

Impact of Quality Management Practices on the Performance and Growth of Small and Medium Sized Enterprises (Smes) in Ghana

Dr. Fred Appiah Fening

Associate Professor of Management &
Chair - Les Reagin Professor of Strategic Management
Webber International University
1201 N. Scenic Hwy
Banson Park, Fl 33827, USA.

Abstract

***Purpose** - This study investigates how the implementation of quality management practices will impact on the performance and growth of small and medium sized enterprises (SMEs) in a developing country, Ghana.*

***Design/methodology/approach** - The quantitative approach and the survey method of collecting data was used. The questionnaire was administered through the face-to-face interview. A sample of 200 small firms that employ not more than 50 workers within the metropolis of the capital, Accra was selected and interviewed.*

***Findings** – The results have established that if firms implement quality management practices, it will have a tremendous impact on the performance and growth of SMEs in Ghana. The study also finds support for the argument that quality management practices improve organizational performance both in large and small businesses and in any part of the world.*

***Originality/value** – This study has demonstrated that Ghanaian owner managers believe that quality management is a key-contributing factor to firm growth and performance.*

Keywords: Quality, Quality Management, Baldrige Award, Small to medium-sized enterprises, Ghana

Paper Type: Research Paper

1.0 Introduction

Over the years, the practice of quality management has been identified and awareness has been created as one of organization's most important key ingredient for success and global competitiveness. An organization that implements quality management practices may have a competitive advantage over its competitors. The advent of globalization has resulted in increased competition amongst firms, as such managers of today are increasingly seeking different ways and approaches to achieve, improve, and sustain organizational performance and competitive advantage. It is widely recognized that Small and Medium Sized Enterprises (SMEs) form the backbone of the private sector at all levels of developing countries and Ghana is no exception. Greenan, Humphreys, and McIvor (1997) noted, "The contribution of small and medium sized enterprises towards economic performance is now universally accepted as significant" (p 208). A number of studies have concluded that the practice and implementation of good management is a key ingredient to a firm's success (Ghosh, Teo, & Low, 1993; Yusuf, 1995). To drive the manufacturing and other sectors into accelerated growth and global competitiveness, Ghanaian businesses must look beyond their present conditions and employ every available alternative in terms of innovation, strategy and the best available technology.

For businesses that would want to meet and exceed the expectations of their customers both home and abroad, quality management practices is the strategy tool. The question therefore is if these firms implement quality management what will be the impact on SME performance and growth in the country? Will the practice of quality management enhance the chances of their products being accepted on the international markets to compete with other similar products worldwide? Are SMEs managers familiar with quality management practices?

1.1 Objectives and importance

The focus of this study is to attempt to examine the impact of implementing best practice quality management and its effects on the performance and growth of SMEs in Ghana, and compare the impact on performance between the indigenous Ghanaian owner/manager and the foreign owned owner/manager. It will also add to the concern of financial institutions as they have consistently advocated for the practice of quality management practices especially in the area of good record keeping and leadership managerial skills. This study may unearth why it is important to practice modern or quality management.

2.0 Literature review

The objective of this study was to investigate the impact on the implementation of quality management practices on the performance and growth of SMEs in Ghana. Researches have been conducted to determine the relationship between quality management practices and performance mostly in the developed world. In the developing world, the study of quality management practices and organizational performance is scanty. Small firms lack the resources to implement quality management. Be that as it may, Total Quality Management is seen as a tool to improve organizational performance in both large and small organizations and in any part of the world. The review of the literature identified (Anderson & Sohal, 1999; Evans, 1996; Samson & Terziovski, 1998; Prajogo & Brown, 2004) who conducted such studies in developed countries. Most of the studies have been based on large firms and in developed countries. Studies have been conducted to determine the importance of management practices on organizational performance (Adam, 1994; Anderson & Sohal, 1999; 1994; Powell, 1995). The concept of quality has been a concern for most businesses. Vokurka (2001) in his article declared, “global competitiveness is a reality and quality is key to winning in the marketplace. By itself, quality may not guarantee success but it is difficult to compete without it. And like most other competitive factors, the standards of quality are constantly rising” (p 363).

In some studies, quality management is referred to as Total Quality Management. In this study, Quality Management (QM) is used to refer to all kinds of quality management principles and philosophies. What therefore is Quality and why implement quality management practices? Quality has been defined by Karapetrovic and Willborn (1997) as “the ability of a product to satisfy stated or implied requirements” (p. 287). Daft (1997) defines Total Quality Management (TQM) as a concept that focuses on managing the total organization to deliver quality to customers and identifies employee involvement, focus on the customer, benchmarking and continuous improvement as the four significant elements of the concept. The Department of Trade and Industry (DTI), UK has declared, “Best Practice Management provides a platform for the sharing of knowledge, processes and ideas, otherwise known as benchmarking” (DTI, 2004). This is in line with Crosby’s quality management philosophy. According to Wessel and Burcher (2004), “quality management in general deals with permanently redirecting a company’s macro and micro operations towards the needs of internal and external customers’ (p. 264). Dow, Samson, and Ford (1999) concluded “the relationship between quality practices and superior quality outcomes is a fundamental and defining element of the whole concept of quality management” (p 2.).

