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Quality Management and Operational Performance: A Case Study from Pakistan

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ABSTRACT

The primary purpose of this study was to find the effect of quality management on organization performance in the garment sector. The reason for choosing the garment industry was its rapid growth and the use of quality management in operational performance. A deductive approach followed by a quantitative research method was used. The data was collected through survey questionnaires on a five-point Likert scale using a random sampling technique from 131 employees working in various garment factories in Karachi. Further, the IBM® SPSS® V22.0 was utilized as a statistical tool. The findings found that the hypothesis was supported by narrating that quality management significantly and positively influences operational performance. The study can help researchers and practitioners realize the imperative role of quality management for operational performance and, eventually, sustainable organizational growth.

Keywords: *Garment, Quality management, Operational, Performance, Supply chain management, Textile*

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1. Introduction

For a long, quality management has been a vital topic of all renowned authors and researchers as they believe this has influenced a significant uprising in organizational performance. Every organization focuses on this and tries to ensure quality management is implied in their system (Demirbag et al., 2006). It is a fact that once world-class standards are met, the company will achieve more production (Kennerley & Neely, 2002). Moreover, small companies are mostly trying to find themselves with quality management. Further, the organizations believe that better quality management increases performance efficiency. Quality and efficiency tools encompass the organization's quality (Kennerley & Neely, 2002). Also, when we go into details of quality management, the definition will become broader as it will focus on continuous improvement. Regardless, the service and manufacturing industries' concepts of quality management are the same as they share common characteristics (Kumar et al., 2009).

Manufacturing companies in today's era are very complex due to standards and the organization structures of their hierarchy. In this case, we can mention the garment industry, which is very complex due to the hierarchical structure and its leadership (Sardana, 2008). The product line of the garment industry is very complex due to seasonal changes. The same can be said of the garment industry where quality management has become necessary due to changes in the demand of orders. As a result, many sewn companies are looking into establishing quality management in their organization to meet the quality performance and eventually improve the logistics performance of the company (Wilson & Collier, 2000). Further, in an industry like a garment one, everyone from top leadership to a lower level of organization and quality management is necessary to meet that particular company's goals and requirements (Matthews & Marzec, 2015). In addition, it is also to ensure the product the customer receives at the right time and in the suitable condition. This can only happen when there is a proper quality management process (Fernandes et al., 2017).

The garment industry is one of the most prominent sectors of Pakistan. Further, in the garment industry, people spend millions on new clothes and designs. This industry can be further categorized into small sections: frocks, maxi, lengha, sharara, and gharara. Even further, this categorization can be boy's designs, shalwar kameez, dhotis and sherwani. The main reason for purchasing these various products is that the customers want something extraordinary. Various ceremonial events throughout the year make people spend a considerable amount. Per surveys in 2019-2020, the textile industry constituted 46% of Pakistan's total share in the garment industry. This means this market is one of the most prominent sectors in Pakistan. Therefore, quality management is vital for the success of the garment industry. In addition, this industry has the most employed people (Abdullah et al., 2009). The top-notch competitors are SANA Safinaz, Khaadi, FTA, and Sania Maskatiya. These competitors have targeted the market of lower to high-class people who instead go to the shops to purchase rather than use online services to purchase services. This study measures the effect of quality management on operational performance in the garment industry.

2. Literature Review

According to Baloch and Rashid (2022), operational optimization is crucial. Therefore, quality management has a significant contribution to operational performance. The reason is that major development and living standards have increased the point's importance. Karia and Asaari (2016) conducted a study to investigate the influence of quality management practices, and they compared it with an Australian garment company (Bastas & Liyanage, 2018). The results showed that delivery time was one of the few factors that positively impacted the product's quality. Last but not least, it further showed that improving quality in a manufacturing or garment industry is more complex than in logistic firms (Hashimi et al., 2020).

