rigorous procedures that may continuously raise the economic and quality value of products and services. They work to improve the customers' experiences, which is critical for a small business's client retention. The goal of this article is to present a systematic technique for implementing a quality management system in micro and small businesses in Somalia. The purpose of this study is to look at the challenges that lead to the implementation of quality management in small businesses; therefore, to find out how to implement quality management in SMEs.*

**Keywords:** Quality management system, Implementation of QMS, Techniques for implementing QMS, Quality organization, Small business.

### • Introduction

In the twenty-first century, total quality implementation has become a global concern. With origins in both the United States and Japan, it was predominantly embraced by several Japanese corporations in the decades after World War II. With the growing success of Japanese corporations throughout the 1980s, businesses all over the globe discovered that good implementation techniques were required in order to remain competitive. Total implementation is an improvement over traditional business practices. It is a tried-and-true method for ensuring survival in world-class competition. Only through altering management's actions can the culture and actions of a whole company be modified.

Quality implementation has been actively used all across the world. Many businesses have concluded that good quality implementation may boost their competitiveness and create strategic benefits in the marketplace.

Various research have been undertaken in Africa, and one of these studies has showed that implementation, when implemented and practiced in small enterprises, would increase their performance and aid in the growth of SMEs. It is stated that quality helps a corporation achieve a competitive advantage, hence the practice of implementation

will assist Ghanaian products obtain a competitive edge over international products. According to the findings of this study, Ghanaian owner managers feel that execution is a critical aspect in business growth and performance (Abdallah, 2013; Al-Dhaafri et al., 2013).

Although a few owner managers may be knowledgeable with implementation methods and their benefits, and hence wish to apply them, their staff may be unaware of them. Communication is critical in this situation. Human resource, leadership, and customer focus must all be carefully considered throughout implementation. Assessment, analysis, and expertise management factors must also be considered, since proper analysis of consumer information will drive the firm's production policy.

The discovery also suggests that KWS has a high level of quality implementation due to managerial actions that influence the implementation procedures directly. Customer focus will be discovered to be a driving element that drives the requirement to implement TQM.

After the breakdown of the central government in 1991, many Somalis advocated for the establishment of their own private companies. The major purpose of starting a business is to make money, but many small firms fail to meet their objectives due to a variety of causes such as bad management, a lack of planning, and a lack of information about how to run a business, and so on (Ali et al., 2020; Andreev et al., 2021; Ali et al., 2021).

"Total Implementation is a tool to improve organizational performance in both big and small businesses, and in any area of the world," according to the theoretical foundation of this study. Several researches have revealed that just 20%-30% of organizations that have embraced quality implementation have shown increases in quality, productivity, and competitiveness.

According to one research, quality implementation results in a 90 percent improvement rate in staff relations, operating processes, customer happiness, and financial performance. However, it has been stated that launched quality implementation initiatives have a 95 percent failure rate; and that quality implementation has ambiguous or even negative consequences on performance.

- **Literature Review**

Diverse individuals have different meanings and opposing perspectives of the term quality, but the common feature of business definitions is that the quality of a product or service relates to the perception of how well the product or service satisfies the customer's expectations. Quality is the compliance to standards or specifications, and in order to manage quality effectively, it must be measurable. Quality may also be defined

as the extent to which a collection of intrinsic qualities meets a set of standards (Andreevich et al., 2021a; Andreevich et al., 2021b; Danes et al., 2008; De Sousa et al., 2014; Dora et al., 2013; Hossain et al., 2020; Iqbal & Zayed, 2017).

Some people believe that quality is subjective, with various people having varying perceptions of it. To them, quality might have two meanings: the qualities of the product or service's capacity to meet a certain requirement or a product or service free of flaws. It may be described as a state of compliance to valid requirements, where valid requirements are circumstances that fulfill the expectations of consumers, are quantifiable, and are feasible. Quality may also be regarded as a "magic bullet" that gives cheaper costs, better goods, and larger profitability. Quality is defined by the beholder, which implies that it is what the consumer says it is (Kannan & Tan, 2005; Karapetrovic & Jonker, 2003; Loke et al., 2012; Luken & Stares, 2005; Leonova et al., 2021; Martinez-Costa & Martínez-Lorente, 2008).