Various studies (Kuratko, Goodale, & Hornsby, 2001; Tata, Sameer, & Jaideep, 2000; Ahire & Golhar, 1996) have used the domains or elements of the Baldrige Quality Awards as the elements or variables of quality management. Other emerging countries such as Malaysia and Singapore have adopted them in their quality framework (Sohail & Hoong, 2003) making it a world recognized modern or quality management practices that could be practiced anywhere in the world by organizations both large and small and especially with countries that are yet to find their feet in this era of globalization and global competition.

The following quality management models namely, Malcolm Baldrige National Quality Awards (MBNQA), European Foundation for Quality Management (EFQM), Australian Quality Award (AQA), and the British Quality Foundation (BQF) all identified leadership, planning, people (HR), customer focus and processes as the main variables for quality management or best practice management. The objectives of all four models are to improve organizational performance. However it must be stressed that the management gurus notably Deming, Juran, Crosby all had some quality management factors, which showed some similarities. All the models mentioned above were modeled around the identified factors of the quality pioneers. This study adopted the MBNQA variables as tools of quality management practices. These are; Leadership, Strategic Planning, Customer and Market Focus, Measurement, analysis and knowledge management, Workforce Focus, Process management and, Results

The dependent variable is performance. The performance indicators for this study will include profitability, sales growth, customer satisfaction, employee morale, and market share. Some of these performance measures have been used in previous studies (Yusuf & Saffu, 2005; Lerner & Almor, 2002; Saffu & Manu, 2004).

The Study Framework

The study framework also in Figure 1 below describes the implementation of the quality management practices.
Figure 1: Study framework

Figure 1: Study framework (Fening et. al., 2008)



It sees leadership as the implementer of the other variables and that the leadership of an organization and in SMEs the owner/manager and one or two managers must begin with quality initiatives and develop the strategic plan based on of course the visions of the owner/manager. The strategic plan includes the mission and objectives of the firm. The plan gives details on customer and market focus strategy, how the firm hopes to deal with its analysis on information and what to use the information for, the human resource aspect in terms of selection and recruitment, training and development, employee involvement, how to build teams in the organization, how to motivate employees and maintain employee loyalty and above all how to link all these functions in terms of processes using information technology. This may include IT strategy, selection and implementation. Though this may be too much for a small business, some level of IT must be acknowledged. The bottom-line of the quality management process is that it must bring results in terms of profitability, market share, customer satisfaction, delivery times, quality products and services.

There have been studies regarding the relationship between certain variables of quality management and performance. Considerable amount of such studies have been devoted to planning and performance of SMEs (Aram & Cowen, 1990; Knight, 1993; Wijewardena, De Zoysa, Fonseka, & Perera, 2004; Yusuf & Saffu, 2005) human resource management and performance (Huselid, 1994; Huang, 2001; Marlow & Hannon, 2000), and leadership and firm performance (Anderson & Sohal, 1999). There have also been studies about the relationship between quality management and quality performance. Most of these studies are based on empirical studies such as the ones conducted by (Ahire, Golhar, & Waller, 1996; Dow, Samson, & Ford, 1999; Flynn, Schroeder, & Sakakibara, 1994). Other studies like (Adam, 1994; Powell, 1995; Samson & Terziovski, 1999) linked performance measures to quality products. The review of the literature identified (Anderson & Sohal, 1999; Evans, 1996; Samson & Terziovski, 1998) who conducted such studies in developed countries.

Leadership

The implementation of every quality tool will depend on the commitment of the leadership and top management of the organization. According to Evans (1996), "leadership involves setting directions, developing and maintaining a leadership system, focused on customers and performance excellence" (p 43). The importance of leadership to the success of organizations cannot be underestimated.

Strategic planning

It has been argued that strategic planning is said to be a good management practice and very important to business (Gibson & Cassar, 2002; Schwenk & Shrader, 1993). Storey (1998) has indicated that strategic planning is a very important contributor to enterprise survival, performance and growth. A number of studies have concluded that good planning is the key to a firm's success (Aram & Cower, 1990; Jones, 1982; Frishkoff, 1994). Yusuf and Saffu (2005) in their studies on sophisticated planning and performance in small firms in Ghana did not find any significant relationship.

Workforce focus

"Human capital of a firm is therefore the knowledge, skills and expertise embodied in its employees that can be used to manufacture products of superior value to customers and thus improve overall performance of the firm" (Amoako-Gyampah, 2003, p 4). When organizations implement and practice human resource practices effectively, it should have a direct impact on its employees. It makes them happy and brings positive results to the firm. Studies have found a positive relationship between HRM and manufacturing performance (Ichniowski, Kochan, Levine, Olson, & Strauss, 1992).

Customer and market focus

For the small business operator, it is quite easy to be in tune with its customers and also know the market in which it operates. There is the argument that small businesses do not have the capacity to conduct research for the purpose of knowing what the customer want. Customers in this modern era of globalization drive the market as to what is to be produced, in what quantity and quality. Therefore small businesses do not have a choice. Kuada and Buatsi (2005) have indicated that consumers in developing countries are "sophisticated and conscious of their rights"

Measurement, analysis, and knowledge management

The information is used to track and improve the organization's performance at all levels. The information should be constantly updated so that stakeholders who may need it for analysis can always have access and the right information to work with. For example, the inaccurate information collected about customers will give wrong signals for the production of products that will not meet customers' expectation thereby resulting in loss of revenue to the firm.

