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# TQM System as a Factor of Service Quality Growth in the Hospitality Industry

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**Abstract**

Under present-day conditions, realizing the exceptional value of the service quality, many businesses of the tourism and hospitality industry develop and adopt corporate, professional and business standards of conduct in their structures. However, without prior training and particular mechanisms, ensuring the beneficial influence on staff, in some cases, they face new problems in the result of their implementation. Experts of the hotel business have summarized and systematized the "bottleneck problems" of this process in a number of recommendations. Firstly, the standards, upon which the employees adjust their work, must be feasible and adequate to the professional skills they possess. Secondly, it is quite obvious that the true standards arise from common values, principles and rules of conduct which are specific to the particular business. As a consequence, the standards should include the generally accepted rules of conduct that would help regulate the relations of the enterprise as a whole. Thirdly, businesses should have their own mechanisms to regulate, update and adjust new modules to standards of conduct

in accordance with the changing environment. Such actions are necessary to update the business corporate culture. There is a number of quality management systems in the world and one of them is TQM. This article analyzes the results of the implementation of the Total Quality Management system in the famous Ritz-Carlton hotel chain.

**Key words:** hospitality industry, quality, TQM (Total Quality Management), the Ritz-Carlton hotel chain.

The increasing level of the service market accessibility and growing competition among businesses in the hospitality industry constantly challenge them to improve the quality of services and their attractiveness to the customers. The factor of the changing consumption and consumer sophistication growth bring many businesses around the quality improving.

The qualities are the properties and characteristics of the service that cause consumer satisfaction. A number of marketers believe that quality management is an organization-controlled activity aimed at meeting quality standards. In addition, it should be borne in mind that there is a close relationship between the concepts of quality and values in which the latter should be understood as a certain consumer importance of services. In this case, it is assumed that the quality services are highly appreciated but it should be taken into account that highly valued services are not always of high quality [1].

In some cases, quality is associated with increasing comfort, luxury or luxury services. This approach can hardly be considered correct as you can get quality services for a reasonable price but not necessarily for a very high one. It should be taken into consideration that the quality of service is not only its content but also the form of its provision.

In the sphere of hospitality the quality level, in its turn, depends on the degree of the coincidence of the customer's ideas about the real and desired service [2].

A number of indicators are used to assess the quality of services in the hospitality industry:

1. Competence implies that the hotel staff have necessary knowledge

and skills and a sufficient level of professionalism to provide certain services.

2. Reliability is determined by the stability of the hotel, as well as the duration of its existence in the market.
3. Responsiveness is the tendency of the hotel staff to satisfy customers needs even providing non-typical services for this hotel.
4. Availability means that the hotel staff should be available and accessible, which implies that the guest should not look for an employee of the relevant service throughout the hotel.
5. Understanding is one of the main elements of the hospitality, which means that the hotel staff should be aware of the specific customer needs and ready to satisfy them.
6. Communication implies that the hotel staff should be as friendly as possible with the guests and provide access to the necessary information.
7. Trust is a quality indicator expressed in the fact that a satisfied customer will prefer this hotel in the future, recommending its services to the relatives, friends, acquaintances, and thereby enhancing its reputation.
8. Safety is the main characteristic of the hotel service reflecting the basic need of any customer, that is the need for the moral and physical safety.
9. Courtesy means that the hotel staff should be polite, friendly, and attentive.
10. Impression implies that the guest must not only consume but also be impressed by the provided services, which is achieved via the design of the hotel building and the staff uniform.

The generalization and the use of international service quality experience by the domestic hotel businesses will allow them to approach significantly to the international service standards. However, direct and unreasonable use of the foreign experience cannot be fully successful. The national Russian mentality, the basics of industrial relations, the culture of

the communication, historically established standards of life quality and other peculiarities should be taken into account.

Nevertheless, it is necessary to use the progressive world experience widely and creatively. In this regard, the complex system of "total quality management", i. e. TQM, developed by the American specialist Deming, has proved its viability. TQM (Total Quality Management) is a system of actions aimed at customer satisfaction, staff capacity increase, higher long-term revenues and lower costs.

This concept is based on two major principles:

— the cost of preventing something is always less than the cost of correcting mistakes;
— high quality of work is achieved only if the main efforts are directed towards the satisfaction of the customer's needs.

In the general quality management system, special attention is paid to the preventive measures to avoid problems, without excluding the ability to respond and correct deficiencies as they arise. Selectivity of monitored processes, products and parameters is important for quality management. Moreover, the key point is the binding of the quality management system to the existing scheme of business processes of the hotel. As a consequence, an attempt to start managing quality results in reengineering of the business processes, which occurs because of the two main reasons.

Firstly, at the initial stage of the development of the quality management system each step of the provided service should be analyzed and the contribution to the final result should be evaluated, as well as the effectiveness (evaluation of the results of the given task) and efficiency (the comparison of costs with the obtained results). All these measures will certainly provide information to assess the overall effectiveness. Secondly, quality management is always clearly focused on the consumer and involves a horizontal process because service or information about it is transferred from one functional unit to another throughout the whole service chain.

The important point of the application of the system of the total quality management is the implementation and development of the internal corporate

quality standards. In this regard, an important aspect is the requirement of the standardization of reporting, responsibility and quality control of different departments of the hotel.

For example, in the well-known Ritz-Carlton hotel chain, approximately 25% of the working hours of each staff member in the top management is devoted to the quality issues. Having carefully analyzed its company and the experience of other well-known companies which were the recognized leaders in the field of service quality, the Ritz-Carlton management introduced the TQM program. The analysis of the obtained information indicated the need for a feedback from employees.

The following actions were taken to get it:

— conducting of detailed analysis of the functional responsibilities on the basis of which work types were determined and the recruitment was carried out;
— orientation of the employees to the correct performance of work;
— required skills training for successful activity;
— setting the appropriate rules of conduct at the workplace.

The next step of the Ritz-Carlton top management was the proclamation of the "gold standards" reflecting:

— genuine care and making comfort for guests;
— creation of relaxed and comfortable atmosphere;
— training of the telephone etiquette and introduction of these rules into practice;
— guiding the guests through the hotel.

In order to implement the developed standards in each hotel chain the quality groups were created. Following a single corporate program, they determined goals and developed an action plan to achieve them.

Three subgroups were set in each quality group:

— the $1^{st}$ subgroup for problem-solving;
— the $2^{nd}$ subgroup for strategic planning;
— the $3^{rd}$ subgroup for standards implementation.

The main idea of the introduction of this quality system was the

development and implementation of the mechanism of assigning the authority to the staff. In fact, the employees were responsible for solving the problems of the guests. They had to solve the problems immediately (within the limits of their authority) without manager's interference. Certainly, such a system involves some risks for the management but, at the same time, it forces the management to search for and train qualified personnel, as well as, to impart them skills to work in accordance with the corporate standards.

On the basis of the previous research made by E. Dzhandzhugazova, it can be concluded that the operational costs of the Ritz-Carlton have reduced and the staff turnover has decreased by 70%. Moreover, many quality awards have been received and the guests' assessment has shown that 97% of them has highly appreciated the work of the company's hotels.

The main elements of the TQM program developed by the Ritz-Carlton are as follows:

— responsibility and involvement of top management;
— recruitment of qualified personnel;
— development of corporate "gold standards";
— creation of an effective employees team;
— assigning authority to the staff;
— detailed reporting system;
— developing partner retaliations with suppliers.

For the vast majority of hotel corporations the improving of the service quality is an essential part of their combined strategy, the design and the implementation of the quality programs in hotel practice being a creative and live process.

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