

Quality Control Management and Customer Retention in Selected Manufacturing Companies in Nigeria: An Empirical Analysis

Peter Olatunji Olayiwola Ph.D¹

*Shola Solomon Akeke²

Olubusola Mojisola Odusanya³

Abstract

The adoption of Quality management practices by most organisations has been hampered due to non-compliance with the procedures and principles of Quality control management implementation. Several studies on quality control management and consumer retention have only concentrated on small-scale enterprises in developed countries. This present study seeks to undertake the effect of quality control management and customer retention focusing on the dimensions of employee participation, supplier quality management, higher management commitment and leadership enhancements in quality procedures as a measure of quality control management in selected Medium and large-scale enterprises in Nigeria. The research design is purely descriptive, and data were collected using a cross-sectional survey method from 139 valid questionnaires out of 150. Data collected were analysed with Pearson Product Moment Correlation and multiple regression analysis were used to test the formulated hypotheses. The findings, show a positive significant relationship between high management commitment ($r = .659$), supplier quality management, ($r = .607$); employee involvement ($r = .619$), leadership enhancement ($r = .508$) and customer retention. The study recommends that firms should devote more resources on quality management dimensions in retaining and more so improve customers' base of the organisations.

Keywords: Employee participation, Supplier quality management, Management commitment, Leadership enhancement and Customer Retention.

Jel Classification: M110

¹ Department of Accounting and Business Administration, Distance Learning Institute, University of Lagos, Lagos Nigeria, polayiwola@unilag.edu.ng

² * Corresponding author, Department of Business Administration, Faculty of Management Sciences, University of Lagos, Lagos Nigeria, solomonyz4real@yahoo.com

³ Department of Accounting and Business Administration, Distance Learning Institute, University of Lagos, Lagos Nigeria, odusbusola@yahoo.com

1. Introduction

High-quality products have become the major driving force for consumer retention. (Apudo, 2010). Hence, business firms are beginning to understand the value of customers rather than the value generated from the product. Thus, organisations are now striving to design and develop what conforms to customer expectation in order to retain customers, (O'Connor, Galvin, & Evans, 2005). More often, firms invest in quality management systems because they believe it guarantees success in delivering high-quality products and, resulting in customers' satisfaction and retention. However, business organisations often focus more on high technological standards but tend to play down relationship with customers and ignore the importance of customer satisfaction believing that with a good product, satisfaction follows (Jun & Cai, 2010). Apudo (2010) posits that for firms to survive and cope with high competition, consumers' needs and expectations must be met. This is because, what matters most is the value consumer attach the experience derived from consuming or using products. (Gunmesson, 2002).

According to Brodie, Coviello, Brookers, and Little, (2014) Quality Management (QM) is the process of augmenting eminence in products and services which also suggests the means of achieving and sustaining consumer satisfaction and retention. Apudo (2010) also states in Michael et al. (2001), that quality management is a general philosophy in management that directs and equip firms with necessary tools and techniques for achieving additional value through continuous improvement and production of standard products as well as satisfying and retaining customers.

Studies have confirmed the importance of Quality control management as a set of co-ordinated activities that directs and control an organisation towards achieving effectiveness and efficiency in its product performance. Quality control management emphasises the totality of quality in all facets of an organisation with the aim of reducing waste, cost and increase efficiency in production. Quality control management is applicable to any organisation irrespective of size and motives; even the public sector organisation adopts the ideology in order to make them effective in meeting public demands. In Nyer (2000) two important requirements are needed to achieve effective and efficient quality control management: The customers' requirements and the organisation's requirements.

Empirical studies have maintained that quality control management has contributed immensely to improving the quality of the organisation and administration of quality systems. (Singhal, 2007; Flynn et al., 2001 & Apudo, 2010). Quality management has a significant impact on the business endeavours as it boosts performance. There are several quality management practices and they

have diverse impacts on organisational performance at different levels (Lakhali, Pasin & Limam, 2006).

However, the adoption of the quality management practices by organisations has been hampered due to their non-compliance with the procedures and principles of Quality control management implementation (Jackson, 2006). The problems of lack of patronage, unfavourable attitude, no repeat purchase, the absence of customer loyalty, low sales and low profitability level are as a result of not putting in place quality control strategies (Kotler, 2010). More so, several studies on quality control management and consumer retention have only concentrated on small-scale enterprises in developed countries (Apudo, 2010).

