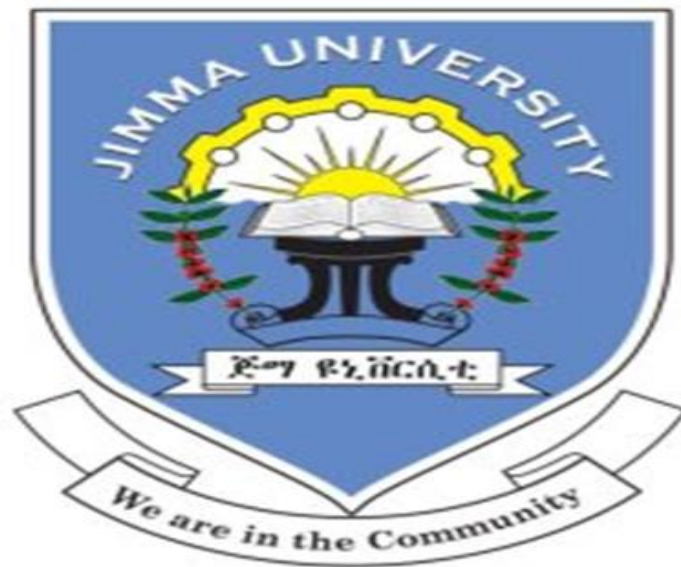


The Effects of Total Quality Management Implementation on the Performance of Commercial Bank of Ethiopia in Jimma Zone, the Case of Jimma Town Branches in Focus.

The Thesis Submitted to the School of Graduate Studies of Jimma University in Partial Fulfillment of the Requirements for the Award of the Degree of Master of Business Administration (MBA)

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DECLARATION

I, the undersigned, declare that this thesis is my original work, not presented for any degree in any universities, and that all the sources used for it are duly acknowledged.

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ABSTRACT

Total quality management (TQM) has been proposed to improve organizational performance and received considerable attention in recent researches. This study is primarily focused on the effects of total quality management implementation on the organization performance of Commercial Banks of Ethiopia(CBE) in Jimma zone, in Jimma. The three critical elements of TQM; namely customer focus, management leadership, and employee involvement are used as an important factors influencing on organization performance. Despite the recent researchers effort on effects of total quality management, little work has been done on effects of total quality management(customer focus, management leadership, and employee involvement) on the performance of Commercial Banks of Ethiopia(CBE), in Jimma branches. The scope of the study was targeted to CBE Jimma town branches. The general Objective of the study was to examine the effects of total quality management implementation on performance of CBE Jimma town branches. This study adopted descriptive survey and explanatory research design. The main instrument that was used in data collection was close ended questionnaires. The results of the study showed that that there is statistically significant relationship between customer focus, management leadership and employee involvement with organizational performance of CBE. There is a statistically significant effect of customer focus, and employee involvement the performance CBE. There is no statistically significant effect of management leadership on the performance CBE. Since only five branches of CBE such as Jimma town main branch, Hirmata branch, Aba Jifar branch, Jiren branch and Bishishe branch from Jimma town were selected for this study the researcher of the same aspect should focus on the remaining branches of branches. The commercial Bank of Ethiopia's management leadership needs to be totally involved in quality management development and implementation strategies within their organizations by making this process as their number one priority. There is also need for commercial Bank of Ethiopia's to prioritize employees' training on quality management process. The researcher used Statistical Package for Social Sciences (SPSS software version 21.0).

Key Words: Total Quality Management, International Organization for Standardization, Quality management Principles, Commercial Bank of Ethiopia, Statistical Package for Social Sciences.

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TABLE OF CONTENTS

DECLARATION	i
ABSTRACT	i
ACKNOWLEDGEMENT	ii
LIST OF TABLES	v
ACRONYMS AND ABBREVIATIONS	vi
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study.....	6
1.2. Statement of the Problem	6
1.4 Objectives of the study	9
1.4.1 General objective of the study	9
1.4.2 Specific objectives of the study	9
1.5 Significance of the study.....	10
1.6 Scope of the study	10
1.7 Limitation of the study	10
1.8 Organization of the Paper	11
CHAPTER TWO: LITERATURE REVIEW	12
2.1 Theoretical Review.....	12
2.1.1 Management Theories	12
2.1.2 Knowledge-based Theory.....	12
2.1.3 Deming’s Theory of Total Quality Management	12
2.1.4 Theory X and Y	13
2.1.5 Scientific Management Theory.....	13
2.1.6 Contingency Theories	13
2.1.8 Organizational Performance	14
2.2 The Concept of TQM	16
2.3 Empirical Review.....	17
2.3.1 Customer focus and Organizational Performance	17
2.3.2 Management leadership and Organizational Performance	19
2.3.3 Employee involvement and Organizational Performance	20
2.5 Conceptual Framework	22

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY	23
3.1. Introduction	23
3.2. Research Design	23
3.2.1. Target Population.....	23
3.2.2 Sampling Design and sample size	24
3.4 Data Collection procedures	26
3.5 Pilot Study	26
3.6 Validity and Reliability of Research Instruments	26
3.5.1 Validity	26
3.5.2 Reliability	27
3.7 Data Processing and Analysis	28
3.8 Data Management and Ethical Considerations.....	29
CHAPTER FOUR: RESULT AND DISCUSSION	30
4.1 Introduction	30
4.2 Demographic Background of the Respondents	30
4.2 Descriptive data presentation as per the Research Questions.....	34
4.2.1. The Effect of Customer focus in TQM implementation on Organizational performance	34
4.2.2 Effect of Management Leadership in TQM implementation on Organizational performance ...	36
4.2.3 Effect of Employ Involvement in TQM implementation on Organizational performance.....	38
4.3 Regression Analysis	41
4.3.1 The Relation between Independent and Dependent Variables	41
ANOVA Results	42
4.3.2.2 Multiple Regressions between Independent and Dependent Variables	42
CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS	45
5.1 Summary	45
5.2 Major Findings	46
5.3 Recommendation	48
5.4 Limitation of the Study.....	49
5.5 Future Research.....	50
REFERENCES	51
Appendix	56

LIST OF TABLES

Table 4.1 The Sex Distribution of Respondents	30
Table 4.2 The Age Composition of Respondents	31
Table 4.3. Education Background of respondents	31
Table 4.4. Position of respondents	32
Table 4.5 Work Experience of Respondents	33
Table 4.6 the Effect of Customer Focus	34
Table 4.7. The Effect of Management Leadership in CBE.....	36
Table 4.8. The effect of Employ Involvement in CBE.....	38
Table 4.9 Organizational Performance	40
Table 4.10. Model Summary	41
Table 4.11 ANOVA.....	42
Table 4.12 Coefficients.....	43

ACRONYMS AND ABBREVIATIONS

CBE: Commercial Bank of Ethiopia

CF: Customer Focus

EI: Employ Involvement

ISO: International Organization for Standardization

ML: Management Leadership

OPCBE: Organizational Performance of Commercial Bank of Ethiopia;

QMPs: Quality management programmes

QMPs: Quality management Principles

SPSS: statistical packages for social science

TQM: Total quality management

CHAPTER ONE: INTRODUCTION

The concept of Total Quality Management (TQM) as an ingredient for an organizational performance is of paramount importance for every organization in pursuit of competitiveness. TQM implementation has been an important aspect for improving organizational effectiveness and efficiency total quality management (TQM) has been proposed to improve organizational performance and received considerable attention in recent researches. This study is primarily focused on the effects of total quality management implementation on the organization performance of Commercial Banks of Ethiopia(CBE) in Jimma zone, in Jimma. The three critical elements of TQM; namely customer focus, management leadership, and employee involvement are used as an important factors influencing on organization performance. Despite the recent researchers effort on effects of total quality management, little work has been done on effects of total quality management(customer focus, management leadership, and employee involvement) on the performance of Commercial Banks of Ethiopia(CBE), in Jimma branches.

1.1 Background of the Study

In today's world, organizations are facing the growing challenges from global competition and more sophisticated customers in terms of what they want and their changing needs. Most organizations are starting to apply the Japanese methods of production and philosophies in the hope of achieving the required growth in the markets increasing profit. One of the main ideas that came from the Japanese industry is TQM, which means that all workers within a given organization must participate in improving the product or service quality, an activity that was previously the concern of the quality control department employees (Adnan, Rami,& Salman, 2010).

The current business environment is becoming competitive and challenging than before. With Multidimensional challenges and demand of globalization, organizations are forced to reengineer their products and systems to improve their service quality and remain competitive(Dawit, 2017).Total quality management is an integration of all the functions and process within an organization in order to achieve continuous improvement in goods and services (Firehiwot, 2018).The international Organization for standardization (ISO 2000:9001) exclaims TQM to be

an approach by management of an organization aimed on quality where all members are participants with long- term success in mind resulting into customer satisfaction and where it operates (Paul, 2017).

Total Quality Management adoption and implementation in the organizational practices of business has become very vital. This is basically due to the fact that competition for customers has become intensified amongst the companies while customers have become more quality aware. Therefore, for accompany to remain competitive, whether in service or manufacturing industry, they need to develop goods and services that are deemed to be of high quality standards by the final consumer (Benedict, 2016).

“Quality Management entails supervising the activities prerequisite to maintaining a required level of excellence. This entails determining a policy, developing and implementing, planning, control and improvement of quality practices” (Benedict, 2016, p.1).The global trend that started in the 17th century that greatly emphasized on importance of quality service arose when most businesses realized that a quality product alone wasn’t a competitive advantage. Management facilitates an improvement in an organizations output to their clients which further helps in cutting down levels of wastages in production and concurrently providing both the consumers and organization a stable production process. Total Quality Management does improve the levels and qualities of training employees to get, information management and relationship with the organization suppliers’.

Total Quality Management, TQM, is a method by which management and employees become involved in the continuous improvement of the production of goods and services. It is a combination of quality and management tools aimed at increasing business and reducing losses due to wasteful practices (Hashmi, 2010). In fact Total Quality is a description of the culture, attitude and employee involvement to provide customers with products and services that satisfy their needs(Amina & Shadrack, 2018).

The key elements of TQM used in this research as variables under the study are customer focus, Management leadership and employee involvement. In order to increase the organizational performance, the customer focus as the one of the TQM key elements should be highly considered by organization. The organization ought to identify both current and future

customer's needs, comply the customer requirements, and attempt to exceed the customer expectations since any organization depends on the customers (Evans, 2017). According to Goetsch and Davis (2016), in a total quality setting, the customer is the drive. In attaining organizational performance, organization needs to fulfill customers' needs and expectations.

Employee involvement and teamwork can foster employee motivation and success through the opportunities to learn and to practice new skills. The increasing of workforce's knowledge, skills and motivation will lead the company's success.