Process management

According to Evans & Lindsay (1995), the management of process quality is concerned with how the organization designs and introduces products and services, integrates production and delivery requirements and manages the performance of suppliers. With innovation, Salz (2006) writing in the Wall Street Journal under the heading High performance, the key to sustainable success is unfettered innovation reported "to create long-lasting advantage, produce dramatic shifts in competitive position and cross new performance thresholds, companies must do more than brainstorm; they must cultivate a management approach that will encourage a continuous flow of innovation, a recognized cornerstone of all high-performance businesses" (p A10). This highlights the importance of process management.

Results

The results impact the company that ultimately decides the fate of the firm. The results are performance indicators, which may give some sort of a trend analysis in terms of each of the areas, and how management is to deal with its improvement. "The results of all that must be benchmark to world class performance both in and out of the industry and results of financial performance and market performance improvement should align with organizational improvements" (Calhoun, 2002; p 50).

Performance measures

The definition of performance is not clear among researchers and academics. Depending on the topic of study, different researchers have different indicators to measure firm performance. There are some issues as already indicated and therefore the difficulty as to which indicator to use. The performance indicators for this study included profitability, customer satisfaction, sales growth, employee morale, and market share. Some of these performance measures have been used in previous studies (Yusuf & Saffu, 2005; Lerner & Almor, 2002; Saffu & Manu, 2004).

3.0 Methodology

In conducting this study, the quantitative approach and the survey method of collecting data was used. The questionnaire was administered through the face-to-face method of collecting data. Questionnaire was designed to ask owner/managers their views on quality management tools, how often they use these variables and how its implementation will impact on their firms' performance. The questionnaires were administered on managers in six different industries including the service, manufacturing, construction, retail, agriculture and mining. Questions included demographics such as age of firm, number of workers employed, and educational background of owner / manager, foreign owned and/or managed or indigenous owned/managed, female or male owner/manager. A sample of 200 small firms that employ not more than 50 workers within the metropolis of the capital, Accra was selected and interviewed. The subjects for the study were owner/ managers or top and key managers of these firms.

4.0 Data processing and analysis

The Statistical Package for Social Sciences (SPSS version 18) was used in the analysis of the data. The quality management variables were measured on a 5-point Likert scale and the demographic attribute on a 2-point scale. Cross tabulation was performed to segregate the demographic profile of the firms. Frequency statistics and cross tabulation were conducted to group the firms into sector groupings. The cross tabulation was also performed to help analyze firms that are familiar with quality management practices and those that are not.

4.1 Discussion and results

One hundred and sixteen (116) usable responses were used for the analysis. 82.8% were male owners and 17.2% were female owners. Table 1 presents the demographic statistics on gender, type of owner, education and owner/managers familiarity with quality management practices. 58.6% of the respondents were Ghanaian owner/managers and 41.4% were foreign owner/managers. With regards to owner/managers familiarity with quality management, 27.6% of the respondents were very familiar with quality management practices, 20.7% hardly at all knew anything about quality management practices, 44.8% were somewhat familiar with quality management practices and 6.9% were familiar with quality management practices.

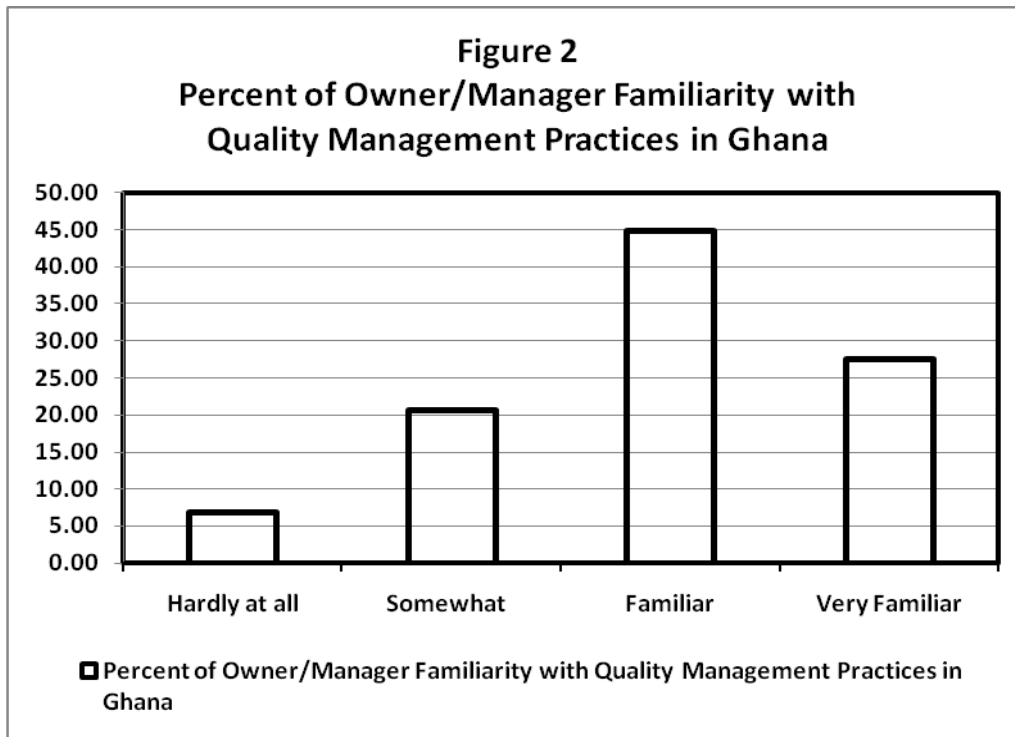
Variables		Frequency	Valid Percent	Cumulative Percent
Gender	Male	96	82.2	82.2
	Female	20	17.2	100.0
	Total	116	100.0	
Type of Ownership	Local (Ghanaian)	68	58.6	58.6
	Foreign	48	41.4	100.0
	Total	116	100.0	
Education	Up to secondary	42	36.2	36.2
	Graduate	74	63.8	100.0
	Total	116		
Familiarity with Quality Management	Hardly at all	24	20.7	20.7
	Somewhat Familiar	52	44.8	44.8
	Familiar	8	6.9	6.9
	Very Familiar	32	27.6	27.6
	Total	116	100.0	100.0