Therefore, there is a scarcity of literature on quality control management and consumer retention in Medium and large-scale enterprise and most especially in developing economy like Nigeria.

This present investigates the effect of quality control management and customer retention focusing on the dimensions of participation of employees, supplier quality management, higher management commitment and leadership enhancements in quality procedures as a measure of quality control management in selected large-scale enterprises in Nigeria.

1.1 Objective of the Study

The broad objective of the study seeks to achieve the effect of quality control management on customer retention using the selected organisations (Cadbury, Nestle, and PZ Nigeria Plc). However, the following are the specific objectives of the study:

- i. Examine the effect of supplier quality management on customer retention of the organisations.
- ii. Assess whether or not the participation of employees translates into customer retention of the organisations.
- iii. Evaluate the relationship between leadership enhancement in quality procedures and customer retention in the organisations.
- iv. Examine the effect of higher management commitment on customer retention in the organisations.

1.2 Research Questions

The following questions are used to achieve the objectives of this study:

- i. What is the effect of supplier quality management on customer retention of the organisations?

- ii. What is the effect of the participation of employees in customer retention of the organisations?
- iii. What is the relationship between leadership enhancement in quality procedures and customer retention in the organisations?
- iv. What is the effect of higher management commitment on customer retention in the organisations?

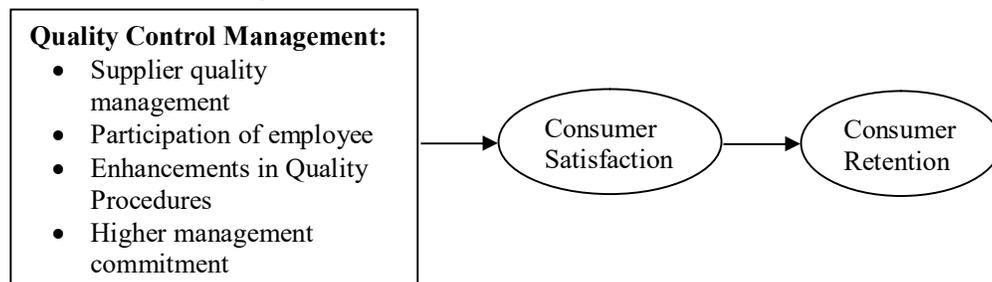
2. Literature Review

The intervention of quality management practices has brought an excellent impact on the rampant organisational endeavours. Quality control management practice refers to all type of programmes that can produce better products, decrease its cost and increase customer satisfaction. Hence, the contents of QMP has been increased after the revolution in Japan in 1950 (Cheung & To, 2010). Studies have shown that there are ten major dimensions of quality management; employees' training, higher management commitment, and assistance, participation of employees, supplier quality management, continuous support, leadership enhancement in quality procedures, focus on customers, analysis, and information, satisfaction of employees and use of statistical techniques (Laohavichien, Fredendall, & Cantrell, 2011). The following dimensions are in this study: higher management commitment, employees' participation, supplier quality management and leadership enhancement in quality procedures.

2.1 Conceptual Model

Fig. 1: Shows the conceptual model of the study depicting the relationship between the independent variable and the dependent variable of this study.

Fig. 1: Conceptual model
Quality control management



Source: Conceived by the researchers, 2019

2.2 Conceptual Framework

2.2.1 Quality Control Management, Consumer satisfaction and Consumer Retention:

Quality Control Management which is also referred to as Total quality management is a management philosophy for continuously improving products/services/processes quality with the aim of satisfying the needs and expectation of customers and enhancing firm performance. (Sadikolgu & Olcay, 2014). Irrespective of organisational size and motives, total quality management is applicable and it is a mindset that firms need to put in place as its core value for competitive advantage (Ogbari & Borishade, 2015; Agus, 1994). Thus, organisations need to work towards satisfying their customer by implementing quality control measures. This is because satisfied customers tend to be loyal and stay with particular products continuously.

