Quality management systems in tourism companies: the case of travel agencies in Egypt

Mohammed I. Eraqi
Tourism Studies Department
Faculty of Tourism and Hotels
Fayoum University
Fayoum Governorate, Egypt
E-mail: m_eraqi@hotmail.com

Abstract: For best practices, a tourism company needs to establish its own quality management system to help in comparing (benchmarking) the tourism company to its competitors and, if necessary (in most cases), differentiate it from others. Quality Management Systems (QMSs) offer a unique and original experience to the visitor and ensure his satisfaction and loyalty. This paper tries to provide an overview of the importance of QMSs to the tourism business sector and examines the degree to which there is an approach for quality measurement in the Egyptian tourism companies/travel agencies. The data of the research has been collected through questionnaires distributed to tourism managers in the Egyptian tourism companies/travel agencies. Out of the 150 randomly selected tourism companies, 50 fully completed and returned the questionnaire forms yielding a relatively satisfied response rate of 33%. The paper findings explain that Egyptian tourism companies do not have any of Quality Management (QM) approach and they do not have a clear system for quality control and/or quality assurance.

Keywords: Quality Management Systems; QMSs; travel agents; quality assurance; quality control; performance improvement.


Biographical notes: Mohammed I. Eraqi is a Professor and the Head of the Department of Tourism Studies at the Faculty of Tourism and Hotel Management, Fayoum University, Egypt. He received his PhD in Economics from the Faculty of Economics and Political Sciences at Cairo University, Egypt. He has been involved in consultancy and related research projects in the fields of tourism and transport. His research interests include economics of tourism and transport, sustainable tourism and eco-tourism resources management, information technology and strategic marketing, tourism services quality management and air transport economics.
1 Introduction

In an ever-changing competitive environment, tourism enterprises/travel agencies are challenged to provide quality service and maintain excellence. Quality exists to the extent that a tourism product/service meets the customer’s needs and expectations. Accordingly, the individual tourism elements making up a strategy based on quality standards have to be based on a thorough understanding of the tourist/customer. Total Quality Management (TQM) systems are already part and parcel of the approaches that tourist services suppliers (tour operators, travel agents, hotels, restaurants, etc.) are developing (UNWTO, World Tourism Organization, 2005; Enright and Newton, 2005; Christine and Buswell, 2003; Eraqi, 2006). As the competition and business survival in modern organisations are intensifying, they need not only increase their market share by improving the quality of products and/or services, but also improve the performance of their employees. In the early 1980s, the concept of TQM was widely applied to manufacturing industries. The application of TQM has recently shown its significance in service industries for improving the quality of service, enhancing the performance measures and customer satisfaction, which has resulted in increased competitive advantage (Williams and Buswell, 2003; Enright and Newton, 2005). Rapid development of new levels of service capabilities would be the best solution to deliver high value-added services to satisfy the customer needs in the tourism sector in Egypt. Awareness of the importance of quality for survival and competition has recently started to spread among tourism organisations. Since the effective implementation of TQM hinges on the development of a business plan and providing value-added and customer-focused processes, it is interesting to study the key drivers that will make the application of TQM successful in tourism business sector.

Generally, quality has four stages to be developed. First, quality inspection, in which, an inspection takes place to test which tourist product/service is good and which one is not, and to decide to what extent this product is standardised. Second, quality control, which is a system used to inspect the steps of product manufacturing, starting from testing the quality of raw materials through different stages of manufacturing, and controlling quality during storage and delivery to discover mistakes but not prevent them entirely. Third, quality assurance, in which the places and types of problems can be expected, because it is an ordered system that guarantees the quality of specific product that meets consumer expectations and adopts standardisation. The fourth stage is total/strategic Quality Management (QM). TQM is a system designed by Edward Deming and Joseph Juran and aims to use Statistical Control Process (SCP) in stages of manufacturing (Gilbert, 1992; Hyde, 1992; Martin, 1993). Of course, the implementation of these stages needs to be guided by TQM principles to guarantee sustainability in the tourism business.

It has become increasingly important for enterprises to find ways, not only to reach the top, but also to be leaders in an ever increasingly competitive tourism marketplace. In order to protect tourism companies’ long-term interest, tourism enterprises are seeking ways to forge and to maintain an ongoing relationship with their customers (Behara and Gundersen, 2001). This can be achieved by adopting a clear Quality Management System (QMS). In Egypt, tourism service enterprises are dynamic, and constitute an important sector, which occupies a major part of the internal economy. This paper endeavours
to provide an overview of the importance of QMSs to the tourism business sector and examines the degree to which there is any approach for quality measurement in the Egyptian tourism enterprises/travel agencies.