Another research found how strategies in the garment industry were implemented to check quality management. The researcher used three variables to conduct this study, evaluation, awareness of quality, and operational performance (Lin et al., 2005). The sample size that the researcher used was 120. This company used ten steps in order to implement quality management. These ten steps included management, quality, quality improvement, operational performance, quality awareness, manager and supervisor training, effort cause and continuous improvement (Fynes et al., 2005). Further, this study indicated the integration of the entire department to ensure everyone follows the same rules and regulations. The result of this setup was that all the employees from the different departments had a mindset that there is no compromise of quality, and each and every department has to follow that (Beerens et al., 2012). Furthermore, if we take another aspect of Yu et al. (2017) surveyed how important operational performance is (Vanichchinchai & Igel, 2011). The sample consisted of 110 people belonging to a logistics department in the garment industry. The sample was from performance measures, customer expectation, and customer expectation and satisfaction. The results showed there had been an enormous amount companies locally using quality management in order to improve their performance. There were also a few companies who were not willing to convert their business into quality management as it is financially expensive to implement, but they do have in their mindset and plan to establish proper quality management in upcoming years (Teoman & Ulengin, 2017).

Further, there have been multiple researchers who have quoted on how to improve the operational performance of an organization. These include just in time, supply chain management and quality management on how they influence business performance. Kannan (2005) empirically found that the above measures influence performance. Based on the empirical evidence, the following hypothesis was developed to test the influence of quality management (QM) on operational performance (OP).

H1: Quality Performance has a significant Impact on Logistics Performance.

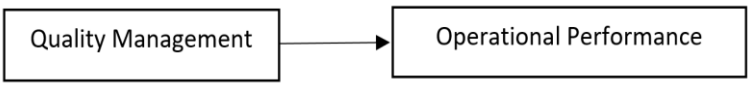

Figure 1: Research Model

3. Research Methodology

A deductive approach followed by a quantitative research method was used to test the study hypothesis (Rashid, 2016; Rashid et al., 2019; Hashmi et al., 2021). The data was collected through survey questionnaires on a five-point Likert scale (Hashmi et al., 2020a, b; Khan et al., 2022; Rashid et al., 2020; Rashid et al., 2021). The data was collected using a random sampling technique from 131 employees working in various garment factories in Karachi. According to Hashmi et al. (2021), a sample of 100 is adequate to test study variables. Further, the IBM® SPSS® V22.0 was utilized as a statistical tool (Hashmi & Tawfiq, 2020; Hashmi et al., 2020; Khan et al., 2022; Rashid & Amirah, 2017).

4. Research Analysis

Before regression analysis, the reliability test was performed to analyze the consistency of items. Table 1 expresses the Cronbach Alpha (α) value of 0.823, more significant than 0.60. According to Hashmi et al. (2021), the α value greater than 0.60 is considered adequate. Later, regression analysis indicated that quality management significantly and positively affects operational performance. The adjusted R Square estimate is 0.712, meaning the independent variable (quality management) impacted the dependent variable (operational performance). Further, ANOVA results express that significance for the model = 0.000 < 0.05, which means the model predicts the study variables significantly. The *F* value

is 5.180, which is more fantastic than four and expresses that the model is fit. The coefficient results show a significant and positive effect of quality management on operational performance. Hence, hypothesis *H1 (There is a significant effect of quality management on operational performance)* is supported.

Table 1: Regression analysis

			Model Summary		ANOVA		Coefficients		
	N	***α***	*R*	Adjusted R Square	*F*	Sig.	Std. Beta Coefficient	*t*	Sig.
LP	131	0.823	0.778	.712	5.180	.049		6.172	.000
QM	131						.139	1.321	.035

*Note: α=Cronbach Alpha; Constant=OP; Predictors (QM); *Standardized beta coefficient (Dependent Variable = OP); QM=Quality management*

5. Discussion and Conclusion

Objective 1: H1 (there is a significant effect of quality management on operational performance). The findings highlighted that quality management is imperative for any organization as it will help the company achieve efficiency in today's dynamic world. Better quality means a company with increased efficiency with better customer value (Agha et al., 2021). The reason is that the organization will be more effective and efficient in the market and be a leader in the market. Quality management will also mean fewer designs are sent to the outlet, which is defected, and the company can gain operational performance significantly. Further, it shows that fewer defective pieces will be sent to the customers, which will reduce the operational cost of picking up the product from the customer. Moreover, when a company starts to work on improving the operational performance through quality management effectively, it can improve drastically, leading to market leader.

It is prescribed for the company to effectively consider these variables in the future decision-making of an organization. This research can help companies to give more attention to these variables because the findings suggest that quality management significantly and positively affects operational performance.

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