Consumer retention is a way by which firms increase sales endlessly by retaining customers, continuously improving value delivery and satisfaction (Kihui, 2014). Many researchers have agreed on the importance of consumer retention as a driving force for profitability sales maximization, since retaining cost is less than acquiring new customers. (Zangmo, 2015, Kihui, 2014). Customer retention is central and has a positive significant relationship with business performance and growth (Eriksson and Vaghult, 2000). However, customer satisfaction is an antecedent of customer retention (Athanasopoulos, 2000). Several studies have maintained that there is a positive relationship between customer satisfaction and customer retention (Rust & Subramaman, 1992; Gberevbie & Isiafwe-Ogbari, 2007). Customer satisfaction also affects customer retention and is positively related to customer retention (Anderson and Sullivan, 1993). Thus, to retain a customer, it is necessary to satisfy him, and consequently, a satisfied customer is more likely to return and remain loyal to the company than a dissatisfied customer who can decide to go elsewhere (Ovenden, 1995). Therefore, satisfaction leads to retention and the retention, which is not based on mere habit, indifference or inertia (Desai and Mahajan, 1998; Ogbari & Borishade, 2015).

Kotler et al. (1996), however, stressed that satisfaction is the level at which a person's felt state is resulting from comparing two or more product's perceived performance in relation to the person's expectations. Thus, satisfaction level simply is a function of the difference between perceived performance and expectation (Stahl, 1999; Ogbari & Borishade, 2015).

Quality Control Management improves many aspects of business performance such as customer satisfaction and Retention. (Martinez-Lorente et al., 2004; Parzinger & Nath, 2000; Ikpefan, et al., 2014; Ogbari & Borishade, 2015). By and Large, a considerable body of empirical evidence suggests that total quality

management practices have greatly influenced and resulted in firm performance, consumer satisfaction, and retention. (Mann & Kehoe, 1994; Fuentes, Montes & Fern´andez, 2006; Choi & Eboch, 1998; Das, Handfield, Calantone & Ghosh, 2000; Sharma, 2006; Douglas & Judge, 2001; Brah, Tee & Rao, 2002; Sadikoglu & Zehir, 2010; Kaynak, 2003; Sadikoglu & Olcay, 2014). Firms in the manufacturing industry have equally used quality management as a strategic tool to generate competitive advantage and enhance organisational performance. (Reed, Lemak & Mero, 2000; Nilsson, Johnson & Gustafsson, 2001).

Scores of researches have also devoted their studies towards the effect of total quality management practices on customer satisfaction in the service and manufacturing industries. For instance, Al-Saggarf (1997) revealed that total quality management practice can improve customer satisfaction in the electrical industry in Saudi Arabia. Moreover, Kanji et al. (1999) reported that total quality management can increase customer satisfaction in United Kingdom Universities. In contrast, some researches such as Elmuti and Kathawala (1999) indicated that total quality management fails to improved customer satisfaction in the service industry. (Ogbari & Borishade, 2015). Augus (2004) said that implementing total quality management could improve the company’s customer satisfaction.

Ogbari and Borishade (2015) Studies have also found that Total Quality Management implementation improves organisational performance. Brah et al. (2000) used a random sample of 950 companies in Singapore to determine how an organisation would benefit from Total Quality Management implementation in terms of improved financial and operating performance. Kunst and Lemmink (2000) also investigated the effects of quality implementation procedures on organisational performance in hospitals and discovered that Total Quality Management leads to higher business performance, which indicates organisational efficiency, cost-effectiveness, and higher perceived service quality by patients. In the Netherlands, Zhang (2000) nearly reached the same conclusions when he found that quality implementations have a significant and positive effect on product quality and Quality Control Management.

Soltani and Lai (2007) conducted an empirical study in the United Kingdom and were of the opinion that International Organisation for Standardization (ISO) series and other Total Quality Management models were seen as helpful in organisations through the journey of business growth and excellence. Conversely, studies exist which did not agree and approve of the significant relationship that exists between the implementation of TQM and organisational performance. Dow et al. (1999) proposed that TQM factors, such as employee commitment, shared vision and customer focus, contribute to superior quality outcome, while benchmarking, work teams, advanced manufacturing technologies, and closer supplier relationships do not contribute to superior quality outcomes (Dow et al.

1999). This is also supported by Beaumont and Stahl et al. (1999) that the use of quality management practices does not correlate to profit levels.

