



MRC Unsolicited Grant Scheme:

Implementation and Practice of Quality Management in the Tourism Sector of Mauritius

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About the Study

- An investigation whether organisations in the tourism industry are managing quality effectively and efficiently:
 - to meet customer needs and expectations
 - to obtain competitive advantage and sustained growth.
- To provide an insight into the current status of quality management in the tourism industry and identify areas that need improvement.
- All stakeholders, including the government, will have the big picture of what is being done and what remains to be done in terms of quality to boost the tourism sector in Mauritius.

Research Objectives

- Investigate the existing quality management practices in the tourism industry.
- See whether quality is being managed effectively and in a holistic manner.
- Investigate how much organizations invest in quality (% revenue).
- Look into the benefits derived from effective quality management.
- Identify the barriers to the implementation of quality management.
- Look into what organizations are losing from ineffective and inefficient quality management.
- Recommend strategies for improvement of quality in the tourism sector.



Rationale of the Study

- In Mauritius, much has been said about the importance of quality products and services to meet and exceed customer expectations.
- Most investors in the tourism sector claim that they are fully conscious of the necessity to excel and intend to achieve world class performance to sustain competitive advantage.
- However, a survey of outgoing tourists by the Ministry of Tourism and Leisure in 2002 and 2004 shows a drop in the perception of the overall quality of the Mauritian tourism product compared to other island destinations from 56% and 53% respectively.
- A study on the perceptions of hotel guests in Mauritius by Juwaheer and Ross (2003), found that the customers' expectations of service quality from hotels were not met.



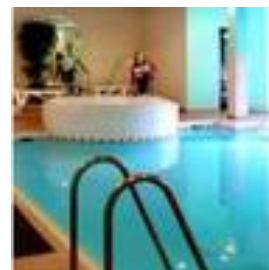
Rationale of the Study

- Although organisations agree on the importance of quality in Mauritius, little research has been done to investigate how quality is being managed in the tourism industry.
- It is essential that the status of the implementation and practice of quality management in this sector be appraised in order to enhance quality.



Overview of Tourism Sector

- Mauritius has developed hotels of world renown and the hotel industry has initiated various quality management programmes to improve the quality of service.
- Vital role of Air Mauritius in the success of the tourism industry
 - by profitably opening up new markets with consistent and reliable scheduled services.
- The 3 S: Sand, Sun, Sea
 - Mauritian Beaches
 - Recreational Facilities
- Handicraft Development



Growth of Tourism Sector

	1984	2004
Tourism Arrivals	139 670	718 861
Tourism Receipts	Rs 630 million	Rs 19 000 million
Employment	13658	22613
No. of Registered Hotels	54	105

Quality Management

- Studies indicate that quality service is of paramount importance for customer retention and a crucial predictor of future economic activity.
- Competition has had major implications for the customer
 - providing increased choice,
 - greater value for money and
 - augmented levels of service & firms that survive this fierce competition.
- *Quality will not be the same tomorrow as it is today* because tourism businesses are constantly raising the quality standards of the industry leading to changes in tourists' expectations



Importance of Quality Management

The provision of high quality service has become essential to survival.

- Satisfy the needs and expectations of tourists but at a profit which is necessary for their survival.
- Managers should understand that unless they truly satisfy the needs and expectations of tourists, they will not only lose profits but may contribute to the demise of the tourism system of which their business is an integral and inseparable part.

Quality Management in Tourism

The challenge to the tourism industry becomes clear with different customers having different needs, wants and expectations from different service encounters.

- The industry must therefore equip and gear itself to satisfying the needs of these consumers.
- The implementation and integration of organizational climate, service quality, and customer satisfaction are critical issues for managers in a very competitive market. Therefore their level of sophistication will need to increase to meet these challenges (David, 2003).