Karia and Asaari (2006) examined the impact of TQM practices on employees' work-related attitudes. The results of their empirical study indicated that training and education have a significant positive effect on job involvement, job satisfaction, and organizational commitment. Empowerment and teamwork significantly enhance job involvement. Job satisfaction, career satisfaction, and organizational commitment. Finally, continuous improvement and problem prevention significantly enhance customer satisfaction and organizational performance.

Kebede (2017) has made study on the determinants and outcome of customer satisfaction at the commercial bank of Ethiopia. The finding of this study indicates that satisfactory customer service delivery can be achieved if customer complaints are handled appropriately. Previous work has shown positive relationship between customer complaint handling and customer satisfaction. Customer complaint dealing system of the commercial bank of the Ethiopia is contributing moderately towards customer satisfaction. Well defined system is not in a place to process customer complaints efficiently and effectively.

Since the TQM philosophy is more frequently practiced in the manufacturing industry and little attention has been paid by the researchers on the implementation of TQM on the Organization Performance of the banking industry (Shekoufeh & Siavash, 2013).

“The Commercial Bank of Ethiopia was established in its present form by a merger of one the nationalized private banks (Addis Bank) with that of the publicly owned commercial bank by proclamation No.184(1980, has used TQM to increase its responsiveness to customers, recognizing that ultimately its customer base and customer loyalty determine its future success”(Robson, 2013, P. 54).

Moreover, the CBE in jimma zone and Jimma town has their own sub-branches based on their year of establishment and service from earlier to recent and that they have different experience on the implementation of Total quality management. Thus, the researcher is going to focus on Jimma town branches according to their year of service. The reason that the researcher planned to make study on Jimma town branches is that some CBE, Jimma town branches are prior to Jimma zone branches found in different woredas according to their year of service. For example, Jimma town main branch opened in 1947G.C, Hirmata on March 14, 1967 whereas Agaro branch opened on March, 1967 G.C.

As there are evidences that successful implementation of TQM benefited organization through improving organizational performance, to incorporate TQM as a method for improving service failures it is very important to study the effect of total quality management on the performance of governmental financial institutions, particularly CBE (Firehiwot, 2018).

With the ever improving information technology, commercial bank of Ethiopia expands its branches to different parts of Ethiopia. As different studies show with this expansion the CBE's usage and Implementation of TQM is still not satisfactory. The practice of TQM implementation in the performance of CBE should be considered as an important research issue because inadequate research had been conducted on TQM implementation in the performance of CBE in jimma zone, Jimma town branches. Therefore, the researcher investigated the effects of TQM implementation in the performance of Commercial bank of Ethiopia in Jimma zone, Jimma town branches.

1.1 Operational Performance

Operational Performance can be defined as the process of quantifying the efficiency and effectiveness of action. Effectiveness refers to the extent to which customer requirements are met, while efficiency is a measure to how economically to firms' resources are utilized when providing customer satisfaction.

The success of TQM will result in improved employee involvement, improved communication, increased productivity, improved quality, improved customer satisfaction, reduced costs of poor

quality and improved competitive advantage. Faris (2018) suggested that the effectiveness of TQM in an organization should be measured by the degree of integration with their supplier bases because supplier quality management is a critical component of TQM. Operational effectiveness is then a function of how well the various units of an organisation carry out their functions with quality.

TQM is an ideology which is focused on the satisfaction of customer's need. TQM require organizations to develop a customer focused operational processes and at the same time committing the resources that position customers and meeting their expectation profitably. This implies an approach of changing the corporate culture of an organization to be customer centric. TQM requires effective change in organizational culture which is enhanced by the deep involvement/commitment of management to the organization's strategy of continuous improvement, open communication and cooperation throughout the organisation; broad employee interest, participation and contribution in the process of quality management. Leaders in a TQM system view the firm as a system; support employee development; establish a multipoint communication among the employees, managers, and customers; and use information efficiently and effectively. In addition, leaders encourage employee participation in decision-making and empower the employees. Organizational performance is a multidimensional construct that evaluates the position of an organization pertained to internal or external standards. Organizational performance and effectiveness are the most well-known concepts for evaluating organizations. The former concept is used for evaluating private organizations, and the latter is for evaluating public organizations. Yet, most of the organizational literature uses organizational performance to refer to the evaluation of private and public organizations (Faris, 2018).

The effective implementation of TQM practices will increase organizations performance such as in bank profitability, enhance sales, increase bank competitiveness and resulted in acquisition of bigger market share, enhance service delivery in the bank, ensure effective waste reduction in operations, improve operation efficiency thus reducing operation costs, increase retention as a result of customer satisfaction(Eva & Jacobsen, 2016). Quality enhances customer loyalty through satisfaction; this in turn can generate repeat business and lead to the attraction of new customers through positive word of mouth. The word of mouth communication will help in cost reduction (Kathaara, 2014). The improvement in quality will result in increased market share and

profitability. Total quality management is a management philosophy which emphasizes the devolution of authority to the front line staff. It ensures the participation of everyone in the decision making process through activities such as quality cycles and team work.

1.2. Statement of the Problem

Total quality management (TQM) is a firm-wide management philosophy of continuously improving the quality of the products/services/processes by focusing on the customers' needs and expectations to enhance customer satisfaction and firm performance (Esin & Hilal, 214). It is however been advised that CBE embrace quality management principles and implement them successfully to be able to delight their customers through efficient quality services. In comparison with manufacturing firms, the service sector has lagged behind not only in terms of implementing the standard, but also in embracing the associated concepts of total quality management and continuous improvement (Ghobadian et al., 1994 ;Gallear,1996).

TQM principles must be seen as a “package deal”. To gain the full potential of TQM, CBE must implement all these TQM principles to the greatest extent possible. However, there is an overlap of principles between researchers, and any of them if neglected or not in place, can jeopardize the total effort.

The purpose of this study was to establish whether TQM key elements such as customer focus, management leadership and employee involvement have effects on the performance of CBE. An implementation of these TQM principles would aid to better the level CBE's overall business performance.

The customer focus as the one of the TQM key elements should be highly considered by organization in order to increase the organizational performance. The organization ought to identify both current and future customer's needs, the customer requirements, and attempt to exceed the customer expectations since any organization depends on the customers (Evans, 2017). According to Goetsch and Davis (2016), in a total quality setting, the customer is the drive. In attaining organizational performance, organization needs to fulfill customers' needs and expectations.

Leadership play a key role in developing the performance of the organization. The improvement of organizational performance requires the development of management leadership. leadership as the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives. Such leaders should provide a clear vision of the organization's future and set challenging goals and targets. Management leadership in organizations maintains the leadership responsibility for the quality management systems, with involvement of all organizational staffs. (Saadia, 2018)

Employee involvement is a process of participation and empowerment of employees in order to use their input towards achieving higher individual and organizational performance. Involvement refers to the employee participation in decision making and problem solving, and increased autonomy in work processes(Robbins,2007). Employees are expected to be more motivated, more committed, more productive and more satisfied with their work. Basic dimensions of involvement are: employee participation (as individuals or in teams), empowerment and self-managed teams. Employee participation is a management initiative and, as a concept means that the employees are given the opportunity to discuss issues relating to their work, to influence managerial decisions, but management reserves the right to govern.

“The banking sector which is one of the service sectors has consistently been characterized by persistent operational inefficiency and poor performance and in order to address the problems of inefficiency in performance these organizations are fast adopting TQM key elements in order to increase their performance” (Sadia, 2018, P, 57).

Many local and abroad researches have been conducted on the effects of TQM practices and performances of service sectors. Sofijanova and Zabijakin(2013) have made their study on employee involvement and organizational performance: evidence from the manufacturing sector in republic of macedonia. Results indicate that employee participation and empowerment have a positive impact on subjective measure of organizational performance. However their study paid little attention to banking sector.

Faris (2018) has made study on Total Quality Management and Organizational Performance: A Possible Role of Organizational Culture. The more effective TQM program is implemented, the

higher the organizational performance will be reported. Within this context, what we mean by more effective TQM program is the program that has a high level of TQM implemented in public organizations in Albaha province with a high level of organizational culture (i.e., hierarchical and rational cultures). This study also paid little attention to the effects of TQM implementation on the performance of banking sector.

Some local researches have also been conducted. For example, Dawit Degefa has made study on Service Quality and Customer Satisfaction. The Case of Cooperative Bank Of Oromia. The findings show that customers are satisfied with all dimensions of service quality. And on the other hand the bank needs to consider the weak areas in order to meet customer requirement. He also paid little attention to the performance of commercial bank of Ethiopia.

Jemal (2018) has conducted a research on Assessing Total Quality Management Practices of the Ethiopian National Defense Building Construction at Addis Ababa. The results of this study shows that quality management practices in Ethiopia national defense building construction was found to be low in all the tenets including leadership commitment, policy and strategy, resources management, process management, training or capacity building, customer satisfaction, business performance and impact on total involvement or team work spirit. Still, this study paid little attention to the effects the TQM (customer focus, management leadership and employee involvement) implementation on the performance of CBE.

Netsanet(2019) has made her study on Total Quality Management (TQM), Competitive Advantage and Ownership in Ethiopian Construction sector. The results show that Foreign-owned firms have slightly better active online communication system with their customers and suppliers than the local owned firms. The foreign-owned construction firms' employees are more familiar with new technology, process, and marketing practices than the local owned construction firms. In addition this study also had paid little attention to the effects of Total Quality Management (customer focus, management leadership and employee involvement) implementation on the performance of CBE, Jimma Town Branches.

Daniel and Fasika (2003) have conducted their research on Quality Management: Efforts and Problems in Ethiopian Manufacturing Industries. Their findings shows that some of the manufacturing companies understand the importance of involvement of top level management in

quality improvement and they actively practice it; TQM philosophy and ISO 9000 QMS have been adopted in manufacturing; though no companies obtained quality certification; cultural change is the single most important inhibitor of quality policy implementation; and quality concepts have been diffused unevenly across major functional areas. Moreover, their study focused only on manufacturing sector and paid little attention to the effects of Total Quality Management (customer focus, and employee involvement) implementation on the performance of CBE, Jimma Town Branches.

With this rationale, there was inadequate research conducted in Ethiopia yet. Therefore, the researcher made his study in Oromia region, Jimma Zone, Jimma town on the effect of Total Quality Management (customer focus, and employee involvement) implementation on the performance of CBE, Jimma Town Branches.

1.3 Research Questions

1. Does Customer Focus affect the Performance?
2. Does Management leadership affect the Performance?
3. Does Employee involvement affect the Performance?
4. What is the relationship between TQM implementation and performance?

