The Impact of Customer Focus, Obsession On Quality, Education and Training, Teamwork And Continuous Improvement On Product Quality

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Abstract

The purpose of this study is to study the direct and indirect interactions between Customer Focus, Education and Training, Team Cooperation, and Continuous Improvement of Product Quality. The study was carried out in the Small and Medium Industry soun noodles in Klaten Regency. The subjects of this study were the owners of Small and Medium Industries soun noodles. This study has a contribution, especially in explaining the mechanism to provide educational programs and job training for employees to continue to improve their skills and work skills, build strong teamwork supported by high morale and continuously develop and diversify products based on customer demand, feedback between customers, quality of competitors, and ways employees work.

Keywords
Customer Focus, Obsession With Quality, Education And Training, Teamwork, And Continuous Improvement And Product Quality

INTRODUCTION

In the globalization era today, industrial competition is very tight. Where Small and Medium Industries in Indonesia today continue to grow and experience improvement. In 2015, IKM in Indonesia amounted to 3.67 million (https://www.bps.go.id). The increasing number of IKMs has caused competition in developing businesses to be tighter where a business is demanded to produce a product that matches the standards of what is desired by consumers.

Based on data from Disperindagkop and UMKM in Klaten Regency, there are 34,070 business people. Which is where the IKM producing soun noodles is one type of business located in Klaten Regency. Where the soun noodle IKM in Klaten Regency has problems in the production process so that it affects the quality of the product, the need to focus on the customer, obsession with customers, education and training, teamwork and continuous improvement is necessary.

Total Quality Management is an approach that is carried out continuously in carrying out an effort to maximize competitiveness through continuous improvement of services, people, processes, products, and environment (Tjiptono and Diana 2003). Based on these statements, each company must be able to make improvements on a scale so that the resulting product becomes more optimal in carrying out the production process and the products produced according to what is expected by the customer. The application of several TQM principles is expected to be a way to excel and compete in global competition.

With the increasing number of processed snacks SMEs in Wonosobo Subdistrict, it will cause increasingly intense business competition. Therefore, the industry must be able to face the possibility of competition, threats, and market opportunities. To deal with these problems, the way that can be done by the company is by increasing the supply chain management performance and operational performance.

With the application of the principles of Total Quality Management, the quality of the products produced will increase so those producers can produce products desired by consumers. Quality is essential in competition for service and manufacturing companies, and also for small and large businesses. Quality is an essential thing for the company (Hansen & Mowen, 2005: 13). So if an IKM does not focus on the customer, a business unit does not understand the product as...
desired by consumers or customers. Therefore, it is necessary to focus on the customer so that the company can meet the demands that consumers want by giving the customer a role by including the customer in the product analysis process through a company by asking customer satisfaction with a product.

Lack of obsession with quality can cause the quality of the product to be less than the maximum expected by the customers. So that the need for the obsession with quality is necessary, because with the quality that has been determined, then the obsession to fulfill what has been determined so that the product is produced according to customer desires. Fatimah et al. (2016) state that there is a significant influence between the obsession with product quality.

Education and training are also very much needed in a scholarship. If in an effort, there is no education and training in processing a product will experience disability or the product produced is not as desired. Therefore, the need for education and training to improve the quality of products produced and not fail in the production process. As in the research conducted by Talib et al. (2010) states that there is a significant influence between education and training on product quality. Fatimah et al. (2016) state that there is a significant influence between the obsession with product quality.

Team collaboration is one of the elements that are needed in an organization, company, or institution in carrying out the production process. If there is no team collaboration, the resulting product will experience imperfection because between one team and the other team lack communication or not the same goal. Therefore, it is essential to collaborate between teams in one umm so that the products produced are following what they want and do not fail. Talib et al. (2010) states that there is a significant influence between team collaboration on product quality.

With the large number of IKM managing the soun noodles, it has led to competition, especially in Klaten Regency, so that the perpetrators of ICT must be able to create conditions that enable them to be able to compete in market share. Therefore, management and quality are associated with continuous improvements made by the IKM in order to encourage market growth and win the competition. IKMs that do not manage these changes will lag and will gradually experience setbacks. In the research conducted by Zehir et al. (2012), it was stated that there was a significant influence between the variables of continuous improvement on product quality. This high profit can be obtained by continuous quality improvement through routes, namely market routes and routes for improving the quality of products produced (Fandy and Anastasia, 2001). This research aims to examine the influence of Customer Focus, Obsession on Quality, Education and Training, Teamwork, Product Quality, and Continuous Improvement of Product Quality.