Table II presents the sectors based on owner manager's educational background, 38.1% of those with high school education were in manufacturing. This was made up of 14 Ghanaians and 2 foreigners representing 33.3% and 4.8% respectively. For the service sector, 8 or 19% represented local owners. For those in the retail sector, 12 or 28.6% were locals and 2 or 4.8% were foreigners. For those participants who were graduates, a total of 16 were in manufacturing. This includes 4 or 5.4% Ghanaian owner managers and 12 or 16.2% foreign owner managers. Those in the service sector who have graduate education are 15 or 20.3% Ghanaians and 14 or 18.9% foreign entrepreneurs. Four (4) respondents were in construction. Two (2) were Ghanaians and Two (2) were foreigners.

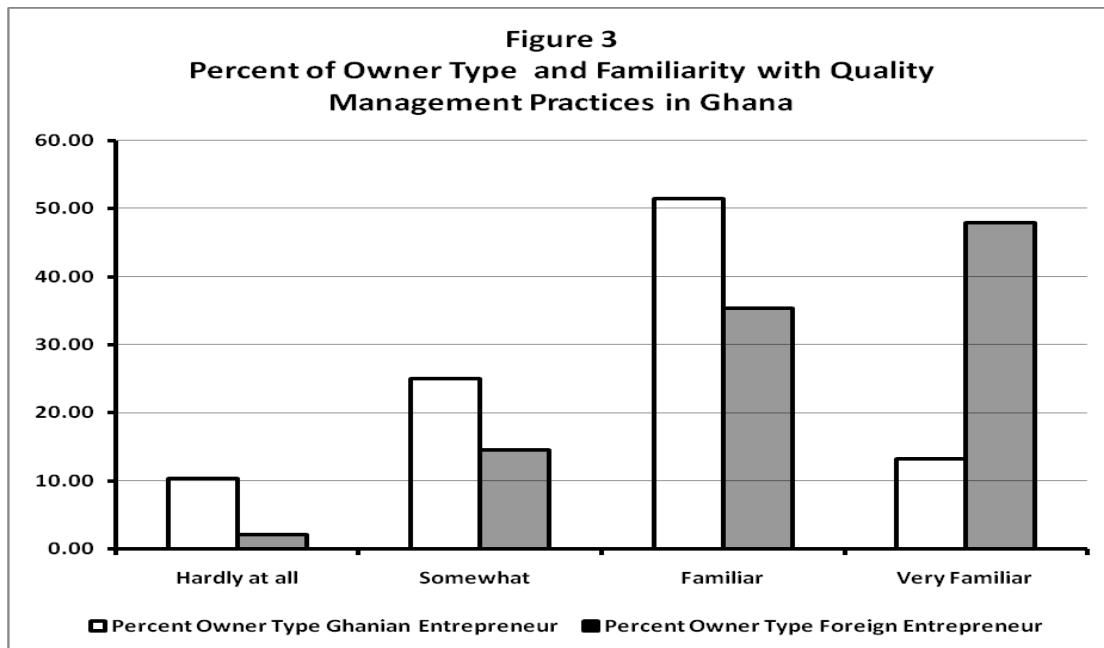
Table II Familiarity with quality management practices, Owner Type by Educational background of owner/manager Crosstabulation by Industry Type in Ghana									
Educational Background of owner manager	Owner Type Ghanaian Entrepreneur			Owner Type Foreign Entrepreneur			Total		
	Freq.	Percent Row	Percent Column	Freq.	Percent Row	Percent Column	Freq.	Percent Row	Percent Column
Secondary Education									
Manufacturing	14	87.5	36.8	2	12.5	50.0	16	100.0	38.1
Service	8	100.0	21.1	0	0.0	0.0	8	100.0	19.0
Retail	12	85.7	31.6	2	14.3	50.0	14	100.0	33.3
Mining	1	100.0	2.6	0	0.0	0.0	1	100.0	2.4
Construction	3	100.0	7.9	0	0.0	0.0	3	100.0	7.1
Total	38	90.5	100.0	4	9.5	100.0	42	100.0	100.0
Graduate Education									
Manufacturing	4	25.0	13.3	12	75.0	27.3	16	100.0	21.6
Service	15	51.7	50.0	14	48.3	31.8	29	100.0	39.2
Retail	8	33.3	26.7	16	66.7	36.4	24	100.0	32.4
Agriculture	1	100.0	3.3	0	0.0	0.0	1	100.0	1.4
Construction	2	50.0	6.7	2	50.0	4.5	4	100.0	5.4
Total	30	40.5	100.0	44	59.5	100.0	74	100.0	100.0