1.4 Objectives of the study

1.4.1 General objective of the study

The general objective of the study was to examine the effects of total quality management implementation on the performance Commercial bank of Ethiopia (CBE), Oromia region, Jimma Zone, Jimma town branches in focus.

1.4.2 Specific objectives of the study

The study aimed at achieving the following specific objectives.

1. To describe the effects of Customer Focus on performance.
2. To determine the effects of management leadership on performance.

3. To examine the effects of employee involvement performance.
4. To describe the relationship between TQM implementation and performance.

1.5 Significance of the study

The study was examined the effects of total quality management implementation on the performance of CBE. The study is significant to a number of stakeholders. It yields data and information useful to the CBE management in assisting them in implementing quality management in CBE in the country. The management leadership of CBE shows implementation of quality management in all levels and activities of the institution and to institute a quality department if it is non-existence or improve towards ISO 9001 certification. The study assists CBE in policy formulation and implementation towards customer-focused services, management leadership and employee involvement. The study also enables other CBE branches to understand the concept of quality management to improve their services. The research findings also seek to extend knowledge in the world of academics in the same area of the study; it is useful as literature in the area of study. This benefits other researchers and academicians who borrow ideas from the study which serves as a basis for further research.

1.6 Scope of the study

The study examined the various TQM implementation employed by CBE and their effects on overall organizational performance. The research was conducted in Oromia region, Jimma Zone ,Jimma town. Descriptive survey and explanatory research design was used. Simple random sampling was used to get the sample of target population. In this study only five branches of CBE(such as Jimma town main branch, Hirmata branch, Aba Jifar branch, Jiren branch, and Bishishe branch) in jimma town were selected. The study focused on the three principles of total quality management(customer focus, management leadership, employee involvement) to assess the effect of TQM implementation on the performance of CBE in Jimma Zone, Jimma town branches.

1.7 Limitation of the study

The major limitation of the study was that at first the study was conducted in Oromia region Jimma Zone, Jimma town CBE in focus and therefore the findings was not generalized for all

CBE. The study was limited to descriptive survey and explanatory research design. In this study the researcher used closed ended questionnaire. In addition, there was unwillingness of the respondent to answer questions due to the sensitivity of the topic which was more investigative. Even though this is the case, there was the need for clarification from the researcher and research ethical issues of the study was tabled to which then followed the release of information required. In addition, the study was limited to only three TQM principles (customer focus, management leadership, employee involvement. The study used only simple random sampling.

1.8 Organization of the Paper

CHAPTER ONE - INTRODUCTION: begins with research background and discusses statement of the problem, basic research questions, objectives and significance of the study. Finally scope of the study and organization of the research report was presented.

CHAPTER TWO - LITERATURE REVIEW: This section discussed the theoretical review and empirical evidences on TQM implementation and conceptual frame work was drawn from literature review.

CHAPTER THREE - RESEARCH METHODOLOGY: This section discusses the research design and approach of the study, data source and method of data Collection. Sampling method and sample size also presented in this section. Specification of the model to this study was determined. Finally, methods for data analysis was discussed, validity and reliability of the variables was measured, and then ethical considerations was explained in the section.

CHAPTER FOUR - DATA ANALYSIS AND INTERPRITATION: The section discussed the respondents'' profile, and then tested the reliability of individual constructs with Cronbach's Alpha. Data analysis was conducted through descriptive and correlation analysis.

CHAPTER FIVE - RESULTS AND DISCUSSIONS: In this section the main findings of the research was summarized and conclusions on major findings was presented. Recommendations wereregiven based on the research findings and the limitation of the study was mentioned.

CHAPTER TWO: LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Management Theories

In this study a few management theories in general will be explored to illustrate the impact of management on performance. Performance will be viewed in this study as the organization ability to achieve its intended goals. Theory provides the basis for action (Bush & West-Burnham, 1994). In order for the manager to be effective he/she needs a theoretical management base (Beck & Cox, 1980).

2.1.2 Knowledge-based Theory

Knowledge is considered as the most critical firm resource. Its proponents argue that knowledge is a unique commodity hence hard to duplicate. The knowledge and capabilities in a firm are what a firm would use to create its competitive edge hence setting it apart from the rest hence proving them a niche above the rest. The knowledge an organization has is always exhibited in its cultures and identities, policy documents, systems and practiced by employees (Saadia, 2018).

2.1.3 Deming's Theory of Total Quality Management

Deming's TQM theory is grounded upon fourteen management points, profound knowledge system, and the Shewart Cycle. He's famous for his ratio that does state that Quality equals the outcome of work efforts over total costs. If a company focused on costs, a challenge will arise where costs will rise as levels of quality will be deteriorating. Deming's profound knowledge system consists of: Understanding how the firms' processes work, Understanding the variations

that do occur and why they do, and understanding what can be known and human nature understanding (Amina & Shadrack, 2018).

2.1.4 Theory X and Y

According to Hanson (2003) Theory X assumes that workers are indolent and work as little as possible. The Theory further assumes that workers lack ambition, dislike responsibility and prefer to be led. Workers are resistant to change and are indifferent to the needs of the organization. Hanson (2003) further states that because of the above mentioned assumptions workers must be coerced controlled or threatened with punishment in order to achieve the desired goals. Robbins (2000) concurs by stating that Theory X is basically negative in view.

The managers who practice this approach have assumptions about workers and base his or her assumptions on those assumptions. Theory Y assumes that the natural condition of humans is not to be passive or resistant to organizational needs (Hanson, 2003). The Theory is basically positive. It further infers that capacity for assuming responsibility, ability to direct behavior toward the completion of organizational goals and the potential for personal growth is present in all workers. It states that men and women will exercise self-direction and self-control if they are committed to the objectives of the organization.

2.1.5 Scientific Management Theory

This management approach is aimed at increasing productivity and makes work easier by scientifically studying work methods and establishing standards (Rue &Byars, 2000). This can be done through the selection and training of workers and supervisory support (Schermerhorn, 2005). This management approach is also a method to address motivation because it offers wage incentives by linking pay to the outputs (Daft &Noe, 2001).

2.1.6 Contingency Theories

The need to tie TQM programme with the organizational strategy is supported by contingency theory. This could be categorized into two schools of thoughts namely quality management programmes (QMPs) as a universal set of practices and QMPs as contingency based practices. The universal approach to QMPs advocates that quality practices are universally applicable to every context(Salome, 2012).

This approach was made popular by the prominence of Japanese management systems, best practice benchmarking and quality awards. It is based on the assumption that adoption of best (world class) practices leads to superior performance and capabilities. According to this school of thought if market conditions change then so do the required processes. Failure to match with external business, product, and customer factors can lead to a mismatch with the market which could be detrimental to a firm's profits.

The Situational Theory and the Path Goal Theory will be discussed as Contingency Theories. Daft and Noe (2001) identify the Situational Theory of Hersy and Blanchard and the Path Goal Theory of Evans and House that form the Contingency Theories. The former Theory states that people at work vary in readiness level. People low in task readiness, because of little ability, training or insecurity need a different management approach than those who are high in readiness and have good ability, skills, confidence and willingness to work. The latter Theory asserts that it is the manager's responsibility to increase the followers' motivation to attain organizational goals. Daft and Noe (2001) conclude that the manager has to match his/her management approach with the organizational situation then offer the best solution.

2.1.7 System Approach Theory

System Approach Theory is a collection of interrelated parts working together towards a purpose Barnard cited in Schermerhorn (2005). According to the proponents of this theory organizations have been viewed as systems that achieve quality by incorporating the contributions of individuals to accomplish the common purpose through efficient operational performance. The organization management views the human, physical and informational aspects of his/her job as connected in an integrated whole. The management's job is to ensure that all sub-systems of the business institutions are coordinated internally so that the organization can accomplish its goals through operational performance.

2.1.8 Organizational Performance

Performance measurement is critical for the organizational effectiveness. Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). Organizational performance involves the recurring

activities to establish organizational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently (Rula, 2017). While examining the relationship between quality principles and practices and performance scholars have used different performance types such as financial, innovative, operational and quality performance.

Organizational performance is a multidimensional construct that evaluates the position of an organization pertained to internal or external standards. Organizational performance and effectiveness are the most well-known concepts for evaluating organizations (Faris, 2018). Performance is the state of yielding a financial gain. It is the capacity to make a profit whether accounting or economic. Performance is measured using bank profitability. Profitability is a primary goal of any business venture without which the business cannot survive in the long run. It measured using income and expenses, income being money generated from the activities of the business for example interest income for banks and expenses being costs incurred or resources consumed by the activities of the business for example interest paid on deposits by banks (Saadia, 2018). Profitability is measured using an income statement and it is the most important measure of business success. Increasing profitability therefore is one of the most important tasks of business managers. It is for this reason therefore that they are constantly looking for ways to change their businesses and consequently increase profitability and hence the adoption of policies such as the use of strategies such as TQM which have the ultimate goal of increasing banks profitability by reducing losses through loan defaults.

The organization has to set clear performance standards which the workers have to meet in order for the workers to perform. Performance is essentially what an employee does or does not do and elements of employee performance are quantity output, quality output, timeliness of output, presence at work and cooperativeness (Mathis & Jackson, 2004).

Performance management system attempts to identify, encourage, measure, evaluate, improve and reward employee performance. Performance management must be consistent with the strategic mission of the organization, must be beneficial as a development tool, must be useful as an administrative tool, must be legal and job related, must be viewed as generally fair by

employees and must be effective in documenting employee performance (Mathis & Jackson, 2004).

The skills of achieving optimum organizational performance according to Fox (2006) are that the management must establish clear expectations for the workers, provide an effective feedback and communicate appropriate consequences for success or failure. He further suggests a model to manage performance (Achievement Model). This Model covers the aspects of motivation, ability, understanding, organizational support, environmental fit, feedback and validity.

Bach (2005) defines performance appraisal as an integrated system of performance management which has far reaching consequences for both individuals and the organization the individuals work for. Performance appraisal is the tool to measure performance of the workers. Mathis and Jackson (2004) define performance appraisal as the process of evaluating how well employees perform their jobs when compared to a set of standards and then communicating that information to the workers. Thus the effectiveness of management of the organization in monitoring performance can assist the organization to achieve its goals.

2.2 The Concept of TQM

TQM is a management philosophy that seeks to integrate all organizational functions that is marketing, finance, design, engineering, and production, customer service, to focus on meeting customer needs and organizational objectives (Adam, Flores,& Macias, 2001). It views an organization as a collection of processes. The concept of Total Quality Management (TQM) as an ingredient for an organizational performance is of paramount importance for every organization in pursuit of competitiveness. TQM implementation has been an important aspect for improving organizational effectiveness and efficiency. In examining the relationship between TQM and performance, scholars have used different performance indices such as financial, innovative, operational and quality performance. TQM focuses on continuous process improvement within organizations to provide superior customer value and meet customer requirements. Total Quality Management (TQM) can be considered as of fundamental vitality for any organization. The TQM concept has captured the attention of all sides of commerce and industry, politicians and academics. Incalculable articles have been written and published on TQM as a testimony to the high level of interest in quality issues (George & Tasie, 2016).