2 Literature review

Quality is an important competitiveness factor and not just a fashionable idea. Managers see quality as a means for securing competitive advantage, and QM practices as a way for improving output quality, encouraging innovation, reducing waste and obtaining kinds of efficiency gains (Huq and Stolen, 1998; Lentell, 2001). Cost-benefit analysis identifying and implementing quality system generates significantly more benefits in an increasingly competitive tourism world. Service companies are in the process of developing Quality Systems (QSS) for the measurement of service quality, which include both internal, external, hard and soft measures of tangible and intangible aspects of the service they provide (Ridley, 1995). Tourism quality system provides a framework within which actions aimed at quality enhancement can be undertaken and performance measures can be improved (Augustyn, 1998; Teece, 2007). Tourism companies need to identify and communicate as many differentiating factors as possible. From a customer point of view, quality is an undeniable support in price-value comparison. Tourism companies should therefore, invest in quality systems (UNWTO, World Tourism Organization, 2005; Eraqi, 2006). Excellence within a tourism business is revealed through improvements in level and trends, customer satisfaction, return business, employee satisfaction, partner appreciation and cooperation. However, when identifying, designing and implementing quality system it is necessary to take into account all current and future company stakeholders needs.

QM encompasses a broad range of activity, from companywide total quality efforts to perceptions of service quality by the customers experiencing service (Teare, 1996). Many tourism companies are developing their own quality systems for monitoring, benchmarking and measuring aspects of tourism service quality. The important thing here is that tourism managers should try to create an organisational atmosphere that supports efforts to improve quality and enhances the nature of communications between employees and tourists/customers (Ridley, 1995; Teare, 1996; Worsfold, 1999). A quality culture is difficult to achieve without a context or framework. A quality management system such as BS EN ISO 9000–2000 can be seen as a framework, which acts as a catalyst for quality to be embedded throughout the tourism company organisation (Williams and Buswell, 2003). A quality system is a system to establish quality policy and quality objectives and to achieve those objectives. A quality system (in-house system/non-accredited system or out-house system/accredited system) involves a group of tools and techniques such as customer interviews, inspections, internal audit, benchmarking and quality circles. A quality system should provide a suitable approach for integrating the quality tools to meet the quality policy and objectives.

2.1 Generic features of successful quality system

Increasing competitiveness in the tourism market impels individual tourism companies to focus on quality improvement as a source of competitive advantage. Small-size tourism companies lack adequate inputs and ability to effectively manage internal and external...
relationships in order to develop a comprehensive quality system (Luk, 1997; Augustyn, 1998; Al-Wugayan et al., 2006). The existing literature reports that TQM programmes are not always effective. Many companies are frustrated in their effort to improve quality through TQM because these companies have exclusively focused on financial measures instead of quality measures. Tourism enterprises need to understand the Critical Success Factors (CSFs), for the successful implementation of TQMSs. What are the factors that contribute to the success of a QMS efforts in tourism organisations? According to Badri et al. (1995), Black and Porter (1996), Teare (1996) and Sin et al. (2006) the main generic features for the successful implementation of QMSs are top management commitment, quality culture, strategic quality management, design quality management, process management, supplier quality management, education and training, empowerment and involvement, information and analysis, continuous improvement for tourism products/services and activities and customer satisfaction. These CSFs act as a guide for tourism organisations contemplating a TQM initiative (Lockwood, 1994; Jago and Deery, 2002).

Quality strategies that support a quality system for tourism should be elaborated and reviewed on an ongoing basis by companies as specific sectors of activities linked directly or indirectly to the tourism industry (Hyland et al., 2000; Evans and Lindsay, 2002; Williams and Buswell, 2003). This means that quality should be a commitment to continuous improvement and not just aim at obtaining certification (UNWTO, World Tourism Organization, 2005); i.e., companies should adopt continuous improvement as a strategic imperative and strive to exceed customer expectations. Also, it is important to be a kind of public – private sector relationship for quality improvement. However, the main objectives of QM should be to improve the quality of the tourism experience through (Lockwood, 1994; Black and Porter, 1996; Hassan, 2000):

- meeting tourists’ needs
- improving the competitiveness of the tourism business
- offering quality business environment
- meeting employees’ needs.