A company's primary goal is to be appealing to its staff and consumers while also producing a profit for its owners. It should be mentioned that there are two types of traits in the world: efficiency and inefficiency. Efficiency is something that every senior management should aim for, and efficiency in service is something that clients demand. Organizations are inefficient because employers provide insufficient training to employees or allocate tasks to untrained individuals. Quality is considered as part of an organizational culture, regardless of how it is defined; this should include all aspects of production. Implementation include developing strategies, establishing goals and objectives, planning and carrying out plans, and employing control systems to monitor input and take remedial measures (Murad et al., 2013; Nawrocka, 2008; Nahar & Zayed, 2019; Oteshova et al., 2021; Phan et al., 2011).

This is the most advanced form of improving delivery. It is concerned with the implementation of the quality principle in all aspects of a business, including customers and suppliers. Total Quality Implementation entails applying Quality Implementation principles to all parts of the firm, including customers and suppliers, and integrating them with critical business operations. It is a method that entails constant development by everyone in the organization (Kaynak, 2003). Quality implementation is an efficient strategy for incorporating the quality development, quality maintenance, and quality improvement activities of various components of a system in order to provide services at the most cost-effective level while providing complete satisfaction. Quality

implementation is to meet the demands of consumers in an efficient, dependable, and lucrative manner. It entails a dramatic shift in how a business conducts its day-to-day operations in order to ensure that quality is prioritized by every employee and department in which they work (Parvadavardini et al., 2016; Rubio-Andrada et al., 2011; Rahman, 2001; Shil et al., 2020).

• **Objective of the Study**

The objective of this study is to investigate the effect of quality management on small businesses in Benadir region of Mogadishu Somalia.

• **Methodology**

This research has been carried out using a descriptive design. A descriptive design is a wonderful way of investigating a population by providing responses to study questions. It is used to investigate the prospective impact of quality implementation on small company performance. It is also used to provide an explanation of how the independent variable influences the other dependent variable.

This research strategy allows the researcher to offer numerical descriptions of a subset of the population, whereas studying the complete population would be too huge, expensive, and time consuming.

The researcher has chosen specific sample that will consist of 80 respondents, selected from the target and accessible population of 100 persons, this number will found using Slovene’s Formula which is;

	$N$	
	$+ n e$	)
$n$	$=$	Total Population
$n$	$=$	Sample size
$e$	$=$	is the confidence level at 0.05
Substituting into the formula,		
$n =$	$100 / (1 + (100 * 0.0025))$	
$n =$	$100 / 1 + 0.25$	
$n =$	$100 / 1.25$	
$n =$	80	

$n$             Where

Therefore  $n = 80$  respondents.

- **Data Analysis**

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The researcher has collected data mostly through the use of questionnaires. This is used to gather a large amount of data in a short period of time. The primary goal of this study is to describe the link between quality implementation and small business performance for Mogadishu small enterprises. The researcher was primarily concerned with opinions, perspectives, perceptions, sentiments, and attitudes. Such information is best gathered through the use of a questionnaire. Because the population was very large and time was limited, the study was concerned with variables that could not be directly seen.

**Table 1: The Benefits of Top Management Dedication Include Advancement in Small Company Leadership Purpose.**

S/n	Respondents	No of Respondents	Percentage of Respondents
1	Agree	67	83%

2	Strongly agree	10	13%
3	Disagree	3	4%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

Table 1 shows the respondents' opinions regarding whether the benefits of top management devotion include progress in small company leadership purpose, with 67 of the respondents agreeing, 10 strongly agreeing, and 3 disagreeing. As a result, the majority of respondents agree.