LITERATURE REVIEW AND HYPOTHESES

Total Quality Management
Vincent Gaspersz (2001: 4) argues that quality management is a way to continuously improve performance at each level of the process or operation, in every functional area of an organization, by using all available human and capital resources. According to Ariani (1999; 25) Integrated Quality Management (Total Quality Management) as an application of quantitative methods and human resources to improve in the provision of raw materials and services for organizations, all processes within the organization at a certain level where customer needs are met now and in the future come. So if there is an improvement in the production process, it will make it easier for a company to improve its performance to make it more maximum in the production process. When a company does a change, a company will be able to compete with competitors.

Focus on Customers
According to Tjiptono and Diana (2003), the customer is someone who interacts with a company after the process of producing a product. Focusing on customers does not mean that they have fulfilled the demands and integrated quality requirements. TQM organizations need a strategy that runs to meet customer needs (Sallis, 2002). When focusing on customers is formed so that it will improve the quality of the company because the company will focus on how the quality it produces and will be improved to maintain consumer trust and satisfaction.

Obsession With Quality
According to Goetsch and Davis (1994) in organizations that implement TQM, the final
determinant of quality is internal and external customers. With the quality specified, the organization must be obsessed with fulfilling or exceeding what is determined. This means that all employees at each level try to implement every aspect of their work based on the perspective of "How can we do it better?" If an organization is obsessed with quality, then the principle is "good enough is never good enough."

According to Tampubolon (2004), the achievement of quality targets will be beneficial for companies in placing their position in the market (market position). Thus, quality is beneficial for companies in determining the following. First, the reputation of the company. If a change can be a market leader, this situation shows that the quality of the company is better than the competitor's products. Conversely, if the company is only a market follower, the company must try to control the quality of its products to be even better. Thus, quality is very beneficial in the form of the company's reputation, through the quality of its products. Second, product liability. It is a challenge for companies in marketing a product if the product raises problems for customers or markets, it is the responsibility of the company morally and materially.

Third, global aspect. In the era of globalization which means that every service or goods marketed internationally must be able to compete in quality and in terms of cheaper prices, as well as designs that are in accordance with international market demand, the result is that global aspects will directly affect the quality of the results of the operational process. Fourth, education and training. According to Dessler (2009), is a process of teaching new or existing employees, the necessary skills they need to carry out their jobs. Training is part of education. Education is more theoretical and philosophical. Nevertheless, education and training have the same goal, namely learning, in learning there is implicit understanding. Through understanding, it is possible for employees to be an innovator, initiative maker, creative problem solver, and make employees more effective and efficient in carrying out work by Tijptono and Diana (2003). When education and training are carried out so that it will improve the quality of employees to understand the times and will improve their quality in order to remain able to compete in market share.

**Team Collaboration**

Team collaboration is one of the fundamental elements in TQM. (Tijptono & Diana, 2003). The team consists of several people who have a common goal. When the team works well, there is no misunderstanding so that it can maintain the quality of the product and not experience a product defect. The factors that underlie the need to form specific teams within a company. First, thinking of two people or better than just one person's thinking. Second, the concept of synergy is that the overall result (team) is far better than the number of parts (individual members). Third, team members can know each other and trust each other so that they can help each other. Fourth, teamwork can cause communication to be built well (Tijptono & Diana, 2003).

**Continuous Improvement**

Continuous improvement is one of the most fundamental elements of TQM. Kaizen is a Japanese concept which means continuous improvement. This approach can be adequately implemented if accompanied by the right human resource efforts. Human factors are the most critical dimensions in improving quality and productivity (Tijptono & Diana, 2003). Continuous improvement is a constant improvement in all sizes (Hardjosoedarmo, Soewarso, 2004). In organizations, if there is a crisis problem with the product or system, it is necessary to make changes in the barriers that have a breakthrough level. Furthermore, if what happens is a routine deviation from the existing standard, it is necessary to do small or incremental repetitive changes. Thus the term continuous improvement does not ignore innovation and creativity or breakthrough. In organizations, it is necessary to make incremental improvements, innovation, and creativity in a sustainable manner, which is called continuous improvement (Hardjosoedarmo, Soewarso, 2004).