2.3 Empirical Review

Mwaniki, & Bichanga (2014) focused on determining the Effects of total quality management on financial performance in the banking sector: a case study of national bank of Kenya . Their study was limited to establishing how the pillars of TQM, namely supplier relationship, customer relationship, processes and top management involvement relate to financial performance. The four pillars of TQM formed the independent variables of the study while financial performance was the dependent variable. The findings of the study indicated a positive relationship between top management involvement, process and supplier relationship and financial performance.

In their study Hassan, Mukhtar, Qureshi and Sharif (2012) examined the association between quality management practices and performance, i.e. quality, business, and organizational performance. This study supports the hypothesis that quality management systems practices positively impact the performance. Quality management systems tools and techniques (Incentive and Recognition System, Process, Monitoring and Control and Continuous Improvement) and Behavioral factors (Fact based-management, top management's commitment to quality, employee involvement and customer focus) contribute to the successful implementation of quality management systems. The study reports that successful adoption and implementation of quality management systems practices results in improving the performance of organization. The main implication of the findings for managers is that with quality management systems practices, manufacturing organizations are more likely to achieve better performance in customer satisfaction, employee relations, quality and business performance than without quality management systems practices.

Based upon the above literature, the researcher focused on the three TQM key elements(Customer focus, Management leadership and, Employee involvement) to study their effects on organizational performance for this study:

2.3.1 Customer focus and Organizational Performance

Organizational strategy should be developed based on customers' needs. TQM firms focus on serving the external customers. They first should know the customers' expectations and requirements and then should offer the products/services, accordingly. By the aid of successful customer focus efforts, production can be arranged with respect to the customers' needs,

expectations, and complaints. When customer expectations are met, their satisfaction will be increased, and the firm's sales and the market share will increase (Sadikoglu & Hilal, 2014).

Organizations rely on their customers, so they must understand the current and future needs, and achieve their needs, and work to exceed their expectations. This is achieved through research and understand all the needs and expectations of the customer in terms of products, services and delivery date, price and reliability, and to link the goals established with the needs and expectations of the client, and follow the way of ensuring a balance between the needs and expectations of customers and other stakeholders (owners, employees, suppliers and the community), and measure customer satisfaction and act according to the results to achieve the common interest (Rula, 2017).

Today's customers are spoilt for choice; they are more demanding, asking for the best possible value for their money. They want products including the latest technology, features and performance, in addition to quality and reliability, supplemented by good service and on-time deliver (Anis & Hilda, 2017).

According to the Oakland model, quality should be seen as customer-serving process rather than a department. Clause of customer related process under ISO 9001: 2000 requires the organization to identify and document requirements and to clarify with the customer the requirements it is to fulfill as part of the contract. Similarly the organization should ensure that the objectives of the organization are linked to the customer needs and expectations and such customer needs and expectations are communicated throughout the organization.

A central core value in TQM is that all products and processes should always have a customer focus. Quality should be valued by the customers and should always be put in relation to their needs and expectations (Ezenyilimba, Ezejiofor, Afodigbueokwu, 2019). To focus on the customer means, therefore, that one tries to find out the customers' needs and values by conducting market analyses and then trying to fulfill the market expectations. Every employee has customers within the organization, internal customers, and in order to do a good job their needs also have to be fulfilled (Nagaprasad et al., 2009).

Muia(2010) has conducted a research on Effects Of Total Quality Management Implementation In Performance Of Microfinance Institutions In Kenya. The results of the study shows that customer focus typically leads to Researching and understanding customer needs and expectations, ensuring that the objectives of the organization are linked to the customer needs and expectations.

Asad(2016) has made study on the Relationship Between Customer Focus and Organizational Performance in the Telecommunication Organizations of Pakistan. The results of this study shows that customer focus and performance of telecommunication companies supported with positive results and explored that customer focus had good contribution in the performance of the telecommunication organizations. The results represented that an overall significant model ($R=0.739$, $\Delta R^2 = 0.547$, $F(1,205) = 247.049$, $p < 0.01$). The results also indicated that customer focus could result into 63.0% incremental change in performance of telecommunication companies as a result of 1% change in customer focus.

In addition, Yuni, Ali, Ferdous and Jacqueline(2019) have conducted the research on the influence of total quality management toward organization performance of Small and Medium Enterprises (SMEs) service sector in Selangor, Malaysia. The findings of their study shows that customer focus has a positive and significant effect on organization performance.

2.3.2 Management leadership and Organizational Performance

Management Leadership in a TQM system views the firm as a system; support employee development; establish a multipoint communication among the employees, managers, and customers; and use information efficiently and effectively. In addition, leaders encourage employee participation in decision-making and empower the employees. "Top management commitment and participation in TQM practices are the most important factors for the success of TQM practices. Managers should demonstrate more leadership than traditional management behaviors to increase employees' awareness of quality activities in TQM adoption and practices" (Esin & Hilal, 2014, P,4)..

According to (Esin & Hilal, 2014) leadership improves operational performance, inventory management performance, employee performance , innovation performance , social responsibility

and customer results , financial performance , and overall firm performance. In conclusion, management level plays a significant role on conducting organizational operation and also highly influences the decision-making and resource allocation processes for supplier management and design management, respectively. Therefore, the authors propose that management level has positive effects on human resource, suppliers' management, and design management. An effective and dynamic leader can lead a fruitful group and in this manner make a productive association (Mamta ,Virender, & Davinder,2016).

Top management commitment plays a vital role in building trust with employees, and must go beyond adopting slogans of improving quality and become more involved in quality efforts at various planning and implementation and monitoring phases. Top managers must focus on developing people's skills and capacities through the engagement of employees in several kinds of training programs, which provide the organization with a skillful sales-force and marketing team (Rawan & Zu bi, 2015).

Top Management in organizations maintains the leadership responsibility for the quality management systems, with involvement of all organizational staffs. This responsibility includes; ensuring the availability of resources to all staff to ensure improved service delivery is achieved for the realization of the organization's vision and mission. Establishing and reviewing the quality policy and quality objectives quarterly to ensure compliance to the quality standards (Soltani, 2005).

Kathaara (2014) had made study on Total Quality Management Practices And Operational Performance Of Commercial Banks In Kenya. The results of the study shows that leadership plays an active role in creating strategies, plans and systems and neutral on management leadership has provided the necessary resources, conducive working environment. Leadership influences the decision of selecting qualified suppliers and bank leadership has inspired staff and management.

2.3.3 Employee involvement and Organizational Performance

By a firm having its employees involved in the TQM implementation process enables her to easily meet the TQM goals. It shouldn't be just involving them, however the firm needs to

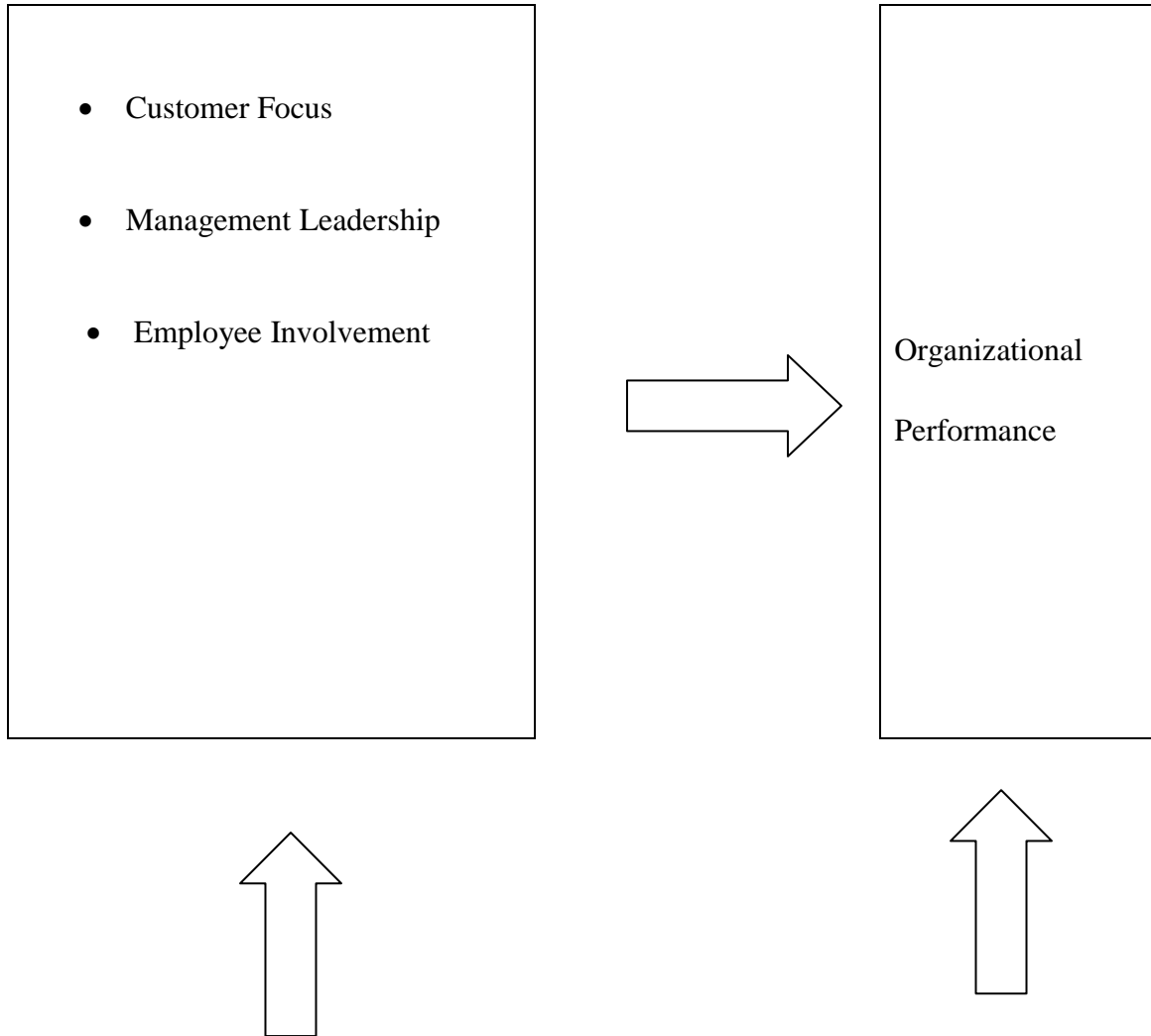
empower them as they are invited over to the decision making table and the end result of this is a firm benefiting from continuously improving her processes and systems. Involvement of employees in quality enhancement activities such as: teamwork, employee suggestions, and employee commitment.