2.2.2 Relationship between Supplier Quality Management and Consumer Retention:

Firms need to involve suppliers at an early stage of the product development so as to take advantage of suppliers' capability and expertise. Because higher quality inputs will result in the higher quality output of products. (Sadikoglu & Olcay, 2014).

According to Samson, Jonathan, Muli, Ruth and Tabby (2013) that "supply chain is a set of approaches utilized to efficiently integrate suppliers, manufacturers, warehouses, and stores so that merchandise is produced and distributed at the right quantities, to the right locations, and at the right time in order to minimize system-wide costs while satisfying service level requirements". Supplier quality management in most cases is referred to a set of activities management put in place to improve organisational performance. Such activities include: conducting supplier audits, measuring and tracking the cost of supplier quality, establishing effective communication channels with suppliers and using performance-based scorecards to measure supplier performance.

Supplier quality management is an important aspect of quality control management in the organisation because materials and purchased parts are a major source of quality problems in most services and manufacturing organisations. (Kaynak, 2003; Flynn et al., 1994; Jaafreh & Al-Abedallat, 2013). And more so, scholars have suggested and proposed that organisations should select their suppliers on the basis of quality, rather than only on price (Feigenbaum, 1991; Ishikawa, 1985). According to Deming (1986), the price has no meaning without a measure of the quality being purchased.

The activities of supplier quality management are also related to quality management practices which are responsible for promoting suppliers' quality between the firms and supplier using effective communication, adequate understanding, and quality of the product as a basis of identifying and choosing suppliers. (Zhang, 2000; Karani & Bichanga, 2012; Apudo, 2010).

Empirical studies of Samson et al. (2013) on the effect of supplier quality management on organisation performance, provided that performance measurement, supplier audits, supplier development and supplier integration are the most used supplier quality management practices. However, a close scrutiny showed that options which did cost the organisations little were the most commonly practised, whereas the ones costing more and demanding more involvement from the purchasing organisation were least practised.

The literature discussed here provides the following hypothesis:

H_{0.i}: There is no significant relationship between supplier quality management and customer retention.

2.2.3 Relationship between Employee participation and consumer retention:

An important factor in achieving organisational goals is Workforce management, which emphasizes on recognizing employee performance on quality; encourage teamwork; provide training; involve employees in quality decisions. (Jaafreh & Al-abedallat, 2013).

Individual and personal effort in tackling and handling quality issues has been found to have a weakness, rather than having a group work or group decision making that can uncover several possibilities of synergetic effect.

According to Apudo (2010) in Evans and Lindsay (2002), employee participation is an act of mandating a group of persons to jointly take a reasonable risk, accept mistakes, control their work and rightly make decisions that promote favourable organisation change.

Involving employees in quality management activities of an organisation empowers them to make decisions and solving problems at the operational level. This also makes them to acquire new skills, knowledge and develop ability to overcoming operational challenges. (Sangeeta & Banwe, 2004; Apudo, 2010). The study of Apudo. (2010) stated that employees' participation in quality management should encourage teamwork, ideas generation, incorporation of employee suggestions into decision process which promote commitment. In other word, employees work as a team to enhance quality of both input and output. In the light of this, the second hypothesis is proposed thus:

H_{0.ii}: There is no significant relationship between employees' participation in quality decision and customer retention.

2.2.4 Relationship between Enhancement in Quality Procedures and Customer Retention

The enhancement in quality procedures explains the phenomenon in which the functioning of the organisation is altered from conventional practices. Improvements in quality procedures lead the organisation to increased sales and profitability. On the broader spectrum, quality enhancement procedures improve performance of business enterprises (Flanigan, 2012).

The synergy between higher management commitment and enhancement in quality procedures have been measured along with other dimensions of quality

management (Lakhal, Pasin & Limam, 2006). The effects of both dimensions of quality management were examined on the performance of employees and result indicates a higher performance. Also, the study of Su, Li, Zhang, Liu and Dang (2008) indicate that quality management practices impacts on research and development, business performance and quality performance of organisation.

Given this proposition, we propose hypothesis three thus:

H₀iii: There is no significant relationship between leadership enhancements in quality procedures and customer retention.

2.2.5 Relationship between Higher management commitment and consumer retention

Quality control management implementation depends greatly on the commitment of the higher-level management. Thus, management commitment is an active assistance from the top-level managers through championing the course of quality management so as to achieve a high level of organisational performance. (Chrusciel & Field, 2003; Ciptono, 2008; Apudo, 2010).