The above are the CSFs for the successful implementation of QMS. Swiss (1992) said that these factors contribute to the increase in customer satisfaction and business performance improvement. However, his research has shown that there is no guarantee that these factors can improve the performance directly. This is because the factors must be considered as a whole requirement. The performance of a company will not be improved significantly if it only considers one or a few critical factors.

2.2 Quality systems strategies and policies

Deming, Juran and Crosby all indicate the importance of training in QM organisations by describing these organisations as learning centres in which employees continually adapt to new work roles and tasks (Foster, 2001). In order to achieve QMS, a company must be organised in a systematic way so that all employees, administrative or technical, who are affected by QM practice, will be under control. The feature of QMS is related to the tools and techniques for analysis, correlations and predictions of actions to be taken for continuous improvement (Lockwood, 1994; Worsfold, 1999; Babakus et al., 2003).
Performance measures are used in process control, e.g., control charts, performance improvement, and quality improvement teams, so that they give information about how well processes and people are doing and motivate them to perform better in the future (Babakus et al., 2003). In addition to the basic elements of a quality system that provide a framework for recording, there exists a set of methods that is used to interpret and derive the maximum use of the data, for example, process flowcharting, check sheets, stratification, control chart, etc. Sometimes more sophisticated techniques, such as analysis of variance, regression analysis and design of experiments need to be employed for data interpretation and evaluation (Gilbert, 1992). It is necessary to understand that most quality measures/arrangements cannot be imposed by law and the main responsibility of tourism quality rests in the hands of the private sector, with the exception of public infrastructure and services. Therefore, private sector initiative towards tourism quality improvement is the core issue.

Managers should also reward employees for participating in quality activities, e.g., giving them team rewards or prizes, to motivate them. The features and requirements for effective leadership in a company can be summarised as follows (Ellram, 1991; Hyland et al., 2000):

- Top management must express the values and beliefs to the employees through a very clear mission statement in the company.
- Clear and effective strategies and supporting plans for achieving the objectives of the company must be developed.
- The CSFs and processes must be identified by the management.
- Employees must be empowered and effective employee participation must be encouraged.
- Good communication, i.e., two-way communication among the staff, must be built.
- Group morale, good teamwork and interrelationships between teams and employees must be promoted.
- Good leaders must focus on ‘quality’ instead of ‘quantity’.

However, all tourism service suppliers need to be tackled, as the quality of tourism service is transversal and therefore affects all types of product and service delivered by tourism companies (UNWTO, World Tourism Organization, 2005). It is necessary to identify priorities in order to place more weight and effort on the sectors of activities within the company and/or transversal issues that need to be addressed primarily. Employees should be given the ability to control what they do and the authority to implement improvement. Guidance from management is a key to ensure that the organisation’s objectives are met (Ellram, 1991; Lentell, 2001).

2.3 Supplier partnership

Selecting a quality supplier can also help improve the quality of products or services. Many companies are aware of the importance of creating long-term relationships with their suppliers, which can increase their competitiveness. However, it is important to note
that supplier development and management is not as critically important for service companies as it is for manufacturing companies. The benefits of the development of long-term suppliers are (Ellram, 1991; Williams and Buswell, 2003):

- the long-term suppliers are more interested in final customer needs
- the long-term suppliers are more willing to get involved in the other partners product design process
- flows of information sharing can be speeded up
- stable relationships can lead to stable delivery and prices.

2.4 Measurement and feedback

Measurement is necessary to conduct against a series of key result indicators, both internal and external. Therefore, an organisation should always analyse the feedback, which can help to improve the product/service quality on a continuous basis. An organisation should also measure the results from either internal and external benchmarking or customer surveys. This will assist the company to know the market and to better understand the customer’s needs and expectations. In brief, the important role of measurement in the cycle of never-ending improvement includes (Williams and Buswell, 2003):

- identifying the opportunities for improvement such as cost reduction programmes
- comparing the actual performance against internal standards such as process control and improvement
- comparing the actual performance against external standards such as benchmarking with other companies.