Training helps in preparing employees towards managing the total quality management ideology in the process of production. Training equips people with the necessary skills and techniques of quality improvement. Organizations must understand that the success of the project is depending on the employees-managers. Managers-leaders are taking the personal responsibility for implementing, promoting, and monitoring the whole amount of the activities. The employees are properly trained, capable, and they have an active participation (must not be passive) for the achievement of company's goals. Management and employees are working together in order to create a strong value environment where people are having the primal role.

The firm's management needs to develop an environment that is encouraging employees to get involved in the firm's quality activities. Such an environment should mainly aim at establishing a (Benedict,2016) has made his is study on Quality Management And Performance of Commercial Banks in Kenya. The results of this study indicates that Employee involvement is a means to better meet the organization's goals for quality and productivity at all levels of the organization. Involving employees, empowering them, and bringing them into the decision making process provides the opportunity for continuous process improvement. Employees are motivated to improve on quality management practices implementation through rewards and incentives

Sofijanova and Zabijakin (2013) has made their study on Employee Involvement And Organizational Performance: Evidence From The Manufacturing Sector In Republic Of Macedonia. The results of their study indicates that the application of employee involvement in decision-making and problem solving practices affects the perception of operational performance. This effect is slightly stronger in the dimension employee participation and empowerment.

2.5 Conceptual Framework



Independent variables

Dependent variable

(Researcher, 2020)

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1. Introduction

This section outlined the research design that was adopted and the methods of data collection and analysis, target population, sampling procedures, sample size etc. to be employed to answer the research questions.

3.2. Research Design

The researcher used descriptive survey and explanatory research design to collect data from respondents. Descriptive survey helps the researcher collect in-depth information regarding the population under the study. This design is the most preferable due to its complete description of the situation, ensuring the minimum occurrences of bias in the research process(Kothari, 2008).Descriptive survey research studies concerned with the description of particular variables and explanatory research design (inferential statistics which include regression analysis) was used to test the hypothesis weather the independent and dependent variables have significant relationship or not on performance of the organization.

3.3 Research Approach

This study is conducted by using quantitative research approach; the method uses to explain relationships between variables for the study by collecting numerical data and analyzing based on mathematical method. The objective of the study was to examine the effects of total quality management implementation on the organizational performance. Therefore, quantitative research approach was used in this study since it is an appropriate method to examine the relationship between the variables of the study.

3.2.1. Target Population

According to yesu (2018), target population is said to be a specified group of people or object for which questions can be asked or observed made to develop required data structures and information

The target population was 170 employees of some selected CBE from Jimma town branches (Jimma town main branch, Hirmata branch, AbaJifar branch, Jiren branch and Bishishe branch). These branches have a population of about 170 employees. In this study the researcher tried to use simple random sampling).

3.2.2 Sampling Design and sample size

Sampling is the process of selecting a number of individuals for a study in such a way that the individual selected represents the large group from which they were selected (Mugenda & Mugenda, 2003). Sampling ensured that conclusions from the study were generalized to the entire population. In this study the researcher employed simple random sampling method. Because, every element in the population has equal chance of being selected. Mugenda and Mugenda (2003), states where time and resources allow a big sample should be taken. This enables findings to be a true representative of the whole population. The author further said that the sample size should not be less than 30% of target population. Moreover, in this study the researcher tried to select the banks based on their years of service or seniority of implementing TQM and based on their transaction or grade level. For example, Jimma main branch and Hirmata branch are grade four based on their transaction level where as the last three are grade two. The sample size determination will based on Slovin's formula, which was developed by Robert Slovin, with confidence level 95% and confidence interval (error margin) 5%. The derivations above show that Slovin's formula is applicable only when estimating a population proportion using a confidence coefficient of 95% (Tejada & Punzalan, 2012)

Thus,
$$n = \frac{N}{1+N(e)^2}$$

Where, n = is the sample size

N = is the population size (170)

e = error tolerance (0.05)

$$n = \frac{170}{1+170(0.05)^2}$$

$$n = \frac{170}{1+170(0.0025)} \quad n = \frac{170}{1.425} \quad n = 119$$

Table 3.1 Sample size

Banks name	Target population	Sample size	Returned
Jimma main branch	63	44	37
Hirmata	43	30	35
Abajifar	25	18	18
Jiren	19	14	10
Bishishe	20	13	10
Total	170	119	110

Each sample size for each branch was calculated by multiplying each branch's total population by the sample size and then dividing to the total target population.

This means, if $170 = 119 \times \frac{63}{170} = 44$, and the rests were calculated accordingly.

3.3 Data Collection Methods

Primary data was used in the study in this study. The researcher used closed ended questionnaires as primary data collection tool which was administered to the respondents. Close ended questions help the respondents to make quick decisions to choose among the several alternatives before them. They also help the researcher to code the information easily for subsequent analysis (Uma, 2003). A questionnaire is a research tool that gathers data over a large sample (Kombo et al., 2006). According to Robson (1993), questionnaires are written questions whose answers are offered by the respondents. The questionnaire was adapted from Muia (2013) and modified. If you use a questionnaire developed by another researcher, the questionnaire has to be piloted to make sure its validity (Dale, 2012). With the questionnaire the findings remain confidential, save time and since they are presented in paper format there is no opportunity for bias. Therefore, in this study the designed questionnaire has two sections or

parts. Part one; Respondents personal information and part two; Specific information about an organization which includes variables under the study (Customer focus, Management/Leadership, and Employee Involvement).

3.4 Data Collection procedures

The researcher got permission to conduct the research in the organization. On appropriate date, the researcher administered the questionnaire to the respondents on agreement with the respondents. Questions that are not clear to the respondent were clarified. The researcher ensured that the questionnaires were received at the right time and that everything was clarified clearly to the respondents before they respond to the items in the questionnaire. Prior to this, the researcher made a contact with the relevant authorities to allow the study to be carried out and conducted a pilot study to familiarize with the respondents. Then the questionnaire was administered to the respondents and data received from questionnaires was easily arranged and analyzed.

3.5 Pilot Study

In order to obtain the required information from a cross-section of informants, the identification of the informants was done. A pilot study was conducted prior to the actual study in CBE, Jimma town branches. A questionnaire was administered to 6 selected employees who responded positively and two employees were interviewed to determine validity of the research tools. The aim of pilot study was to point out weakness in the questionnaire which was then reviewed and corrected.

3.6 Validity and Reliability of Research Instruments

3.5.1 Validity

Validity refers to whether an instrument measures what it was designed to measure; Hair et al. (2007) defined the validity as “the degree to which a measure accurately represents what is supposed to”. Validity is concerned with how well the concepts are defined by the measure(s). It also refers to the extent to which an empirical measure adequately reflects the real meaning of the concept under consideration. However, an instrument cannot measure the attribute of interest if it is unpredictable, inconsistent, and inaccurate. Leary (2004) mentioned about four types of validity: Internal validity, External validity, construct validity, and Statistical conclusion validity.

Internal Validity: is how the findings of the research match reality and as the researcher measure the things that are aimed to measure. As this specific study is cross-sectional field survey this validity is addressed. Because cause and effect are measured at the time (Leary 2004). The other measure of internal validity is whether the finding shows strong foundation or not. Therefore, the finding in this specific study is strongly supported by the reality in the context and the general theory in the field.

External Validity: It refers to whether the observed associations can be generalized from the sample to the population, or to other people, organizations, contexts, or time (Leary, 2004). The more representative, the more confident we can be in generalizing from the sample to the population. Hence, the researcher addressed this validity by taking adequate sample that can represent the population.

Construct Validity: It examines how well a given measurement scale is measuring the theoretical construct that it is expected to measure. We compare the test task with the content of the behavior. This is a logical, not an empirical one. Many constructs in social science research such as empathy, resistance to change, and organizational learning are difficult to define, much less measure. We can also assess the degree to which individual items represent the construct being measured, and cover the full range of the construct (content validity). In this study, the researcher tried to address the construct validity through the review of literature and adapting instruments used in previous research and also collect data to demonstrate that the empirical representation of the independent variable produces the expected outcome.

Statistical Conclusion Validity: It examines the extent to which conclusions derived using a statistical procedure is valid. Because qualitative research designs do not employ statistical test, statistical conclusion validity is not applicable. This type of validity was addressed through selection of the right statistical method used for measuring the variables. Since this specific study is quantitative it is worthy full to consider the issue of statistical conclusion validity.

3.5.2 Reliability

Reliability refers to is whether an instrument can be interpreted consistently across different situations. Reliability differs from validity in that it relates not to what should be measured, but instead to how it is measured. Hair et al. (2007) defines reliability as the extents to which a

variable or a set of variables is consistent in what it is intended to measure. Duffy, Duffy, and Kilbourne (2001) asserted, Cronbach's α measure the consistency with which participants answers items within a scale. Duffy et al. (2001) further stated, a high α (greater than .60) indicates that the items within a scale are measuring the same Construct.

Table 3 Reliability measure of the Variable

Scale	No. of items	Alpha
Customer focus	9	0.762
Management leadership	10	0.899
Employ Involvement	11	0.886

Source: Researcher, 2020

3.7 Data Processing and Analysis

Collected data was chronologically arranged with respect to the questionnaire outline to ensure that the correct code is entered for the correct variable cleaned and tabulated. The tabulated data was analyzed using descriptive statistics showing percentages, frequency distributions, mean and standard deviation and inferential statistics with the use of regression statistics using Statistical Package for Social Sciences (SPSS 21.0). Multiple regression statistics was used to establish the relationship between the total quality management implementation and performance among Commercial banks of Ethiopia, Jimma town branches based on the regression model shown here below:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

Where: Y= Organizational Performance; X1= Customer Focus X2= Management leadership; X3= Employee involvement; $\beta_0 \beta_1 \beta_2 \beta_3$ is the coefficient of the variables; e is the error term.

3.8 Data Management and Ethical Considerations

Prior to field activities, the researcher got an introductory letter from Jimma University. The report was edited and kept for data analysis. The respondent's consent and confidentiality was observed. Everything said and talked about was kept confidentially and the respondents were made to understand that the study was for academic purposes only. An introduction letter confirming that the research information was treated confidentially and meant for academic purposes was attached.