**Definition and Concept of Product Quality**

Product quality is the compatibility of product use (fitness for use) to meet the needs and satisfaction of consumers. Juran in Nasution (2005). According to Kotler and Armstrong (2001), product quality is the ability of a product to carry out its functions, including durability, reliability, ease of operation and repair, and value attributes.
According to Russell & Taylor (2011) in a product that is seen by consumers, it must have dimensions of product quality. First, performance is the suitability of the product with the primary function of the product itself from a product. The performance here refers to product characteristics such as measurable brands of art and aspects of individual performance. Second, features are a distinctive feature of the product that distinguishes from other products that can give a good impression to customers. Product diversity is usually measured by each, which indicates a difference in service or product quality can be said as a secondary aspect. Third, reliability is a customer's trust in the product because of the possibility of low damage. Reliability of the product can increase the level of consumer confidence in the product. Fourth, conformity is a standard that is owned by a company where a company can match the standard. Fifth, durability is a level of durability the product can be used. This characteristic is related to the durability of a product. The product is called durable if it lasts for a specified period. Sixth, service capability is a characteristic related to accuracy in improvement, speed, ease, and competence. Seventh, aesthetics is the beauty of the taste, the attractiveness of the product, and the style. The design of a product is seen how the appearance of a product such as taste, shape, and aroma. Eight, perceived quality, related to consumers' feelings in consuming products, is subjective, such as fulfilling satisfaction and increasing self-esteem. Ninth, subjective perceptions based on promotions, brand names, and more. To be able to achieve customer satisfaction, companies must be able to pay attention to the characteristics of product quality. Based on the characteristics contained in the product, consumers can assess whether the product has good quality or not. In addition to these characteristics, time also affects consumer perceptions of a product. In general, customers will pay for a product at a level of quality that can be reached. If the consumer feels they have got what they paid for (or more), then they will be satisfied with the quality of the product.

Hypothesis Development
Effect of Customer Focus on Product Quality
According to Goetsch and Davis in Tjiptono and Diana (2003) in TQM, both internal and external customers are drivers. Companies must understand their customers because if a company understands what customers want, the company can focus on the quality of their products that will be given to consumers. According to Sari, D. M. (2009) The focus on customers is an effort by companies to produce products following consumer desires to satisfy consumers. To fulfill the consumer's wishes, the company needs to spend costs so that the resulting quality is more maximal so that customers become satisfied. As quality improves in a better direction, the costs previously incurred to maintain quality will decrease. In a study conducted by Mizuru (2013), the focus on customers has a positive effect on product quality. If the focus on customers is improved, it will improve product quality. From the description, the researcher proposed the following hypothesis:

H1: Customer Focus has a positive effect on Product Quality.
The Effect of Obsession on Quality on Product Quality
According to Sari (2009) argues that obsession with quality is a commitment and attitude of the company to continue to provide the best quality on each product that is carried out only to meet customer needs. The company must maintain a controlled production process so that prevention costs are needed. According to Hansen and Mowen (2005), prevention costs include quality control costs, production design costs, processing costs, training costs, and information costs. With the commitment to continue to maintain good quality, the prevention costs incurred will decrease. In a study conducted by Fatimah et al. (2016) obsession with quality has a positive effect on product quality in other words if the variable obsession with quality is improved, it will improve product quality. From the description, the researcher proposed the following hypothesis:

H2: An obsession with quality has a positive effect on Product Quality.
Effect of Education and Training on Product Quality
According to Goetsch and Davis in Tjiptono and Diana in organizations that implement TQM, education and training are fundamental factors. Everyone is expected and encouraged to continue learning. By learning, everyone in the company can improve their technical skills and professional expertise.
Training, according to Dessler (2009), is a process of teaching new or existing employees, the necessary skills they need to carry out their jobs. To improve the quality of employees and improve employee innovation capabilities, companies should conduct education and training. But the sacrifice that must be made by the company is by issuing training costs. Based on research by Talib et al. (2010) education and training have a positive effect on product quality, meaning that if the education and training variables are improved, it will improve product quality. From the description, the researcher proposed the following hypothesis:

H3: Education and Training have a positive effect on Product Quality.

Effect of Team Cooperation on Product Quality

According to Bachtiar (2004) argues that cooperation is the synergy of the strength of several people in achieving the desired goal. The stronger the relationship between team members in synergizing the production process, the lower the cost of internal company failure. Included in the company's internal costs here are rework costs, process failure costs, and process time costs. Based on the results of the Talib et al. (2017), team collaboration has a positive effect on product quality in other words if the team collaboration variable is improved, it will improve product quality. From the description, the researcher proposed the following hypothesis:

H4: Team Cooperation has a positive effect on Product Quality.