2.5 Cultural change management

Organisations need to create a culture where all the employees should participate in the quality awareness programmes and quality improvement projects relevant to their own workplace. This culture should change an individual’s behaviour and attitude in different ways, such as (Hyde, 1992; Martin, 1993):

- each individual should be involved in quality improvement projects
- employees must do their own inspection at work
- absolutely no defective part, goods or service should be passed on to the next process
- each person must be committed to satisfying his/her customers, both internal and external
- external suppliers and customers must be integrated into the improvement process
- mistakes must be viewed as an opportunity for improvement
- honesty, sincerity and care must be an integral part of daily business life.
The implementation of QMS in any firm or field of tourism necessitates some requirements that should precede the start of applying this programme in the firm to present the idea of application for workers and to guide them to achieve the quality objectives effectively; these requirements include (Ishikawa, 1985; Smith, 1993):

- Reforming the firm culture – entering any new principle in the firm requires reforming the internal culture of the firm, to know if this can be applied or not according to workers’ beliefs. That is because quality culture differs from traditional management culture, so this requires altering or changing the managerial ways and preparing workers to deal with the new approach.

- Marketing of the programme – the internal marketing for workers of the institution plays an important role in informing them about the programme, its advantages, and expected risks, etc. This can be done using lectures, meetings, training programmes to inform staff about the benefits that will come to the institution and to them as a result of applying QMS.

- Learning and training – to avoid any risks in applying this programme, staff have to be trained and must learn the basics of this new approach to be able to provide the desired outputs. Lack of awareness of the principles of this programme may lead to failure, and this can be avoided by training, which should be oriented to all categories (levels) of management and should include the implementation strategy, methods of training, technical support, required skills to solve problems, make decisions, statistical tools, etc.

- Consultants support from experts and specialised institutions are needed to apply the programme in the right way and deal with the resulting problems, especially in the primary stages.

- Forming team works – building team works in groups with five to eight members from concerned departments; these teams must be trusted and must be ready to develop the products and should have the authority to control and evaluate tasks included in the programme and present suitable suggestions to develop the programme.

- Awards and incentives for workers – to create a trust atmosphere and loyalty to the firm.

- Supervision and controlling by correction of any deviations and coordinations among different individuals and departments and overcoming all obstacles that hinder the implementation.

- Implementation strategy – this may be done in sequential steps such as preparation (the phase of knowledge exchange and experience dissemination, then setting objectives); planning (setting a plan and identifying resources required for implementation); and evaluation (by using the statistical methods of control for measuring the level of performance).
2.6 Implementation phase of QMS

Zero phase (preparation phase) is called such because it precedes any phase of applying QMS. This phase includes indicating the institution message and its future overviews, setting common objectives and identifying the institution policy. Planning is the first phase in which individuals can use data developed through the preparation stage; then accurate planning starts followed by designing an implementation plan according to available resources. The planning process illustrates the steps to access the desired objectives. The evaluation stage includes the exchange of necessary information to support the preparation and planning phases. Surveys, questionnaires, interviews, self-evaluation of the institution, SWOT analysis, etc., are used. Implementation (application) stage could stand as the third phase that starts with the serious effort to initiate effective training processes for both trainees and workers (staff). Concerned team members evaluate and develop processes and to make the required actions for desired changes, experience dissemination and exchanges. All departments of the institution participate in this stage to make suitable recommendations (Williams and Buswell, 2003). Others specify certain steps to apply QMS as follow (Swiss, 1992; Teare, 1996):

- understanding and perception of the importance of applying QMS for the institution
- this perception should be turned into written procedures to be followed in the firm
- organisation of teamwork to achieve QMS philosophy and identifying roles, validities, and responsibilities for each team
- system design
- identifying required costs
- planning of system implications
- identifying methods of quality control
- building previously organised teams
- training
- implementation (applications).

There are some approaches or attitudes that must be followed to apply QMS successfully (Hill, 1991; Ishikawa, 1985; Smith, 1993). The first attitude is the empowerment of employees and encouraging them to participate in the decision-making process. In other words, the participation of the employee will allow them to be aware of the desired objectives. This participation can be done by holding regular meetings and letting them express their views. The second attitude is the innovation and creativity that are the results of employee empowerment. The third one is dividing responsibilities and roles among employees to inform every one of them about his/her required role in this teamwork. Team participation will help to achieve the work more efficiently than having one or two persons do it. The team must have a leader and members with task schedule. The important issue here is choosing the team leader that has to have special skills, technical, communication and rational thinking (Huq and Stolen, 1998).
Tourism enterprises perform many activities besides organising trips. They also perform development, marketing, purchasing, warehousing and distribution. All these activities are processes that have to be managed systematically. Therefore, the company should establish, document and implement within its organisation a QMS that is designed to continually improve its effectiveness (Gilbert, 1992; Ishikawa, 1985; Hill, 1991; Fredline and Faulkner, 2000).