Table III presents a crosstabulation to determine participants' familiarity with quality management practices. 6 local managers with high school education hardly at all are familiar with quality management practices. 31% of the local owners are somewhat familiar with quality management practices and 4.8% or 2 of the foreigners who have high school education indicated they are somewhat familiar with the practices. 42.9% of the Ghanaian entrepreneurs and 4.8% of the foreign with high school education are familiar with the practices and 2.4% of the local owners are very familiar with the practice. With the graduates, 5.4% of the local and 6.8% of the foreigners are somewhat familiar with the practices. 23% of Ghanaian entrepreneurs are familiar whilst 20% of the foreign managers are familiar. 31.1% of the foreign entrepreneurs who are graduates are very familiar with quality management practices and 10.8% of the local managers who are graduates are very familiar with the practices. These results may explain why there is the perception that foreign managed firms do better than locally managed firms. But it also depends if these foreign managers do practice quality management and believe that quality management practices do actually improve firm performance.

Table III Familiarity with quality management practices, Owner Type by Educational background of owner/manager Crosstabulation in Ghana									
Educational Background of owner manager	Owner Type Ghanaian Entrepreneur			Owner Type Foreign Entrepreneur			Total		
	Freq.	Percent Row	Percent Column	Freq.	Percent Row	Percent Column	Freq.	Percent Row	Percent Column
Secondary Education									
Hardly at all Familiar	6	100.0	15.8	0	0.0	0.0	6	100.0	14.3
Somewhat Familiar	13	86.7	34.2	2	13.3	50.0	15	100.0	35.7
Familiar	18	90.0	47.4	2	10.0	50.0	20	100.0	47.6
Very Familiar	1	100.0	2.6	0	0.0	0.0	1	100.0	2.4
Total Count	38	90.5	100.0	4	9.5	100.0	42	100.0	100.0
Graduate Education									
Hardly at all Familiar	1	50.0	3.3	1	50.0	2.3	2	100.0	2.7
Somewhat Familiar	4	44.4	13.3	5	55.6	11.4	9	100.0	12.2
Familiar	17	53.1	56.7	15	46.9	34.1	32	100.0	43.2
Very Familiar	8	25.8	26.7	23	74.2	52.3	31	100.0	41.9
Total	30	40.5	100.0	44	59.5	100.0	74	100.0	100.0
Secondary Education & Graduate Education									
Hardly at all Familiar	7	87.5	10.3	1	12.5	2.1	8	100.0	6.9
Somewhat Familiar	17	70.8	25.0	7	29.2	14.6	24	100.0	20.7
Familiar	35	67.3	51.5	17	32.7	35.4	52	100.0	44.8
Very Familiar	9	28.1	13.2	23	71.9	47.9	32	100.0	27.6
Total	68	58.6	100.0	48	41.4	100.0	116	100.0	100.0



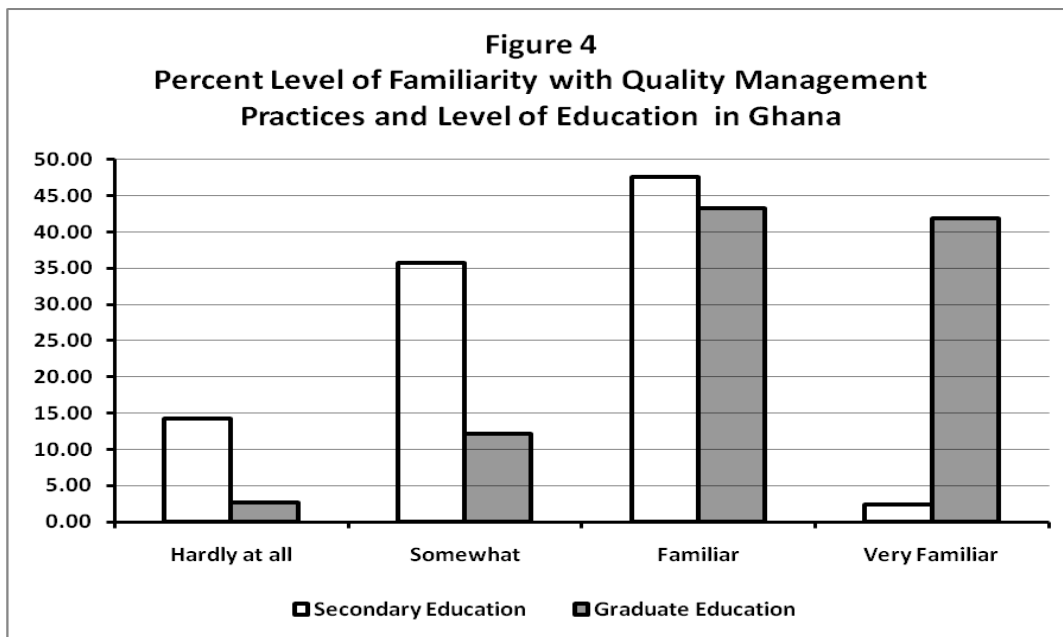
Percent of respondents familiar with quality management practices



Owner type and familiarity with quality management practices

Figure IV shows extent of owners’ level of education has on their familiarity with quality management practices. The figure reveals that respondents with high level of education are quite familiar with quality management practices than those with low level of education.

