

## **AN EMPIRICAL TEST OF TQM IN PUBLIC SERVICE SECTOR AND ITS IMPACT ON CUSTOMER SATISFACTION**

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### *ABSTRACT*

This article is based on the result of a TQM study aimed at investigating the relationship between TQM and customer satisfaction, as well as the strength of their manifest indicators. Several studies have proven that TQM practices have a significant positive impact on organizational performances. However, the impact of TQM on customer satisfaction in the service sector has not been fully addressed in empirical studies in Malaysia. To address this gap, this study seeks to enhance understandings of the relationships between TQM practices and customer satisfaction in a public service sector in Malaysia. Statistical methods used include reliability analysis, correlation analysis, a two-way ANOVA and structural equation modelling (SEM). The findings suggest that employee focus is a very important factor in TQM implementation in the service sector followed by training, customer focus, benchmarking, and top management commitment. The result also highlights the unique contribution of TQM towards customer satisfaction.

*Keywords:* TQM; customer satisfaction; service performance; Malaysian public service sector

### *ABSTRAK*

Makalah ini yang berasaskan penemuan daripada satu kajian adalah bertujuan untuk mengkaji hubungan di antara TQM dengan kepuasan pelanggan di samping mengkaji kekuatan sumbangan indikator-indikator. Beberapa kajian lepas telah membuktikan bahawa amalan TQM mempunyai impak positif terhadap prestasi organisasi. Walau bagaimanapun impak TQM ke atas kepuasan pelanggan dalam sektor perkhidmatan tidak berapa ditekankan dalam kajian-kajian empirikal di Malaysia. Untuk mengatasi jurang ini, kajian ini cuba mendalami pemahaman mengenai perhubungan di antara amalan TQM dengan kepuasan pelanggan dalam satu sektor awam di Malaysia. Kaedah-kaedah statistik yang digunakan termasuk analisis kebolehpercayaan, analisis korelasi, ANAVA dua hala dan pemodelan persamaan berstruktur. Hasil penemuan mencadangkan bahawa fokus pekerja adalah merupakan faktor yang sangat penting dalam pelaksanaan TQM diikuti dengan latihan, fokus pelanggan, tanda aras, dan komitmen pengurusan atasan. Keputusan kajian juga memperlihatkan sumbangan unik TQM ke atas kepuasan pelanggan.

*Kata kunci:* TQM; kepuasan pelanggan; prestasi perkhidmatan; sektor perkhidmatan awam Malaysia