CHAPTER FOUR: RESULT AND DISCUSSION

4.1 Introduction

As discussed in previous chapters this study attempted to examine the effects total quality management implementation on the performance of Commercial Bank of Ethiopia in Oromia region, Jimma zone, Jimma town. The findings of the study were presented and analyzed in this chapter. A total of 119 questionnaires were distributed to employees and 110 (92%) questionnaire was obtained valid and used for analysis. The collected data were presented and analyzed using SPSS 21 software version.

4.2 Demographic Background of the Respondents

The demographic profile of the respondents was presented in this section. The personal profile of the respondents is analyzed as per their sex, age, education background, and years of service in the organization. Descriptive statistics was performed on the demographic variables as a means of describing the respondents.

Table 4.1The Sex Distribution of Respondents

Sex				
	Frequency	Percent	Valid Percent	Cumulative Percent
MALE	92	83.6	83.6	83.6
FEMAL	18	16.4	16.4	100.0
Total	110	100.0	100.0	

Source: Analysis of data using SPSS Version 21, 2020)

Regarding the sex of the respondents, the females contribute 16.4% of the total participants and the remaining 83.6% is consists by male respondents. This implies that majority of the respondents are male.

Table 4.2 The Age Composition of Respondents

Age				
	Frequency	Percent	Valid Percent	Cumulative Percent
20-30 years	60	54.5	54.5	54.5
31-40	42	38.2	38.2	92.7
41-50	4	3.6	3.6	96.4
Above 50	4	3.6	3.6	100.0
Total	110	100.0	100.0	

Source: *Analysis of data using SPSS Version 21, 2020*

As table 4.2 shows above, those respondents whose age is between 20-30 years consists 54.5% of the total sample size and the respondents whose age is between 31-40 is about 38.2% where as 3.6 % of respondent is consisted by those whose age is 41-50. Hence it indicates that the age composition of the CBE is dominated by relatively young population.

Table 4.3. Education Background of respondents

Education Background				
	Frequency	Percent	Valid Percent	Cumulative Percent
Degree	101	91.8	91.8	91.8

MA/Msc	9	8.2	8.2	100.0
Total	110	100.0	100.0	

Source: *Analysis of data using SPSS Version 21, 2020*)

According to the information provided in table 4.3 out of the total respondents the First degree holders have a lion share which is 101 or 91.8% of the respondent and MA/MSc holders contribute 9 or 8.2% of respondents.

Table 4.4.Position of respondents

Position of respondents				
	Frequency	Percent	Valid Percent	Cumulative Percent
Branch manager	2	1.8	1.8	1.8
Customer service manager	2	1.8	1.8	3.6
Branch Business manager	3	2.7	2.7	6.4
Operation manager	3	2.7	2.7	9.1
Internal Control Manager	4	3.6	3.6	12.7
Banking Business Officer(BBO)	96	87.3	87.3	100.0
Total	110	100.0	100.0	

Source: *Analysis of data using SPSS Version 21, 2020*)

According to table 4.4 above the respondents whose position is Branch manager , Customer service manager, Branch Business manager, Operation manager, Internal Control Manager, Banking Business Officer(BBO) accounts for 1.8%,1.8%, 2.7% , 2.7%,3.6%, 87.3%

respectively. From this table we conclude that large number of respondents are Banking Business Officer (BBO) which is by far greater than the other positions.

Table 4.5 Work Experience of Respondents

Work Experience				
	Frequency	Percent	Valid Percent	Cumulative Percent
0- 5 years	10	9.1	9.1	9.1
6-10years	22	20.0	20.0	29.1
11-15 years	31	28.2	28.2	57.3
16-20 years	41	37.3	37.3	94.5
more than 20 years	6	5.5	5.5	100.0
Total	110	100.0	100.0	

Source: *Analysis of data using SPSS Version 21, 2020)*

According to table above, those respondents whose experience is between 0-5 years consists 10 or 9.1% of the total sample size, 22 or 20% of respondents' experience is between 6- 10 years, out of the total respondents 31 or 28.2 of respondents' experience is between 16-20 and the respondents whose experience is above 20 years is 6(5.5%). Therefore based on the information given in table 4.5 above the respondents whose work experience is between 16-20 is more greater than the remaining respondents.

4.2 Descriptive data presentation as per the Research Questions

In this section descriptive statistics (mean and standard deviation) was used to describe variables under study.

4.2.1. The Effect of Customer focus in TQM implementation on Organizational performance

Table 4.6 the Effect of Customer Focus

	N	Minimum	Maximum	Mean	Std. Deviation
Works to increased revenue and market share obtained through flexible and fast response to market opportunities	110	1	5	4.66	.681
use organization's resource to enhance customer's satisfaction	110	1	5	4.60	.901
Improve customer loyalty leading to repeat business	110	1	5	4.61	.847
Research and understand customer needs and expectations	110	1	5	4.66	.707
Ensures that the objectives of the organization are linked to customer needs and expectations	110	1	5	4.54	.955
Communicates customer needs and expectations throughout the organization	110	1	5	4.58	.850
Measures customer satisfaction and acting on results	110	1	5	4.60	.848

Systematically manage customer relationship	110	1	5	4.83	.556
Ensures a balanced approach between satisfying customers and other interested parties (such as owner, employees, suppliers, financiers, local communities, and society as a whole)	110	1	5	4.65	.698

Source: Analysis of data using SPSS Version 21, 2020)

The respondents were asked to discuss the effect of Customer focus to quality management implementation at Commercial Bank of Ethiopia and the results are shown above.

According to table 4.6 above CBE Systematically manage customer relationship with a grand mean of 4.83 and Standard deviation 0.556 and Works to increased revenue and market share obtained through flexible and fast response to market opportunities and Research and understand customer needs and expectations with Average mean of 4.66 and Standard deviation of 0.681 and 0.707 respectively under the variable customer focus in order to increase the number of its customer. Therefore, the data result of SPSS Version 21of descriptive statistics of the above table shows the CBE highly practices Customer focus with mean score of more than four.

This study is in line with that of (Muia,2014) in that the organization focus on understanding current and future customer needs whether customer focus typically leads to measuring customer satisfaction and acting on results in the organization , customer focus typically leads to systematically managing customer relationship in the organization and customer focus typically leads to communicating customer needs and expectations throughout the organization in the organization which means customer focus leads an organization to high performance.

4.2.2 Effect of Management Leadership in TQM implementation on Organizational performance

Table 4.7. The Effect of Management Leadership in CBE

	N	Minimum	Maximum	Mean	Std. Deviation
Establish trust and eliminate fear	110	1	5	4.65	.884
Establish a clear vision of the organizations' future	110	1	5	4.72	.780
Consider the needs of all interested parties including customers, owners, employees, suppliers, financiers, local communities, and society as a whole	110	1	5	4.40	.988
Create and sustain shared values, fairness and ethical role models at all levels of the organization	110	1	5	4.50	.843
Inspire, encourage and recognize people's contribution	110	1	5	4.55	.874
Provide people and recognize people's contribution, training and freedom to act with responsibility and accountability	110	1	5	4.36	.906
Ensure good atmosphere which people can become fully involved in achieving the organization's objectives	110	1	5	4.75	.759

Motivate People towards the organization's goals and objectives	110	1	5	4.62	.790
Evaluate, align, and implement Activities in a unified way	110	1	5	4.50	1.011
Minimize miscommunication between levels of organization	110	1	5	4.77	.725

Source: Analysis of data using SPSS Version 21, 2020)

The respondents were asked to discuss the effect of Management Leadership to quality management implementation in Commercial Bank of Ethiopia and the results are shown below.

According to table 4.8 above in order to enhance Management Leadership to total quality management implementation CBE highly minimize miscommunication between levels of organization with a high mean score of 4.77 and standard deviation of (.725), ensure good atmosphere which people can become fully involved in achieving the organization's objectives with a mean score of 4.75 and(0.759 standard deviation), establish a clear vision of the organizations' future with a mean score of 4.72 and (0.780 standard deviation).

This study is in line with Salman, Al-Shobaki,Rami, Adnan (2010) that management leadership focus on employees needs as they try to improve their performance by holding training programs, encourage creative thinking and teamwork to enhance their professionalism, allow them the chance to express them self's and giving rewards for excellent performance.

CBE also establish trust and eliminate fear, consider the needs of all interested parties including customers, owners, employees, suppliers, financiers, local communities, and society as a whole, create and sustain shared values, fairness and ethical role models at all levels of the organization, Inspire ,encourage and recognize people's contribution, provide people and recognize people's contribution, training and freedom evaluate, align, and implement Activities in a unified way to act with responsibility and accountability, motivate people towards the organization's goals and

objectives with a mean score of 4.65, 4.40, 4.50, 4.55, 4.36, 4.62 and 4.50 respectively. Therefore, the data result of SPSS Version 21 of descriptive statistics of the above table shows the CBE highly practices with management leadership mean score of more than four.

4.2.3 Effect of Employ Involvement in TQM implementation on Organizational performance

Table 4.8. The effect of Employ Involvement in CBE

	N	Minimum	Maximum	Mean	Std. Deviation
Employees openly discuss problems and issues	110	1	5	4.33	1.050
Employees freely share knowledge and experience	110	1	5	4.27	1.091
Employees actively seek opportunities to enhance their competence, knowledge and experience	110	1	5	4.38	.986
Employees evaluate their performance against their personal goals and objectives	110	1	5	4.25	1.042
Employees act as an ownership and take responsibility to solve problems	110	1	5	4.60	.826
Employees understand the importance of their contribution and role in the organization	110	1	5	4.56	.830
Employees at all levels of an organization are fully involved in the organizational activities	110	1	5	4.57	.840
Employees within the organization are motivated to achieve the organizational goals	110	1	5	4.63	.740

Employees Participate in Innovation and creativity in furthering the organization's objectives	110	1	5	4.34	.901
Employees are accountable for their own performance	110	1	5	4.64	.864
Employees are eager to participate and contribute to continuous improvement	110	1	5	4.39	.996

Source: Analysis of data using SPSS Version 21, 2020)

The respondents were asked to respond about the effect of Employee involvement to quality management implementation at Commercial Bank of Ethiopia and the results are shown below.

As presented in table 4.8 above Employees act as an ownership and take responsibility to solve problems, employees within the organization are motivated to achieve the organizational goals; employees are accountable for their own performance with high mean score of 4.60, 4.63 and 4.64 respectively. With medium mean score of 4.56 and 4.57 employees understand the importance of their contribution and role in the organization and employees at all levels of an organization are fully involved in the organizational activities.