Figure IV presents a graphical view of the level of education and familiarity with QM practices.



Level of education and familiarity with quality management practices

To answer the research question as to whether the implementation and practice of quality management will have an impact on SMEs in Ghana, a question was asked in the questionnaire to seek the views of participants. It was measured on a 5 point scale with 1=strongly disagree, 2=disagree, 3=neither agree nor disagree, 4=agree and 5=strongly agree. The analysis revealed that participants have the strongest conviction that the implementation and practice of quality management by firms in Ghana will impact positively on all aspects of SMEs in Ghana. Table 4 below shows a descriptive statistics of the responses on how the implementation and practice of quality management will impact on SMEs in Ghana. The findings were that with respondents who have high school background, 45.2% of the local managers agree as well as 4.8% of foreigners with high school background that also agrees. With the same educational background, 45.2% of locals and 4.8% of foreign managers strongly agree. 2.7% of the foreign managers who are graduates disagree, whilst 27% of graduate foreign managers and 12.2% of local managers agree. 28.4% of graduate locals strongly agree with their foreign counterparts registering 29.7% strongly agreeing that the implementation and practice will impact on SMEs in Ghana.

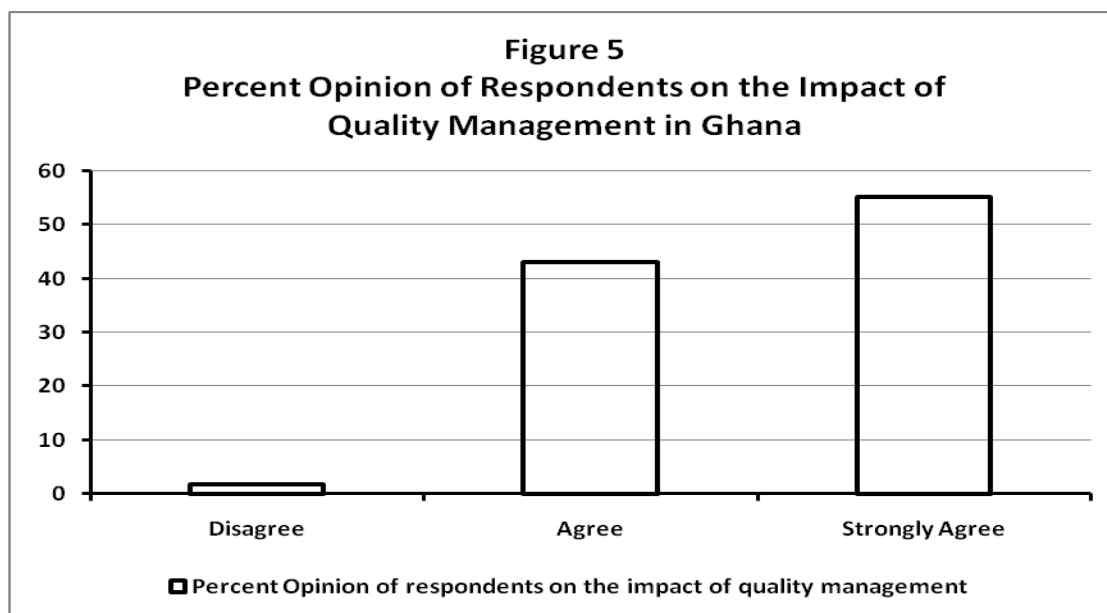
Rating	Frequency	Valid Percentage	Cumulative Percentage
Disagree	2	1.7	1.7
Agree	50	43.1	44.8
Strongly Agree	64	55.2	100.0
Total	116	100.0	

Where rating 2 indicates strongly disagree, score 4 indicates agree, and score 5 indicates strongly agree that the implementation of quality management practices will have a considerable impact on the growth and development of SMEs in Ghana

Table V shows a cross tabulation of owner type and educational background in relation to impact of QM on SMEs

Table V Familiarity with Quality Management Practices, Owner Type by Educational background of Owner/Manager Crosstabulation by Industry Type in Ghana									
Educational Background of owner manager	Owner Type Ghanaian Entrepreneur			Owner Type Foreign Entrepreneur			Total		
	Freq.	Percent Row	Percent Column	Freq.	Percent Row	Percent Column	Freq.	Percent Row	Percent Column
Secondary Education									
Agree	19	90.5	50.0	2	9.5	50.0	21	100.0	50.0
Strongly Agree	19	90.5	50.0	2	9.5	50.0	21	100.0	50.0
Total	38	90.5	100.0	4	9.5	100.0	42	100.0	100.0
Graduate Education									
Disagree	0	0.0	0.0	2	100.0	4.5	2	100.0	2.7
Agree	9	31.0	30.0	20	69.0	45.5	29	100.0	39.2
Strongly Agree	21	48.8	70.0	22	51.2	50.0	43	100.0	58.1
Total	30	40.5	100.0	44	59.5	100.0	74	100.0	100.0

Figure V shows a graphical presentation of the opinion of respondents on how QM will impact on SMEs in Ghana.