2.7 The guiding principles of quality management

The internal culture of a tourist organisation/company is seen to be a factor affecting the receptiveness of it staff to customers and thus, the quality of tourist services it provides. In designing and implementing a successful QMS, the following elements are important (Luk, 1997; Augustyn, 1998; Atilgan et al., 2003; UNWTO, World Tourism Organization, 2005; Eraqi, 2006):

- Leadership: it is vital to lead a tourism company to develop or design a suitable QMS.
- Participation: it is important to give chances to employees and other stakeholders to participate in continuous improvements.
- Promotion: focus on major key international, regional and domestic tourism markets.
- Measures: designing the suitable measures/criteria that will ensure that the action taken by management will result in improvement.
- Plan: a detailed implementation plan with dates and responsibilities for actions is necessary.
- Communications: establishing a good system of communications to guarantee an effective relationship with stakeholders.
- Finance: tourism companies need to find suitable sources to finance the cost of establishing an effective QMS, especially if their size is small.

3 Research methodology

This paper aims to examine the quality management systems within the Egyptian tourism travel agencies and explain to what extent these systems are applied in the tourism business sector companies in Egypt. A sample frame is the number of Egyptian travel agencies category A, which reached 869 companies in 2003 (Egypt, 2003). Random sampling is employed to choose 150 companies from which tourism managers are chosen. The main criterion for the selection of the participants is their experience and expertise on the fields of quality. Most interviews took place in the place of work and few telephone interviews were made to explain some remarks related to the conducted survey. The researcher first contacted 12 tourism experts from the Egyptian Tourism Authority (ETA) and tourism companies who have sufficient experience in the field of tourism QM as a pilot study to check the questionnaires, to decide the suitable number of questions and to understand their knowledge about QM concepts and their ability to answer the survey questions.
The research data were collected through questionnaires distributed among tourism managers in the Egyptian tourism companies. A total of 150 questionnaire forms were distributed, and that represented a sample size of about 17% of the total population. Each manager was given an envelope containing a letter explaining the purpose of the research, the potential benefit of the study, the assurance of confidentiality of their responses and a copy of the questionnaire form. Out of the 150 randomly selected tourism companies, 50 fully completed and returned the questionnaire forms yielding a relatively satisfied response rate of 33%. The validity of the research outcomes is tested through suitable statistical tools such as statistical means and Chi2 test (Luk, 1997; Ennis and Harrington, 2001; Babakus et al., 2003; Cramer, 1998; Black, 1999; Eraqi, 2007).

4 Results and discussions

In Table 1, the survey analysis shows that 84% of tourism companies in Egypt do not apply a formal QM programme and 12% of them are in the stage of preparation. Only 4% have already implemented a formal programme for total QM. These results can be confirmed if it is known that the statistical mean of the first statement is 2.80 near the ‘Not Planned’ criterion, which was measured in three scales (see Table 2) (Chi2 Sig. = 0.000 ≤ 0.05, see Table 3). For the statement of the quality standards, 12% are undergoing preparation for ISO 9000, 2% work under the standard of ISO 14000 and 2% work under other quality systems (see Table 1). The statistical means of these standards of quality are 2.75, 2.89 and 2.89. They are near the scale of 3, ‘Not Planned’ (see Table 2) (Chi2 Sig. = 0.014 and 0.000 ≤ 0.05 for the three standards, see Table 3).

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Frequency distribution of TQMS in tourism business</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality system statements</strong></td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Tourism company has installed a formal QM programme: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>2</td>
</tr>
<tr>
<td>Quality standards that have already been implemented or are planned to be implemented within the next three years:</td>
<td></td>
</tr>
<tr>
<td>ISO 9000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>6</td>
</tr>
<tr>
<td>ISO 9000-2000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td></td>
</tr>
<tr>
<td>ISO 14000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>1</td>
</tr>
<tr>
<td>Others: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>1</td>
</tr>
<tr>
<td>Tourism managers implement a process for improvement suggestions in their organisation: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>49</td>
</tr>
<tr>
<td>Tourism company has a customer survey support programme: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>28</td>
</tr>
</tbody>
</table>
### Table 1  
Frequency distribution of TQMS in tourism business (continued)