Scope of Project

- The scope of the project is to survey the managerial viewpoint regarding quality management practices in organisations that operate within the different components of the tourism sector, namely
 - *Accommodation – hotels, bungalows, guesthouses etc.*
 - *Transport – airlines, car rentals.*
 - *Tour Operators.*
 - *Airports services – AML (Airports of Mauritius Ltd.)*
 - *Travel Agents.*
 - *Leisure and Recreation activities.*
 - *Restaurants*

Research Methodology

- Research Instrument: Questionnaire
 - 5 point likert scale
- Stratified random sampling
- 302 organisations were considered
- Response Rate: 99.7%
- Pretesting
 - Pretest carried out among 30 respondents
 - Modifications made accordingly



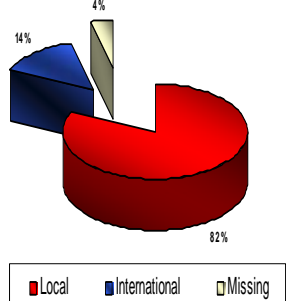
Data Analysis

- Excel 2002 and SPSS 13.0 used
- Tests used:
 - Kolmogorov-Smirnov tests of normality
 - Chi-square
 - Kruskal Wallis test
 - Mann Whitney U tests

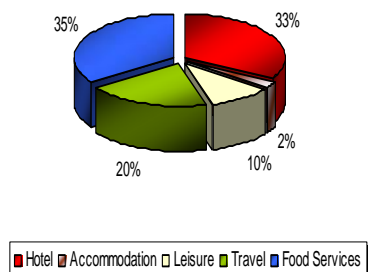


Demographics

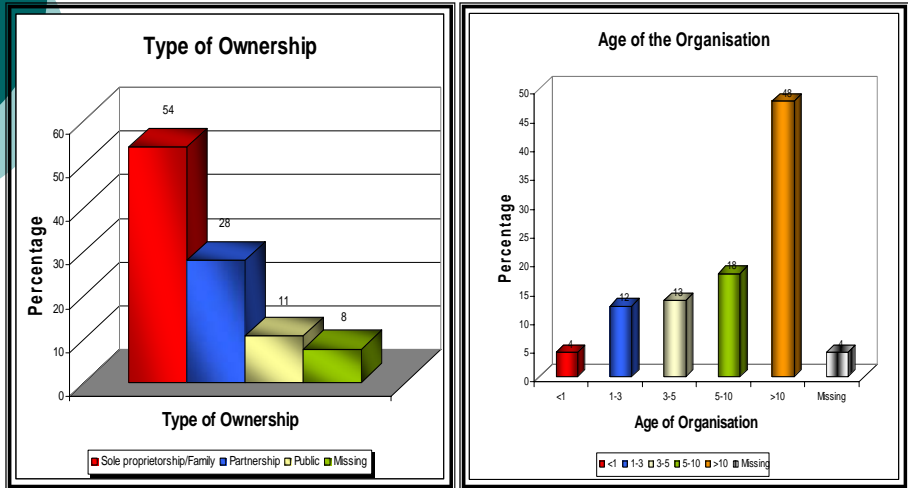
Type of Organisation



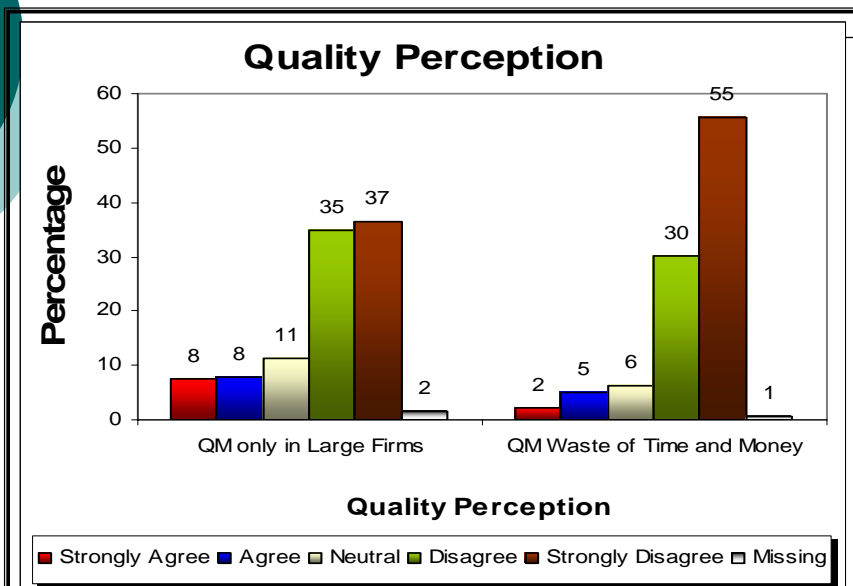
Type of Service



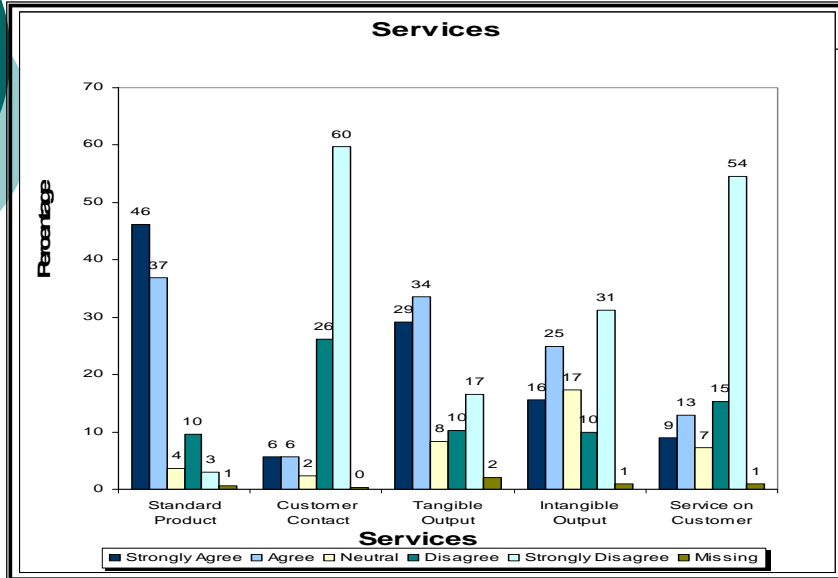
Demographics



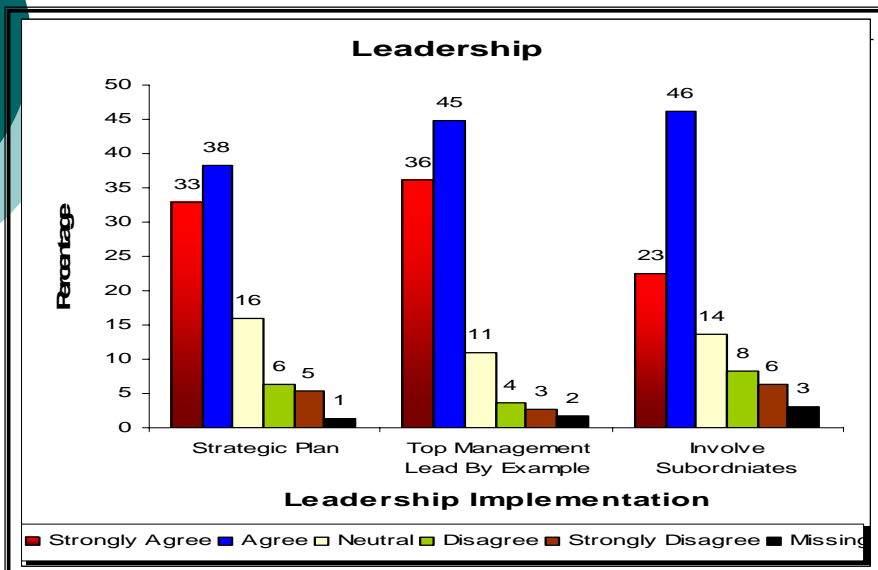
Quality Perception



Analysis - Services

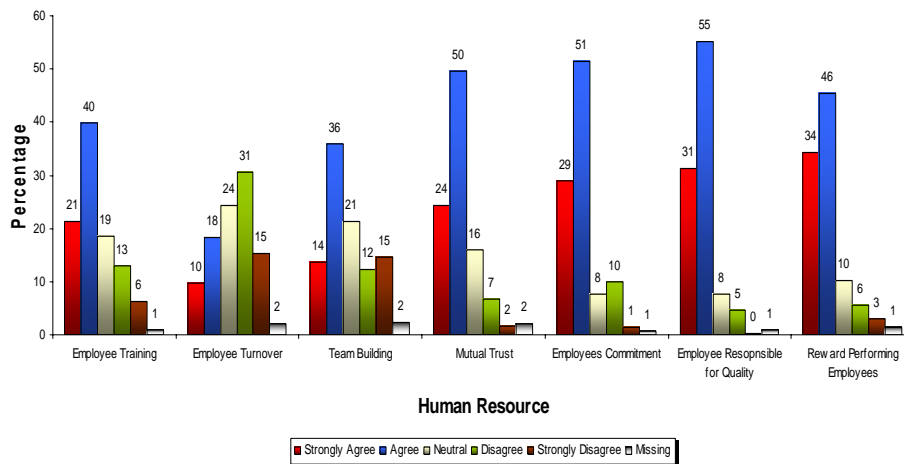


Leadership



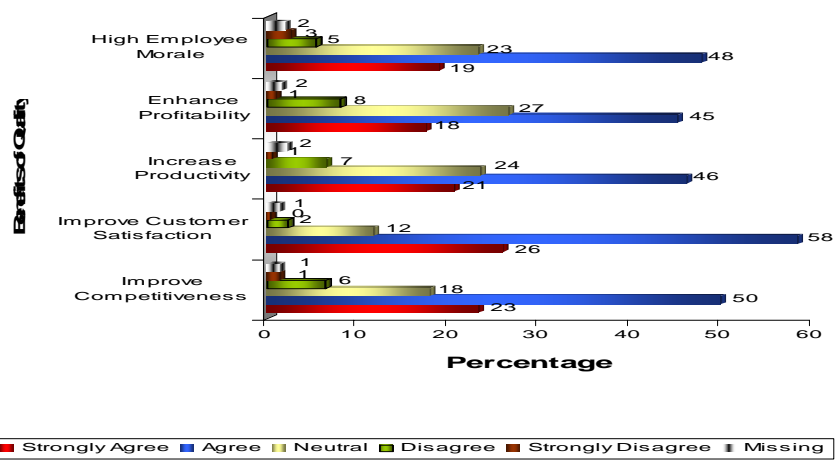
HRM

Human Resource

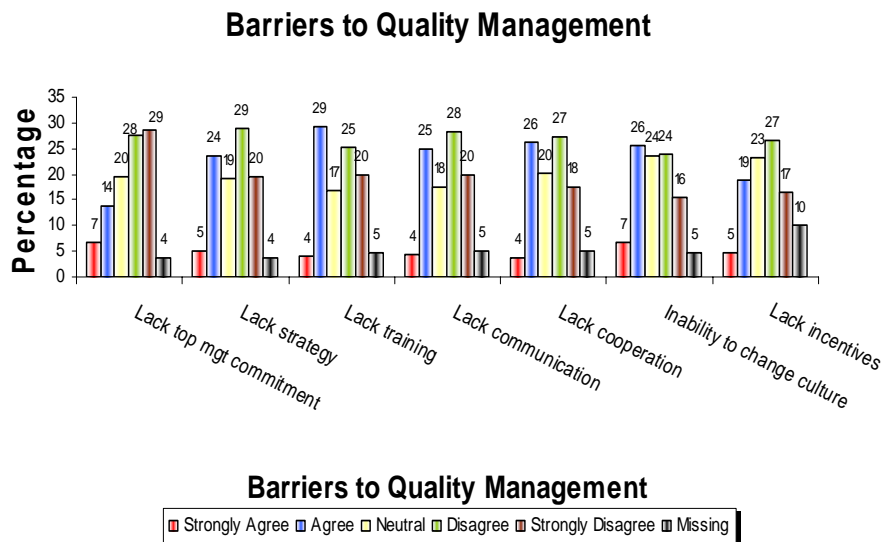


Benefits to Quality

Benefits of Quality



Barriers to Quality Management



Hypothesis Testing

- **H1: There is no difference in the management of quality among the different types of services within the tourism sector.**
 - Accepted

- **H2: There is no difference in the management of quality between small/medium and large organisations.**
 - Rejected

Hypothesis Testing

H3: There is no difference in the management of quality among the different types of ownership within the tourism sector.

- Rejected

○ **H4: There is no difference in the barriers towards the implementation of quality among the different types of services within the tourism sector.**

- **H4 is rejected :**

- Lack of strategy
- Lack of training
- Lack of cooperation
- Inability to change culture

- **H4 is accepted :**

- Lack of top management commitment
- Lack of communication
- Lack of incentives

Hypothesis Testing

○ **H5: There is no difference in the barriers towards the implementation of quality between small/medium and large organisations.**

○ *H5 is rejected:*

- Lack of top management commitment
- Lack of strategy
- Lack of training
- Inability to change culture
- Lack of incentives