Opinion of Respondents on the Impact of Quality Management in Ghana

The study has once again proved that quality management practices will impact on firm growth and performance. It also supports the views of the respondents on the impact it will have on SMEs in Ghana.

Correlation between quality management variables

		LEADER SHIP	STRATEG IC PLANNIN G	INFORMATI ON AND ANALYSIS	WORKFOR CE FOCUS	PROCESS MANAGEME NT	CUSTOM ER FOCUS	OPERATI ONAL RESULTS
LEADERSHI P	Pearson Correlation	1	.523(**)	.422(**)	.391(**)	.236(**)	.343(**)	.434(**)
	Sig. (1-tailed)		.000	.000	.000	.005	.000	.000
	N	116	116	116	116	116	116	116
STRATEGIC PLANNING	Pearson Correlation	.523(**)	1	.399(**)	.456(**)	.342(**)	.345(**)	.599(**)
	Sig. (1-tailed)	.000		.000	.000	.000	.000	.000
	N	116	116	116	116	116	116	116
INFORMATI ONANDANA LYSIS	Pearson Correlation	.422(**)	.399(**)	1	.409(**)	.339(**)	.408(**)	.514(**)
	Sig. (1-tailed)	.000	.000		.000	.000	.000	.000
	N	116	116	116	116	116	116	116
WORKFORC E FOCUS	Pearson Correlation	.391(**)	.456(**)	.409(**)	1	.443(**)	.460(**)	.658(**)
	Sig. (1-tailed)	.000	.000	.000		.000	.000	.000
	N	116	116	116	116	116	116	116
PROCESS MANAGEME NT	Pearson Correlation	.236(**)	.342(**)	.339(**)	.443(**)	1	.304(**)	.439(**)
	Sig. (1-tailed)	.005	.000	.000	.000		.000	.000
	N	116	116	116	116	116	116	116
CUSTOMER FOCUS	Pearson Correlation	.343(**)	.345(**)	.408(**)	.460(**)	.304(**)	1	.499(**)
	Sig. (1-tailed)	.000	.000	.000	.000	.000		.000
	N	116	116	116	116	116	116	116
OPERATION ALRESULTS	Pearson Correlation	.434(**)	.599(**)	.514(**)	.658(**)	.439(**)	.499(**)	1
	Sig. (1-tailed)	.000	.000	.000	.000	.000	.000	
	N	116	116	116	116	116	116	116

** Correlation is significant at the 0.01 level (1-tailed)

Table VI shows the correlation between the quality management variables.

5.0 Conclusion and future research

This study has revealed that quality management when implemented and practiced in Ghanaian small businesses will improve the performance of these businesses and help in the growth of SMEs. Quality it is said helps a firm gain competitive advantage; therefore the practice of quality management will help Ghanaian products gain competitive advantage over foreign products. This study has demonstrated that Ghana owner managers believe quality management is a key-contributing factor to firm growth and performance. Though some owner managers may be familiar with quality management practices and its advantages and therefore would want to implement them, their employees may not know what they are. Communication is very essential in this regard. In the implementation, careful attention must be given to the human resource, leadership and customer focus variables. Also the measurement, analysis, and knowledge management variables must not be overlooked, as careful analysis of customer's information will direct the firm on its production policy.

It is only through the implementation and practice of quality management that firms will see the need to produce quality products. There is therefore the need for the creation of an entity solely responsible for quality and quality standards. Its responsibility should be assisting firms in the implementation and practice of quality management and the production of quality products. The Government of Ghana must institute a national quality award where quality criteria will be set for firms. This should be a government sponsored and in partnership with businesses and stakeholders.

Future research should focus on quality management practices and performance in specific industries.