<table>
<thead>
<tr>
<th>Quality system statements</th>
<th>1 %</th>
<th>2 %</th>
<th>3 %</th>
<th>4 %</th>
<th>5 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of self-assessments management does per year: 1, 2, 3, 4 or 5.</td>
<td>20</td>
<td>40</td>
<td>30</td>
<td>60</td>
<td></td>
</tr>
<tr>
<td>How often managers survey their customers per year: 1, 2, 3, 4 or 5.</td>
<td>24</td>
<td>48</td>
<td>22</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>How often managers survey their employees per year: 1, 2, 3, 4 or 5.</td>
<td>11</td>
<td>21</td>
<td>12</td>
<td>24</td>
<td>3  5</td>
</tr>
<tr>
<td>Tourism company can benefit from TQM through: save money = 1, improve customer relations = 2, motivate employees = 3, improve the company’s working climate = 4, increase product quality and/or service = 5.</td>
<td>5  10</td>
<td></td>
<td>6  12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>How would management rate TQM costs in their company costs structure in percentage: 1, 2, 3, 4 or 5.</td>
<td>1  2</td>
<td></td>
<td>1  2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Table 2  
Descriptive statistics*

<table>
<thead>
<tr>
<th>Quality system statements</th>
<th>Mean</th>
<th>Std. deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tourism company has installed a formal QM programme: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>2.80</td>
<td>0.49</td>
</tr>
<tr>
<td>Quality standards that have already been implemented or are planned to be implemented within the next three years:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ISO 9000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>2.75</td>
<td>0.44</td>
</tr>
<tr>
<td>ISO 9000–2000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>3.00</td>
<td>0.00</td>
</tr>
<tr>
<td>ISO 14000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>2.89</td>
<td>0.46</td>
</tr>
<tr>
<td>Others: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>2.89</td>
<td>0.46</td>
</tr>
<tr>
<td>Tourism managers implement a process for improvement suggestions in their organisation: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>1.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Number of self-assessments management does per year: 1, 2, 3, 4 or 5.</td>
<td>2.60</td>
<td>0.64</td>
</tr>
<tr>
<td>How often managers survey their customers per year: 1, 2, 3, 4 or 5.</td>
<td>2.54</td>
<td>0.65</td>
</tr>
<tr>
<td>Tourism company has a customer survey support programme: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>2.14</td>
<td>1.00</td>
</tr>
<tr>
<td>How often managers survey their employees per year: 1, 2, 3, 4 or 5.</td>
<td>3.81</td>
<td>1.30</td>
</tr>
<tr>
<td>Tourism company can benefit from TQM through: save money = 1, improve customer relations = 2, motivate employees = 3, improve the company’s working climate = 4, increase product quality and/or service = 5.</td>
<td>4.73</td>
<td>0.90</td>
</tr>
<tr>
<td>How would management rate TQM costs in their company costs structure in percentage: 1, 2, 3, 4 or 5.</td>
<td>4.00</td>
<td>1.41</td>
</tr>
</tbody>
</table>

Note: *Chi Square test for most of statements are significant because they have Chi Sig. less than 0.005 (Table 3).
There are 98% of tourism companies in Egypt who have implemented a process for improvement suggestions, the statistical mean = 1 (see Table 2). Sixty percent of Egyptian tourism companies do self-assessments three times a year and 40% do self-assessments twice a year (see Table 1), mean = 2.60, \( \chi^2 \) Sig. = 0.000 ≤ 0.05 (see Tables 2 and 3). For the statement of how often managers survey their customers, 48% of companies do this kind of survey once a year and 44% do it twice a year, mean = 2.54 and \( \chi^2 \) Sig. = 0.000 ≤ 0.05 (see Tables 1, 2 and 3). Fifty-six percent of these companies have a customer survey support programme for measuring end customer satisfaction, mean = 2.14 and \( \chi^2 \) Sig. = 0.317 ≥ 0.05 (see Tables 1, 2 and 3). If t-test is used, it will support this result because t. Sig. = 0.000 less than 0.05. However, the \( \chi^2 \) test does not support this result and this matches with the fact that most of tourism companies in Egypt are small and they do not have a systematic approach for quality measurement.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Chi square test</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quality system statements</strong></td>
<td>( \chi^2 )</td>
</tr>
<tr>
<td>Tourism company has installed a formal QM programme: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>58.240</td>
</tr>
<tr>
<td>Quality standards that have already been implemented or are planned to be implemented within the next three years:</td>
<td></td>
</tr>
<tr>
<td>ISO 9000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>6.000</td>
</tr>
<tr>
<td>*ISO 9000–2000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>–</td>
</tr>
<tr>
<td>ISO 14000: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>15.211</td>
</tr>
<tr>
<td>Others: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>15.211</td>
</tr>
<tr>
<td>Number of self-assessments management does per year: 1, 2, 3, 4 or 5.</td>
<td>44.880</td>
</tr>
<tr>
<td>How often managers survey their customers per year: 1, 2, 3, 4 or 5.</td>
<td>35.600</td>
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<tr>
<td>Tourism company has a customer survey support programme: already implemented = 1, in preparation = 2, not planned = 3.</td>
<td>1.000</td>
</tr>
<tr>
<td>How often managers survey their employees per year: 1, 2, 3, 4 or 5.</td>
<td>7.625</td>
</tr>
<tr>
<td>Tourism company can benefit from TQM through: save money = 1, improve customer relations = 2, motivate employees = 3, improve the company’s working climate = 4, increase product quality and/or service = 5.</td>
<td>7.364</td>
</tr>
<tr>
<td>How would management rate TQM costs in their company costs structure, in percentage: 1, 2, 3, 4 or 5.</td>
<td>.000</td>
</tr>
</tbody>
</table>