In addition, in order to implement employee involvement to quality management implementation Commercial Bank of Ethiopia let its Employees openly discuss problems and issues, freely share knowledge and experience, actively seek opportunities to enhance their competence, knowledge and experience, Employees evaluate their performance against their personal goals and objectives, employees participate in innovation and creativity in furthering the organization's objectives, Employees are eager to participate and contribute to continuous improvement with low mean score of 4.33, 4.27, 4.38, 4.25, 4.34 and 4.39 respectively. Therefore, the data result of SPSS Version 21 of descriptive statistics of the above table shows the CBE highly practices with employee involvement mean score of more than four, and This study is similar with (Benedict, 2016) in that Employee involvement is a means to better meet the organization's goals for quality

and productivity at all levels of the organization. Involving employees, empowering them, and bringing them into the decision making process provides the opportunity for continuous process improvement. Employees are motivated to improve on quality management practices implementation through rewards and incentives and Employees 30 effectively look for chances to improve their fitness, learning and experience

Table 4.9 Organizational Performance

Organizational Performance					
	N	Minimum	Maximum	Mean	Std. Deviation
increase bank profitability	110	1	5	4.47	1.038
enhance sales	110	1	5	4.74	.798
Increase bank competitiveness and resulted in acquisition of bigger market share.	110	1	5	4.79	.622
enhance service delivery in the bank	110	1	5	4.72	.744
ensure effective waste reduction in operations	110	1	5	4.68	.812
improve operation efficiency thus reducing operation costs	110	1	5	4.68	.753
increase retention as a result of customer satisfaction	110	1	5	4.67	.814

Source: Analysis of data using SPSS Version 21, 2020)

The table 4.9 above indicates the Organizational Performance for the implementation of total quality management (TQM) principles which increase bank competitiveness and resulted in acquisition of bigger market share with a grand mean of 4.79. In addition with score mean of 4.47 ,4.74, 4.72, 4.68, 4.68, 4.67 CBE increase bank profitability, enhance sales which have

contributed to bank performance, enhance service delivery in the bank, ensure effective waste reduction in operations, improve operation efficiency thus reducing operation costs, increase retention as a result of customer satisfaction. Therefore, the data result of SPSS Version 21 of descriptive statistics of the above table shows the CBE highly works to improve its performance with mean score of more than four.

4.3 Regression Analysis

4.3.1 The Relation between Independent and Dependent Variables

This section addresses objective four which sought to establish the relationship between total quality management implementation and performance of commercial banks of Ethiopia.

Table 4.10. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.562 ^a	.316	.296	.522

Predictors: (Constant), Employee Involvement, Leadership, Customer focus

The results shown in table 4.11 above sought to establish the regression between performance of commercial Bank of Ethiopia (CBE) and total quality management implementation. The degree to which total quality management implementation is related to performance of Commercial Bank of Ethiopia (CBE) is expressed in the positive correlation coefficient (r) = 0.562 and coefficient of determination, (r^2) = 0.316 as shown in table above. This implies that the three independent variables together express 31.6% of the performance of commercial Bank of Ethiopia, and there are however other factors that express the performance of commercial Banks of Ethiopia that are not included in the model which account for 68.4%. An R of 0.562 on the other hand signifies strong positive correlation between the variables of the study. The findings of this study is similar with that of Saadia (2018) in that the R was 0.955, R square was 0.941 and adjusted R squared was 0.838. An R square of 0.941 implies that 94.1% of changes in performance of commercial banks in Kenya is explained by the independent variables of the study. There are however other factors that influence performance of commercial banks in Garissa County, Kenya

that are not included in the model which account for 5.9%. An R of 0.955 on the other hand signifies strong positive correlation between the variables of the

Table 4.11 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.319	3	4.440	16.299	.000 ^b
	Residual	28.872	106	.272		
	Total	42.191	109			

a. Dependent Variable: Performance

b. Predictors: (Constant), Employee Involvement, Leadership, Customer focus

ANOVA Results

Analysis of variance was used to test the significance of the regression model as pertains to differences in means of the dependent and independent variables as shown in table 4.16 above. The ANOVA test produced an F-value of 16.299 which is significant at $p=0.000$. This shows that the regression model is significant at 95% confidence level. Thus the regression model is statistically significant in predicting how Employee Involvement, Management Leadership and Customer focus affect performance of commercial banks of Ethiopia.

4.3.2.2 Multiple Regressions between Independent and Dependent Variables

The study sought to establish the effect of Customer focus(CF), Management Leadership(ML) and Employee Involvement(EI) on the organizational performance of Commercial Bank of Ethiopia(OPCBE).

Hence the regression model became:

$$OPCBE = \beta_0 + \beta_1 CU + \beta_2 ML + \beta_3 EI + e$$

Table 4.12 Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	2.728	.406		6.714	.000
Customer focus	.259	.060	.373	4.317	.000
Management Leadership	-.052	.074	-.059	-.701	.485
Employee Involvement	.263	.073	.319	3.584	.001

a. Dependent Variable: Performance

Table 4.13 above shows that with the constant value of 2.728 which means there is a positive relationship between independent variable and the dependent variable. If Customer focus, management leadership and Employee involvement are constant, then the organizational performance will increase.

Therefore, an increase in Customer focus with the Coefficient value of 0.259 while Employee involvement and Management Leadership are constant, then the organizational performance increases. An increase in Employee involvement with the Coefficient value of 0.263 while Customer focus and Management Leadership are constant, then the organizational performance increases. This result is consistent with the results of Yuni, Ali, Ferdous and Jacqueline, (2019) with the Constant value is 50.284, which means there is a positive relationship between independent variable and the dependent variable. If customers focus, continuous improvement, strategically based, and total employee involvement are constant, then the organization

performance will increase. Coefficient of customer focus is 0.189, which means if customer focus increases while a continuous improvement, strategically based, and total employee involvement are remain constant, the organization performance increases, Coefficient of total employee involvement is 0.246, which means if total employee involvement increases while customer focus, continuous improvement, are strategically based are constant, then the organization performance increases. Finally, an increase in Management Leadership with the Coefficient value of -0.052 while Customer focus and Employee involvement are constant, then the organizational performance increases.

CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The study concluded that Customer Focus influences organizational performance of CBE because it has been given the more attention. This typically leads the Commercial Bank of Ethiopia (CBE) systematically manage customer relationship. Furthermore, the implementation of total quality management encourages CBE to produce high quality and reliable products/services on time with increased efficiency and productivity. When customer expectations are met, their satisfaction will be increased, and the firm's sales and the market share will increase. CBE rely on its customers, so it must understand the current and future needs, and achieve their needs, and work to exceed their expectations. This is achieved through research and understand all the needs and expectations of the customer in terms of products, services and delivery date, price and reliability, and to link the goals established with the needs and expectations of the client, and follow the way of ensuring a balance between the needs and expectations of customers and other stakeholders (owners, employees, suppliers and the community), met, their satisfaction will be increased, and the firm's sales and the market share will increase

In addition, Management Leadership is considered to have influence the performance of Commercial Bank of Ethiopia (CBE). This helped CBE's Management Leadership to total quality management implementation to highly minimize miscommunication between levels of organization, ensure good atmosphere which people can become fully involved in achieving the organization's objectives, establish a clear vision of the organizations' future.

Management Leadership also establish trust and eliminate fear, Consider the needs of all interested parties including customers, owners, employees, suppliers, financiers, local communities, and society as a whole, create and sustain shared values, fairness and ethical role models at all levels of the organization, inspire, encourage and recognize people's contribution, provide people and recognize people's contribution, training and freedom evaluate, align, and

implement activities in a unified way to act with responsibility and accountability, motivate people towards the organization's goals and objectives. Management Leadership in a TQM system views the firm as a system; support employee development; establish a multipoint communication among the employees, managers, and customers; and use information efficiently and effectively. Moreover, the study concludes that employee involvement is considered to have influence on Commercial Bank of Ethiopia (CBE). Employees are accountable for their own performance, Employees within the organization are motivated to achieve the organizational goals and Employees act as an ownership and take responsibility to solve problems, Employees understand the importance of their contribution and role in the organization and Employees at all levels of an organization are fully involved in the organizational activities. In addition, in order to implement Employee involvement to total quality management implementation Commercial Bank of Ethiopia let its Employees openly discuss problems and issues, freely share knowledge and experience, actively seek opportunities to enhance their competence, knowledge and experience, Employees evaluate their performance against their personal goals and objectives.

5.2 Major Findings

The study revealed that most total quality management employed by the commercial Banks of Ethiopia in Jimma town were employee involvement, management leadership and customer focus. TQM practices are meant to foster performance of commercial Banks of Ethiopia in Jimma town .

The findings of the study indicated that Customer Focus plays an active role in Systematically managing customer relationship, increasing revenue and market share obtained through flexible and fast response to market opportunities, researching and understanding customer needs and expectations, using organization's resource to enhance customer's satisfaction, improving customer loyalty leading to repeat business, measuring customer satisfaction and acting on results, Ensures a balanced approach between satisfying customers and other interested parties (such as owner, employees, suppliers, financiers, local communities, and society as a whole) Communicating customer needs and expectations throughout the organization.

The findings of the study established that CBE had the capacity in highly minimizing miscommunication between levels of organization, Ensuring good atmosphere which people can become fully involved in achieving the organization's objectives, establishing a clear vision of the organizations' future. Management Leadership of CBE establish trust and eliminate fear, Consider the needs of all interested parties including customers, owners, employees, suppliers, financiers, local communities, and society as a whole, Create and sustain shared values, fairness and ethical role models at all levels of the organization, Inspire, encourage and recognize people's contribution, Provide people and recognize people's contribution, training and freedom Evaluate, align, and implement Activities in a unified way.

The of findings of the study indicated that Employ Involvement in total quality management implementation Employees act as an ownership and take responsibility to solve problems, Employees within the organization are motivated to achieve the organizational goals; Employees are accountable for their own performance. Employees understand the importance of their contribution and role in the organization and Employees at all levels of an organization are fully involved in the organizational activities. In addition, in order to implement, Employ involvement to quality management implementation in Commercial Bank of Ethiopia let its Employees openly discuss problems and issues, freely share knowledge and experience, actively seek opportunities to enhance their competence, knowledge and experience.