References

- Adam, E. E. Jr. (1994). Alternative quality improvement practices and organizational performance. *Journal of Operations Management* 12, 27-44.
- Ahire, S. L., & Golhar, D. Y. (1996). Quality management in large vs. small firms. *Journal of Small Business Management* 34(2), 1-13.
- Ahire, S. L., Golhar, D. Y., & Waller, M. W. (1996). Development and validation of TQM implementation constructs. *Decision Sciences* 27(1), 23-56.
- Amoako-Gyampah, K. (2003). Human capital availability, competitive intensity and manufacturing priorities in a sub-Saharan African economy. *Journal of Comparative International management* 6(2), 1-18.
- Anderson, M., & Sohal, A. S. (1999). A study of the relationship between quality management practices and performance in small businesses. *The International Journal of Quality and Reliability Management* 16(9), 859-866.
- Aram, J. D., & Cowen, S. S. (1990). Strategic planning on success of acquisitions in American Firms. *Long Range Planning*, 2-7.
- Award criteria (1994, 2007). *Malcolm Baldrige Quality Award*. Washington, D. C.; U. S. Department of Commerce.
- Calhoun, J. M. (2002). Using the Baldrige criteria to manage and assess the performance of your organization. *The Journal of Quality and Participation* 25(2), 45-56.
- Daft, R. L. (1997). *Management 4th* (Ed.) The Dryden Press, Fort Worth, TX.
- Department of Trade and Industry (2004). *Quality management*. Retrieved March 25, 2006, from www.dti.gov.uk.
- Dow, D., Samson, D., & Ford, S. (1999). Exploding the myth: Do all quality management practices contribute to superior quality performance? *Production and Operations Management* 8(1), 1-27.
- Evans, J. R. (1996). Leading practices for achieving quality and high performance. *Benchmarking for Quality Management & Technology* 3(4), 43-50.
- Evans, J., & Lindsay, W. (1993). *The management and control of quality*. New York: West Publishing.
- Fening, F. A., Pesakovic, G., & Amaria, P. (2008). Relationship between quality management practices and the performance of small and medium sized enterprises in Ghana. *International Journal for quality and Reliability Management* 25(7), 694-708.
- Flynn B. B., Schroeder, R. G., & Sakakibara, S. (1994). A framework for quality management research and an associated measurement instrument. *Journal of Operations Management* 11(4), 339-366.
- Frishkoff, P. A. (1994). Succession need not tear a family apart. *Best Review* 95, 70-73.
- Gibson, B., & Cassar, G. (2002). Planning behavior variables in small firms. *Journal of Small Business Management*, 40(3), 171-186.
- Ghosh, B. C., Teo, S. K., & Low, A. M. (1993). Factors contributing to the success of local SMEs: An insight from Singapore. *Journal of Small Business and Entrepreneurship* 10, 33-46.
- Greenan, K., Humphreys, P., & Mclvor, R. (1997). The green initiative: improving quality and competitiveness for European SMEs. *European Business Review* 97(5), 208-215.
- Huang, T. (2001). The relation of training practices and organizational performance in small and medium-size enterprises. *Education and Training* 43(8), 437-445.
- Huselid, M. A. (1994). Document HR's effect and company performance. *HR Magazine* 39, 79-84.
- Ichniowski, C., Kochan, T., Levine, D., Olson, C., & Strauss, G. (1996). What works at work: overview and assessment? *Industrial Relations* 35, 299-334.
- Jones, D. W. (1982). Characteristics of planning in small firms. *Journal of Family Owned Business Management*, 15-22.
- Karapetrovic, S., & Willborn, W. (1997). Creating zero-defect students. *The TQM Magazine*, 9(4), 287-291
- Knight, R. A. (1993). Planning: the key to family Owned business survival. *Management Accounting* 74, 33-34.
- Kuratko, D. F., Goodale, J. C., & Hornsby, J. S. (2001). Quality practices for a competitive advantage. *Journal of Small Business Management* 39, 293-303.
- Kuada, J., & Buatsi, S. N. (2005). Market orientation and management practices in Ghanaian firms: revisiting the Jaworski and Kohli framework. *Journal of International Marketing* 13(1), 58-88.

- Lerner, M., & Almor, T. (2002). Relationship among strategic capabilities and the performance of women-owned small ventures. *Journal of Small Business Management*, 40(2), 109-125.
- Marlow, S., & Hannon, P. (2000). The relationship between training and firm performance: research frameworks and lost quests. *International Small Business Journal* 19(1), 11-19.
- Powell, T. C. (1995). T. Q. M. as competitive advantage: A review and empirical study. *Strategic Management Journal* 16, 15-37.
- Saffu, K., & Manu, T. (2004). Strategic capabilities of Ghanaian female business owners and the performance of their ventures. *A paper presented at the National Women's Council and the International Council of Small Business conference in South Africa*. Retrieved March 24, 2006, from <http://www.nwbc.gov/ICSB.Best-Paper.2004.pdf>
- Salz, P. A. (2006). High performance: The key to sustainable success is unfettered innovation. *The Wall Street Journal*. May 8, p. A10.
- Samson, D., & Terziovski, M. (1998). The relationship between total quality management practices and operational performance. *Journal of Operations Management* 17, 392-409.
- Schwenk, C., & Shrader, C. (1993). Effects of formal; strategic planning on financial performance in small firms: A met-analysis. *Entrepreneurship Theory and Practice*, 53-64.
- Sohail, M. S., & Hoong, T. B. (2003). TQM practices and organizational performance of SMEs in Malaysia: Some empirical observations. *Benchmarking* 10(1), 37-54.
- Storey, D. (1998). *The ten percenters' 3rd and 4th Reports. Fast growing SMEs in Great Britain*, Deloitte & Touche, London.
- Tata, J., Sameer, P., & Jaideep, M. (2000). Benchmarking quality management practices: U.S. versus Costa Rica. *Multinational Business Review*, 8(2), 37-42.
- Vokurka, R. (2001). Using the Aldridge criteria for personal quality improvement. *Industrial Management + Data Systems* 101(7), 363-369.
- Wessel, G., & Burcher, P. (2004). Six sigma for small and medium sized enterprises. *The TQM Magazine*. Bedford, 16(4), 264.
- Yusuf, A. (1995). Critical success factors for small business: Perceptions of South Pacific entrepreneurs. *Journal of Small Business Management* 33(1), 68-73.
- Yusuf, A., & Saffu, K. (2005). Planning and performance of small and medium sized enterprises operators in a country in transition. *Journal of Small Business Management*, 43(4), 480-497.