It has been confirmed that strong commitment from top-level management and leadership is crucial and necessary in the implementation of quality management (Chrusciel & Field, 2003). Hence, there is a need for organisational leadership to champion long-term strategies for growth through products and services delivery. However, top-level management is expected to lead in quality management with appropriate policies, goals, resources, identifying and solving problems within the organisational setting (Apudo, 2010).

According to Karani and Bichanga (2012), Customer focus is the ability of firms to design both product and service to meet and exceed customer expectations. It implies customers are come first in all decision process since the continuous existence of any organisation depends on the patronage of its target market. Organisations that involve customers in every stage of product design and development are most likely retaining customers. Higher management commitments to quality and reward systems for employees that exceed expectations further consolidate the position of customers in the organisation. The forth hypothesis is proposed thus:

H₀iv: There is no significant relationship between higher management commitment and customer retention.

H₀v: Quality management dimensions do not predict customer retention

2.3 Theoretical Framework

Two theories the Theory of Constraint (TOC) and Crosby's theory are considered as appropriate for this study. Each of these theories are briefly discussed and their relevance to the study.

2.3.1 Theory of Constraint (TOC)

Theory of Constraint (TOC) was first presented in Goldratt, (1984) in his revolutionary contribution to literature. The assumption of this theory provides the methodology of what to change, what should be changed to, and how to effect these changes to continuously improve performances in the entire marketing system (Nassar & Yahaya, 2015). According to Zadry and Yusof (2006) Theory of Constraint like Total quality management sees quality as an ongoing process which can be used to tackle poor quality problems and achieving organisational goals. However, the main objective of TOC is to establish an effective management system designed to implement the process of continuous profit maximization and a well-defined quality measure. (Stein, 1997; Nassar & Yahaya, 2015).

2.3.2 Crosby's Theory

Crosby theory, in Ngandi and Nkemkiafu (2015) stated that quality is conformance to requirement measured by the cost of non-conformance. The author proposes four "absolutes" and fourteen steps for quality improvement process. The four *absolutes* include Quality (adherence to requirement), Prevention (best way to ensure quality), Zero Defects (No mistakes allowed) and Quality (Price of non-conformance).

While for continuous quality improvement, fourteen steps must be followed: *Management Commitment*: Management standing on quality, *Quality improvement teams*: Running quality improvement process, *Measurement*: Displaying both current and potential non-conformance problems in a way that allows objectives, *Cost of quality*: Stating clearly the cost of quality and its uses as a management tool, *Quality awareness*: By raising personal concern to all employees, *Corrective action*: Putting in place a systematic method for resolving problems identified previously, *Zero defects*: By formally launching a zero defect day, *Employee education*: Training all employees towards playing their role of quality improvement process, *Planning zero defect day*: Planning and creating an event of personal experience, *Goal setting*: Encouraging employees on goal setting and strife toward achievement, *Error-cause removal*: Communicating difficult situation to management, *Recognition*: Appreciating

participating members, *Quality councils*: Bringing resource and appropriate persons together to share quality management information, *Do it all over again*. To maintain a continuous total quality management processes. (Ngambi & Nkemkiafu, 2015).

3. Materials and Methods

This study employed cross-sectional survey method in data collection. The target population for this research consist staff of Cadbury Nigeria Plc, Nestle Nigeria Plc, and PZ Nigeria Plc. at their respective headquarters offices. The study used a stratified sampling method to select the respondents, thereby resulting to one hundred and fifty sample size. The structured questionnaire with 5 points Likert scale was used. Descriptive statistics (frequencies and percentages) are used for the analysis of data collected, while, Pearson Product Moment Correlations and multiple Regressions were used to test the formulated hypotheses of the study

Data obtained from copies of a questionnaire distributed was presented in tabular form for easy analyses and interpretation. Analyses were centred on Quality control management and Customer Retention. However, due to the magnitude of individual characteristics and respondents' fear to disclose imperative information, one hundred and thirty-nine (139) copies of questionnaire, making it 92.7% response rate were returned completely and valid for analysis and interpretation, out of a total of one hundred and fifty (150) copies of questionnaire administered. Finally, Pearson Product Moment Correlation and Multiple Regressions were used to test the hypotheses.