Furthermore, the results of Regression Analysis indicated that, the degree to which total quality management implementation is related to performance of Commercial Bank of Ethiopia (CBE) is expressed in the positive correlation coefficient (r) = 0.562 and coefficient of determination, (r^2) =0.316. This implies that the three independent variables together express 31.6% of the performance of commercial Bank of Ethiopia, and there are however other factors that express the performance of commercial Banks of Ethiopia that are not included in the model which account for 68.4%. An R of 0.562 on the other hand signifies strong positive correlation between the variables of the study. The findings of this study is similar with that of Saadia (2018) in that the R was 0.955, R square was 0.941 and adjusted R squared was 0.838. An R square of 0.941 implies that 94.1% of changes in performance of commercial banks in Kenya is explained by the independent variables of the study. There are however other factors that influence performance of commercial banks in Garissa County, Kenya that are not included in the model which

account for 5.9%. An R of 0.955 on the other hand signifies strong positive correlation between the variables of the

Moreover the results of Regression Analysis indicated that constant value of 2.728 which means there is a positive relationship between independent variable and the dependent variable. If Customer focus, management leadership and Employee involvement are constant, then the organizational performance will increase. Therefore, an increase in Customer focus with the Coefficient value of 0.259 while Employee involvement and Management Leadership are constant, then the organizational performance increases. An increase in Employee involvement with the Coefficient value of 0.263 while Customer focus and Management Leadership are constant, then the organizational performance increases. This result is consistent with the results of Yuni, Ali, Ferdous and Jacqueline, (2019) with the Constant value is 50.284, which means there is a positive relationship between independent variable and the dependent variable. If customers focus, continuous improvement, strategically based, and total employee involvement are constant, then the organization performance will increase. Coefficient of customer focus is 0.189, which means if customer focus increases while a continuous improvement, strategically based, and total employee involvement are remain constant, the organization performance increases, Coefficient of total employee involvement is 0.246, which means if total employee involvement increases while customer focus, continuous improvement, are strategically based are constant, then the organization performance increases.

5.3 Recommendation

The researcher felt that the following recommendations are necessary for the organization.

The researcher of the same topic need to focus on the remaining TQM principles such as such as process approach, system approach to management, continual improvement, Factual Approach to Decision Making, Mutual Beneficial Supplier Relationship to fill the gap.

Since only five branches of CBE such as Jimma town main branch, Hirmata branch, AbaJifar branch, Jiren branch and Bishishe branch from jimma town were selected for this study the researcher of the same aspect should focus on the remaining branches of branches.

There is need for the bank management leadership to implement organizational culture change in the organization to enhance the implementation of total quality management so as to enhance the organization's strategy of employ involvement, open communication and cooperation throughout the organization. In addition, the bank management leadership should make commitment to quality which conveys the posture, philosophy and actions that total quality management implementation will receive a higher priority in the organization.

The commercial Bank of Ethiopia's management leadership needs to be totally involved in quality management development and implementation strategies within their organizations by making this process as their number one priority. There is also need for commercial Bank of Ethiopia's to prioritize employees' training on quality management process. This will empower employees to become more quality aware and also identify with the quality management process apart from contributing to improvement processes of the quality management strategy.

The organization should improve their efforts on employee involvement strategies to achieve organizational performance. There is need for the commercial Bank of Ethiopia's management leadership to prioritize and enhance total quality management training process to help in preparing employees towards managing the total quality management, so as to be able to identify and contribute to ongoing quality service improvement process of organizational efficiency. There is also need for the management leadership to constantly seek feedback from the organizations' stakeholders, e.g. suppliers, clients and staff, on how they can improve on quality management and act on the feedback. The commercial banks' top management needs to set simple, clear, measurable and achievable objectives that will guide the organizations to the right path strategically. There is also need to allocate adequate resources both financial and human resource so as to facilitate the achievement of those Objectives and subsequent improvement of quality management practices and performance of commercial Bank of Ethiopia.

5.4 Limitation of the Study

The study deployed use of a questionnaire to collect data; however, the problem with this was that a questionnaire used is based on the assumption that participants' responses to the questions will be honest and accurate. However, this is not always the case that participants will answer in

an honest manner. This is due to the fact that participants often give responses that they believe to be desirable

5.5 Future Research

This study examined certain TQM management implementation that affects organizational performance of commercial Bank of Ethiopia. However, there are other TQM management implementation that do influence organizational performance of commercial Bank of Ethiopia, hence the need to study those other TQM implementation if they have been implemented and determine to what extent if they are statistically significant do influence the performance of commercial Bank of Ethiopia

Further research needs also to be conducted on those additional variables apart from TQM implementation that do affect performance of commercial Bank of Ethiopia. The study on TQM practices influence on performance of commercial Bank of Ethiopia need to be expanded to cover not only commercial Bank of Ethiopia, Jimma town but also commercial banks' in other branches. There is also need for further studies on how TQM implementations do affect the performance of other service service sectors

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Appendix One

Jimma University

College of Business and Economics

Department of Management

1. Academic Research Questionnaire

Confidentiality Statement

Dear Respondent,

This questionnaire is designed to find out the Effects of total quality management implementation in the performance of Commercial banks of Ethiopia, Jimma town branches. Thus, I kindly request you to give the required information provided. Your contribution is highly important for the success of this study. The researcher would like to assure you that all the responses you give will be kept confidential and used only for the research purpose.

Thank you in advance for your invaluable co-operation!

The researcher.

PART I: Respondent personal information

- 1. Sex** 1. Male [] 2. Female []
- 2. Age** 1. 20-30 years 2. 31-40 years
3. 41-50 year 4. above 50 years

3. Your area of operation?

1. Branch Manager 2. Customer service manager 3. Branch Business manager
 4. Operation manager 5. Internal Control Manager 6. Banking Business Officer(BBO)

4. Education background: 1) Diploma 2. Degree 3.Masters 4.Ph.D

4. work experience:

- 1.0-5 years 2. 5-10 years 3.6-11 years 4. 12-20 years 5.More than 20 years

PART II: Specific Information about an organization

Section-One: Items **5-11** in the table below are accompanied with five options: Strongly Agree, Agree, and Neutral, Disagree and Strongly Disagree. Respond to these items by putting a tick mark (√) in the appropriate box.

Keys: - 5= Strongly Agree 4= Agree 3= Neutral 2= Disagree 1= Strongly Disagree

Table 1. To what extent the following Total quality management (TQM) Principles or determinants are considered to have influence the business performance of your organization?

5.	The following Total quality management(TQM) Principles or determinants are Highly considered to have influence the business performance of your Organization	Strongly Agree	Agree	Neutral	Disagree	Strongly Agree
1	Customer focus					
2	Leadership					
3	Employee Involvement					

4	Process Approach					
5	System Approach to Management					
6	Continual Improvement					
7	Factual Approach to Decision Making					
8	Mutual Beneficial Supplier Relationships					

Customer Focus

Table 2. Your organization does the following activities for Customer focus

	The following benefits considered to be the outcome of the customer focus in your organization	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
9	Works to increased revenue and market share obtained through flexible and fast response to market opportunities					
10	use organization's resource to enhance customer's satisfaction					
11	Improve customer loyalty leading to repeat business					
12	Research and understand customer					

	needs and expectations					
13	Ensure that the objectives of the organization are linked to customer needs and expectations					
14	Communicate customer needs and expectations throughout the organization					
15	Measure customer satisfaction and acting on results					
16	Systematically manage customer relationship					
17	Ensure a balanced approach between satisfying customers and other interested parties (such as owner, employees, suppliers, financiers, local communities, and society as a whole)					

Management/ Leadership

Table 3. Activities done by management/ leadership in your organization

	Management/Leadership	Strongly agree	agree	Neutral	disagree	Strongly agree
18.	Ensure good atmosphere which people can become fully involved in achieving the organization's objectives					

19	Motivate People towards the organization's goals and objectives					
20	Evaluate, align, and implement Activities in a unified way					
21	Minimize miscommunication between levels of organization					
22	Establish trust and eliminate fear					
23	Establish a clear vision of the organizations' future					
24	Consider the needs of all interested parties including customers, owners, employees, suppliers, financiers, local communities, and society as a whole					
25	Create and sustain shared values, fairness and ethical role models at all levels of the organization					
26	Inspire, encourage and recognize people's contribution					
27	Provide people and recognize peoples contribution, training and freedom to act with responsibility and					

	accountability					
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Employee Involvement

Table 4. The activities done by Employee involvement in your organization

		Strongly agree	agree	Neutral	Disagree	Strongly Disagree
28	employees at all levels of an organization are fully involved in the organizational activities					
29	employees within the organization are motivated to achieve the organizational goals					
30	Employees Participate in Innovation and creativity in furthering the organization's objectives					
31	Employees are accountable for their own performance					
32	Employees are eager to participate and contribute to continuous improvement					
33	Employees openly discuss problems and issues					

34	Employees freely share knowledge and experience					
35	Employees actively seek opportunities to enhance their competence, knowledge and experience					
36	Employees evaluate their performance against their personal goals and objectives					
37	Employees act as ownership and take responsibility to solve problems					
38	Employees understand the importance of their contribution and role in the organization					

Table 5: Organizational Performance

S/N		Strongly agree	Agree	neutral	Disagree	Strongly disagree
39	Implementation of quality management systems has increased bank profitability					
40	Quality management systems have enhanced sales which have contributed to bank performance					

41	Effective implementation of quality management systems has increased bank competitiveness and resulted in acquisition of bigger market share.					
42	Quality management systems has enhanced service delivery in the bank					
43	Implementation of quality management systems has ensured effective waste reduction in operations					
44	Quality management systems improve operation efficiency thus reducing operation costs					
45	Implementation of quality management systems focuses on increased retention as a result of customer satisfaction					

APPENDIX.2

Table 6. List of Jimma town CBE according to their year of establishment or Service in G.C.

No.	Bank's Name	Grade	Number of employee		Date and year of establishment
			Clerical	Non-clerical	
1	Jimma main branch	4	63	7	14/04/1947
2	Hirmata	4	43	2	14/07/1967
3	Abajifar	2	25	2	13/09/2010
4	Jiren	2	19	1	03/12/2012
5	Bishishe	1	20	2	26/12/2013
6	GinjoGuduru	2	21	1	28/06/2014
7	ShenenGhibe	2	18	2	27/03/2014
8	Mentina	2	22	2	04/04/2016
9	Awetu	1	13	1	12/04/2017
10	FerenjiArada	1	17	1	25/06/2017
11	Sadacha	1	15	1	29/06/2017
12	Bacho Bore	1	10	-	09/03/2019

Source: Jimma District, Quality Assurance and HRM, 2020

Table 7. List of Jimma Zone CBE according to their year of establishment in G.C

No.	Bank's Name	Date and year of establishment
1	Agaro	01/07/1967
2	Limmu	05/06/1971
3	Sekorru	15/09/2010
4	Asendabo	20/07/2011
5	Gera	15/08/2011
5	Yebu	25/06/2012
7	Shabe	27/06/2012
8	Serbo	11/03/2013
9	Seka	11/03/2013
10	Atinago	18/03/2013
11	Gomma	22/06/2013
12	Toba	30/09/2013
13	Ghibe	26/12/2013
14	Gettira	31/12/2014
15	Sigmo	23/02/2015
16	Ambuye	27/06/2015
17	Al-Beraka	22/02/2016
18	Dimtu	20/04/2018
19	Ababoka	11/03/2019
20	Nada	29/03/2019