**Table 2: The Devotion of Top Management Minimizes the Number of Small Business Failures.**

S/n	Respondents	No of Respondents	% of Respondents
1	Agree	55	68%
2	Strongly agree	22	28%
3	Disagree	3	4%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

Table 2 presents whether the dedication of senior management reduces the incidence of small business failures; 55 of the respondents agreed, 22 strongly agreed, and 3 disagreed. As a result, the majority of respondents agree.

**Table 3: There is a Clear Association between Top Management Dedication and Small Scale Business Improvement.**

S/n	Respondents	No of Respondents	% of Respondents
1	Agree	35	44%
2	Strongly agree	41	51%
3	Disagree	3	4%
4	Strongly disagree	1	1%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

**Table 4: Giving Orders to Lower Levels is one of the Downsides of Top Management.**

S/n	Respondents	No of Respondents	% of Respondents
1	Agree	40	50%
2	Strongly agree	36	45%
3	Disagree	4	5%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

Table 3 & 4 specify whether giving commands to lower-level employees is one of the drawbacks of top management. 40 percent of respondents agreed, 36 percent strongly agreed, and four percent disagreed. As a result, the majority of respondents agree.

**Table 5: In a Small Firm, Top Executives Offer Instructions and Guidance to Employees.**

S/n	Respondents	No of Respondents	% of Respondents
1	Agree	36	45%
2	Strongly agree	38	47%
3	Disagree	3	4%
4	Strongly disagree	3	4%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

Table 5 indicates the participants' responses regarding whether top executives in a small firm offer instructions and guidance to employees. 36 of the respondents agreed, 38 answered as strongly agree, 3 of respondent answered disagree and 3 of respondent answered strongly disagree. So, the majority of respondents are in strong agreement with the statement.

**Table 6: In a Small Firm, Customer Satisfaction Provides Instructions and Directives to Employees.**

S/n	Respondents	No of Respondents	% of Respondents
1	Agree	39	49%
2	Strongly agree	35	44%
3	Disagree	5	6%
4	Strongly disagree	1	1%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

Table 6 presents the data about whether customer satisfaction provides instructions and directives to employees in a small firm. 39 of the respondents agree, 35 answered strongly agree, 5 of respondent answered disagree and 1 of respondents strongly disagree. So, the majority of the respondent are in agree with the statement.

**Table 7: Customer Service has an Impact on the Growth of Small Businesses.**

S/n	Respondents	No of Respondents	% of Respondents
1	Agree	47	59%
2	Strongly agree	24	30%
3	Disagree	6	7%
4	Strongly disagree	1	1%
5	Neutral	2	3%
	<b>Total</b>	<b>80</b>	<b>100%</b>

*Source:* Primary Data

Table 7 indicates whether customer service has an impact on the growth of small businesses. 47 of the respondents agreed, 24 answered strongly agree, 6 of respondent answered disagree, 1 of respondents answered strongly disagree and 2 of respondent answered neutral. So, the majority of respondent are agree.

### • Recommendations

The report proposes that institutional management for both local and international, non-governmental organizations (NGOs), financing agencies, and the government aid and teach manufacturing SMEs should acquire adequate technology. The research also suggests that selection of criteria for selecting quality techniques be determined, and that a rational decision assistance framework be developed to help entrepreneurs of



small and medium-sized businesses in adopting various quality efforts. The report also suggests that institutions such as the Kenya Bureau of Standards (KEBS), who operate quality inspection programs for manufacturing enterprises, modify their programs to incorporate quality management concepts and their application in small business.

Finally, the study recommends that manufacturing small business in Somalia understand themselves and what quality truly means to them before embarking on the quality journey. They must foster a culture that encourages and supports quality implementation.

## • Conclusion

Small firms that execute high-performing quality initiatives (Baldrige Award Winners) are able to achieve their goals and outperform their competitors because they have established the necessary circumstances for success. Their initial focus is not just on evaluating operational outcomes like as error rates, cycle time or inventory control, but also on thorough evaluation of the environment in which they operate and identification of the changes that will be required if they are to prosper in the future. Here are some last ideas for small business owners that want to improve quality.

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