○ *H5 is accepted :*

- Lack of communication
- Lack of cooperation

Hypothesis Testing

- **H6: There is no difference in the barriers towards the implementation of quality among the different types of ownership within the tourism sector.**
- *H6 is rejected :*
 - Lack of strategy
 - Lack of training
 - Inability to change culture
 - Lack of incentives
 - Lack of communication
 - Lack of cooperation
- *H6 is accepted:*
 - Lack of top management commitment

Hypothesis Testing

- **H7: There is no difference in the benefits derived from quality management among the different types of services within the tourism sector.**
- *H7 is rejected for the following benefits derived from quality management:*
 - Improve customer satisfaction
 - Increase productivity
 - Enhance profitability
- *H7 is accepted for the following benefits derived from quality management:*
 - Improved competitiveness
 - High employee morale

Hypothesis Testing

- **H8: There is no difference in the benefits derived from quality management between small/medium and large organisations.**
- *H8 is rejected :*
 - Improve customer satisfaction
 - Enhance profitability
 - Improved competitiveness
 - High employee morale
- *H8 is accepted:*
 - Increase productivity

Hypothesis Testing

- **H9: There is no difference in the benefits derived from quality management among the different types of ownership within the tourism sector.**
- *H9 is rejected :*
 - Improved competitiveness
- *H9 is accepted:*
 - Increase productivity
 - Improve customer satisfaction
 - Enhance profitability
 - High employee morale

Hypothesis Testing

- **H10: There is no difference in the commitment of top management towards quality among the different types of services within the tourism sector.**
 - Accepted
- **H11: There is no difference in the commitment of top management towards quality between small/medium and large organisations.**
 - Rejected
- **H12: There is no difference in the commitment of top management towards quality among the different types of ownership within the tourism sector.**
 - Rejected

Hypothesis Testing

- **H13: There is no difference in the implementation of strategic plan among the different types of services within the tourism sector.**
 - Rejected
- **H14: There is no difference in the implementation of strategic plan between small/medium and large organisations.**
 - Rejected
- **H15: There is no difference in the implementation of strategic plan among the different types of ownership within the tourism sector.**
 - Rejected

Discussion

- Top management's leadership by example has not crystallised into a strategic plan and its commitment to quality has not resulted in implementation of quality management programmes.
- Inaction by the leaders may be explained by the lack of awareness, communication, knowledge, resources and right framework for successful management.
- 73.2% of the respondents claim they have continuous improvement programme, yet only 51% of the firms have formal quality programmes.



Discussion

- Quality approaches and quality tools are pathetically low since only 33% of the organisations use them.
- Training employees in quality management and the use of team-building techniques are also relatively low with only 61.7% and 50.7% of the respondents being positive on these.
- The findings indicate that quality management is a mere rhetoric in the whole tourism sector with the absence of formal quality programmes, measurements and tools.



Discussion

- Overall, local organisations lag behind international ones with regards to quality practices.
- Organisations benefited mostly from improved customer satisfaction and improved competitiveness while increased profitability tends to be the least.
- In general, international organisations have benefited from quality management more than the local ones



Discussion

- The hotels seem to derive more benefits than the other tourism components.
- Large organisations have benefited mostly compared to the SMEs.
- Findings reveal that the three most significant barriers are lack of training, inability to change culture, and lack of cooperation respectively.
- A significant lack of measurement for quality in the tourism sector.



Recommendations

- Adoption of a strategic approach towards total quality
- Setting up of an office responsible to drive quality throughout the sector
 - Act as facilitator
- Creation of quality culture
- Development of Quality Policy
- Holistic approach is necessary to the entire sector
- Synergy among all stakeholders
- Motivation of employees



Recommendations

- Quality at all levels, from senior management to low level workers
- Certification programmes to ensure formal QMS
- Use of ICT to improve quality
- Adoption of right leadership style
- Open communication
- Training



Limitations of the survey


- Despite the fact that every precaution has been taken to avoid biases, the survey might still be subject to untruthfulness of respondents
- The definition of the size of organizations was limited to the number of employees because of a lack of information about annual turnover/revenue
- The sample size of some components of the tourism sector was very small



Conclusion

This study aimed at shedding light on the status of quality management implementation and practices, in the tourism sector, that can help shape new policies and measures in line with the new vision for tourism as well as bridging the gap where the need arises

- The findings of this study were rather contradictory considering that the tourism business milieu always claims in believing and engaging in quality systems and practices
- There is much room for improvement in quality management practices within the tourism sector



*Quality management
must become the
way of life in the
tourism sector*

*Thank You for your
attention*