Effect of Continuous Improvement on Product Quality

According to Tiptono and Diana (2003), it is necessary to do PDCA (plan-do-check-act) to implement continuous improvement, which consists of planning steps, implementation of the plan, the examination of the results of the implementation of the plan, and corrective action on the results obtained. Sari., (2009) Continuous improvement of the system is a process of improving production and management towards a better production and management system on an ongoing basis. When a company consistently maintains continuous improvement, it will affect the quality costs incurred. The more quality improves in the production process, and the quality of the product, the costs incurred to maintain these qualities will decrease. In a study conducted by Zehir et al., (2012) continuous improvement has a positive effect on product quality, indicating that if continuous improvement is improved, it will improve product quality. From the description, the researcher proposed the following hypothesis:

H5: Continuous improvement has a positive effect on Product Quality.

METHODS

This type of research is survey research, wherein obtaining data from respondents is done using a questionnaire. This research was carried out in the Small and Medium Industry soun noodles in Klaten Regency. The subjects of this study were the owners of Small and Medium Industries soun noodles in Klaten Regency registered with the Klaten Disperindagkop.

Based on data from Disperindagkop and UMKM in Klaten Regency, there are 34,070 business people. One of them is IKM that produces soun noodles is a type of business located in Klaten Regency. Where the soun noodle IKM in Klaten Regency has problems in the production process so that it affects the quality of the product, the need to focus on the customer, obsession with customers, education and training, teamwork and continuous improvement is necessary.

The subjects in this study were the population in Klaten Regency, where the sampling used cluster sampling, and the researchers chose it in Manjung Village, Ngawen District. This Manjung village is the village that produces the most soun noodles in Klaten. Manjung Village has an area of 1,316,585 Ha and has 9 Citizen Associations (RW) and 32 Rukun Tetangga (RT). In the village of Manjung, there are 1096 family heads. The number of business people who produce soun noodles is made up of 55 IKM (Secretary of Manjung 2018 Village).

RESULTS AND DISCUSSION

Test Validity

Testing the validity of the questionnaire in this study using the product moment correlation formula. Analysis of the validity of the questionnaire includes a variable focus on the customer (X1), obsession with quality (X2), education and training (X3), teamwork (X4), continuous improvement (X5) and product quality (Y). Based on the output of the questionnaire validity test, a summary of the results can be made, as shown in Table 1.
and Continuous Improvement of Product Quality

In the calculation of path analysis, the multiplication of the correlation matrix between variables is used to calculate the path coefficient. The results of calculation of variable focus analysis on customers (X1), obsession with quality (X2), education and training (X3), teamwork (X4) and continuous improvement (X5) on product quality (Y) can be seen in Table 3.

<table>
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<th>No</th>
<th>Var</th>
<th>Koeff.</th>
<th>Prop Effect</th>
<th>T_count</th>
<th>tabel</th>
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<td>0.2303</td>
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</tr>
<tr>
<td>2</td>
<td>(X2)</td>
<td>0.2429</td>
<td>0.1472</td>
<td>2.06</td>
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</tr>
<tr>
<td>3</td>
<td>(X3)</td>
<td>0.2074</td>
<td>0.0894</td>
<td>2.03</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>(X4)</td>
<td>0.1883</td>
<td>0.0029</td>
<td>2.96</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>(X5)</td>
<td>0.2931</td>
<td>0.1474</td>
<td>1.677</td>
<td></td>
</tr>
</tbody>
</table>

Based on Table 3, it can be seen the path coefficient values of each independent variable on the dependent variable. It can be seen that the variable focus coefficient on the customer (X1) on product quality (PYX1) is 0.3527, the obsession variable path coefficient on quality (X2) for product quality (PYX2) is 0.2429, variable path coefficient education and training (X3) on product quality (PYX3) of 0.2074, variable path coefficient team collaboration (X4) for product quality (PYX4) of 0.1883 and continuous improvement variable path coefficient (X5) for product quality (PYX5) amounting to 0.2931. From the path coefficient, then it is used to find the proportional influence of each independent variable on the dependent variable.

**Total Proportional Effect**

The coefficient of determination (R2) is 0.2303 + 0.1472 + 0.0894 + 0.0029 + 0.1474 = 0.6172. The coefficient of determination of the influence of the variable focus on the customer, obsession with quality, education and training, teamwork, and continuous improvement of product quality is 0.6172. This means that 61.72 percent of the
variation in product quality and fluctuations in the Small and Medium Industries (IKM) of Soun noodles in Klaten Regency can be explained by variable focus on customers, obsession with quality, education and training, teamwork and continuous improvement, while 38, 28 percent is explained by other variables not examined.