Note: * There is no value for \( \chi^2 \) and for Chi sig. because the result of degree of freedom is zero.

In terms of measuring the quality of business environment in the Egyptian tourism companies, the survey results show that 24% of them survey the employees two times a year and 5% do it three times a year; 21% of them do this survey once a year and 44% do not have any programmes to survey the internal customer (company employees). The statistical mean of the statement of how often managers survey their employees = 3.81 and \( \chi^2 \) Sig. = 0.022 ≤ 0.05 (see Tables 1, 2 and 3).
Regarding the attitude of the Egyptian tourism companies towards the importance of applying total quality management systems, the results show that 22% see that tourism companies can benefit from TQM systems. Twelve percent of Egyptian tourism companies say that TQM systems increase product quality and/or service, and 10% say that TQM systems improve customer relations. Seventy-eight percent of tourism companies do not have any clear vision about the importance of TQM systems. The statistical mean of the statement that tourism companies can benefit from TQM = 4.73 and Chi² Sig. = 0.007 ≤ 0.05 (see Tables 2 and 3).

Regarding TQM costs, 2% of tourism companies say that TQM costs represent 2% of total operating costs. Another 2% believe that TQM costs represent 5% of total operating costs, while 96% of the Egyptian tourism companies do not have a clear idea about their TQM systems costs. Based on the results of the statistical tests (mean and Chi²) regarding how management would rate TQM costs in their company cost structures, where the statistical mean = 4.00 and Chi² Sig. = 1.000 ≥ 0.05, (see Tables 1, 2 and 3), one can conclude that most Egyptian tourism companies or 96% do not have a systematic approach to quality control or quality assurance, and so they do not have a clear system to know about the costs of their QMS. This is why Chi Square Sig. is greater than 5%.

It appears that travel agencies in Egypt should make more efforts to improve their service quality measurements. To improve the situation it is necessary to develop an advanced system for benchmarking to achieve business excellence. This can be done by designing a suitable TQMS, taking into consideration the CSFs that should be available for any system to achieve best practices and ameliorate the Egyptian travel agencies’ performance measures.

5 Conclusions and implications

To conclude, it is clear that Egyptian tourism companies/travel agencies do not apply any of the TQMSs and they do not have a clear system for quality control and/or quality assurance. The main reasons for these results are:

- Egyptian tourism companies are not aware of the importance of QM systems and their role in improving performance measures and their customer satisfaction level.

- The small size of the Egyptian tourism companies and the fact that they work as small distributors (travel agents) more than as tourism package producers (total tour operators).

However, Egyptian tourism companies can still adopt a suitable QMS to improve their performance measures, achieve the requirements of applying best practice approaches and enhance the quality levels of their tourism services. This is because there is no link between the use of Quality Management Practices (QMP) and the company size (Beaumont and Sohal, 1999).

To achieve excellence and improve the performance measures of Egyptian travel agencies, there should be cooperation between tourism companies in Egypt in the field of quality measurement and when designing their quality systems. Any design and
implementation of a quality supporting system should be based on the need to establish its own quality approach and the need to establish the quality type and level and convenience of obtaining an independent audit and certification.

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