**Direct and Indirect Effects**

From the path analysis, it can be seen the magnitude of the direct and indirect effects of each variable. The values of direct and indirect effects of variables X1, X2, X3, X4, and X5 on the Y variable can be summarized in Table 15.

**Test F**

By using a confidence level of 95% (α = 0.05) and a degree of freedom (df) = (n - k - 1) = (55 - 5 - 1) the Ftable value is 2.45. Based on the results of testing the F test obtained Fcount of 15,800. This value is greater than Ftable, so it can be stated that the focus variable on the customer, obsession with quality, education and training, teamwork and continuous improvement overall has a significant influence on product quality. Graphically it can be described as follows:

**Test T**

Based on the confidence level of 95% (α = 0.05) and the degree of freedom (df) = (n - k - 1) = (55 - 5 - 1) for one-tailed testing, the t-value of 1.677 is obtained. As for the results of the t-test calculation in path analysis, the value of t count for customer focus (X1) is 3.059, the value of the obsession variable on quality (X2) is 2.064, the value of the education and training variable (X3) is 2.035, the variable t count teamwork (X4) of 2.032 and t count of continuous improvement variables (X5) on product quality of 2.969.

**Effect of Customer Focus on Product Quality**

The results of this study prove that the focus on customers has a positive and significant effect on product quality in the Small and Medium Industry (IKM) of Soun noodles in Klaten Regency. The causal relationship shows evidence that the better the IKM policy related to customer focus will always be followed by a higher level of product quality. Empirically the results of this study are consistent with the findings of a previous study conducted by Mizuru (2013) that customer focus has a positive effect on product quality.

**The Effect of Obsession on Quality on Product Quality**

The results of this study also show evidence that obsession with quality has a positive and significant effect on product quality in the Soun Small and Medium Industry (IKM) in Klaten Regency. The causal relationship proves that the higher the obsession with quality, the higher the level of product quality in the Small and Medium Enterprises (IKM) Soun noodles in Klaten Regency. The results of this study are consistent with the findings of a previous study conducted by Fatimah et al. (2016), which also proves that obsession with quality has a positive effect on product quality.

**Effect of Education and Training on Product Quality**

The results of this study prove that education and training have a positive and significant influence on product quality in the Small and Medium Enterprises (IKM) Soun noodles in Klaten Regency. The causal relationship revealed that the better the education and training will always be followed by the higher level of product quality in the Soun Small and Medium Industry (IKM) in Klaten Regency. The results of this study are consistent with studies conducted by Talib et al. (2010), who also found evidence that education and training had a positive effect on product quality.

**Effect of Team Cooperation on Product Quality**

The results of this study also found evidence that team collaboration had a positive and significant effect on product quality in the Soun Small and Medium Industry (IKM) in Klaten Regency. The causal relationship shows evidence that the stronger the
teamwork, the higher the level of product quality in the Small and Medium Enterprises (IKM) soun noodles in Klaten Regency. Empirically, the results of this study are consistent with the findings of a study conducted by Talib et al. (2017), who concluded that team collaboration had a positive effect on product quality.

**Effect of Continuous Improvement on Product Quality**

The results of this study also prove that continuous improvement has a positive and significant effect on product quality in the Soun Small and Medium Industry (IKM) in Klaten Regency. The causal relationship shows evidence that the better the level of continuous improvement, the higher the level of product quality in the Small and Medium Enterprises (IKM) soun noodles in Klaten Regency. The results of this study are consistent with the findings of previous studies conducted by Zehir et al. (2012), which also prove that sustainability has a positive effect on product quality.

**CONCLUSION**

To continuously improve the quality of its products, the owners and managers of Soun Small and Medium Industries (IKM) in Klaten District need to pay attention to various policies, especially those related to customer focus, obsession with quality, education and training, teamwork and continuous improvement. The ways that can be done include conducting regular research on the needs, desires, and changes in consumer tastes of soun noodles so that the products produced can provide satisfaction to them, continuously innovating products based on quality standards that are in line with consumer expectations. It is also essential to provide educational programs and job training for employees to continue to improve their skills and work skills, build strong teamwork supported by high morale and continuously develop and diversify products based on customer demand, feedback between customers, quality of competitors, and ways employee work. In this study, it can not be separated from various shortcomings and limitations. Among these shortcomings and limitations is the purpose of this study only to test the direct and indirect effects of variables, and also the independent variables are only limited to variable focus on customers, obsession with quality, education and training, teamwork, continuous improvement. In this study, the subjects were only limited to the owners of the soun noodle IKM in Klaten Regency.

**REFERENCES**