4. Results of

4.1 Hypotheses Testing

Pearson Product Moment correlations was used to test four hypotheses and multiple regression analysis used to test hypothesis five using Scientific Package for Social Sciences (SPSS) software (v20.0). Table 1 show the results of hypotheses 1 to 4, while the result of hypotheses 5 is summarized in Table 2

Table: 1 Pearson Correlations Matrix showing the relationship among variables of the study

Variables		CustRetn	SupQMgt	EmpInvol	LeadEnh	HiMgtComtt
CustRetn	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	139				
SupQMgt	Pearson Correlation	.607(**)	1			
	Sig. (2-tailed)	.000				
	N	139	139			
EmpInvol	Pearson Correlation	.619(**)	.698(**)	1		
	Sig. (2-tailed)	.000	.000			
	N	139	139	139		
LeadEnh	Pearson Correlation	.508(**)	.639(**)	.616(**)	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	139	139	139	139	
HiMgtComtt	Pearson Correlation	.659(**)	.598(**)	.658(**)	.655(**)	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	139	139	139	139	139

** Correlation is significant at the 0.01 level (CustRetn =Customer retention, SupQMgt = Suppliers quality management, EmpInvol =employees involvement in quality Management, LeadEnh = Leadership enhancement of quality, HiMgtComtt = High Management commitment to quality management.)

Hypothesis One

H₀: There is no significant relationship between supplier quality management and customer retention.

Table 1 shows the Pearson correlation result, indicating the relationship between supplier quality management and customer retention, it shows that $r = 0.607$; $p < 0.001$ at 1% level of significance indicating that there is a positive relationship between supplier quality management and customer retention, we reject the null hypothesis and accept the alternative that there is a significant positive relationship between supplier quality management and customer retention.

Hypothesis Two

H₀: There is no significant relationship between the participation of employees and customer retention.

Table 1 shows the Pearson correlation result, indicating the relationship between employee participation and customer retention, it shows that $r = 0.619$; $p < 0.001$ at 1% level of significance, thus indicating that there is a positive relationship between employee participation and customer retention, we reject the null hypothesis and accept the alternative that there is a significant positive relationship between employee participation and customer retention, we reject the null hypothesis and accept the alternative that there is a significant positive relationship between employee participation and customer retention.

hypothesis and accept the alternative that there is a significant relationship between the involvement of employees in quality management and customer retention.

Hypothesis Three

H₀: There is no significant relationship between leadership enhancements in quality procedures and customer retention

Table 1 shows the Pearson correlation result, indicating the relationship between leadership enhancement in quality procedures and customer retention, it shows that $r = 0.508$; $p < 0.001$ at 1% level of significance indicating that there is a positive significant relationship between leadership enhancement in quality procedures and customer retention, we reject the null hypothesis and accept the alternative which states that there is a significant relationship between leadership enhancements in quality procedures and customer retention.

Hypothesis Four

H₀: There is no significant relationship between higher management commitment and customer retention.

Table 1 shows the Pearson correlation result, indicating the relationship between higher management commitment and customer retention, it shows that $r = 0.659$; $p < 0.001$ at 1% level of significance indicating that there is a positive and significant relationship between higher management commitment and customer retention, we reject the null hypothesis and accept the alternative which states that there is a positive and significant relationship between higher management commitment and customer retention.

Hypothesis Five

H₀: Quality management dimensions do not predict customer retention

Table 2: Summary of the results of Multiple Regressions Results

	B	T	Sig.	R	R ²	Adj.R ²	F	Sig.
Constant	.674	3.119	.002					
SupQMgt	.252	2.778	.006					
EmpInvol	.202	2.207	.029	.723	.523	.509	36.696	.001
LeadEnh	-.045	-.474	.639					
HiMgtComtt	.422	4.564	.001					

Dependent Variable: CustRetn = Customer Retention

Table 2 show the result of the predictive capability of quality management dimensions as predictor of customer retention. R^2 and adjusted R^2 square show 53.3% and 50.9% respectively indicating that quality management dimensions explained over 50% variation in customer retention. All dimensions captured in the study except leadership enhancement have positively and significantly explained retention (Supplier quality management $t = 2.778$, $p < .006$; Employees involvement in quality $t = 2.207$, $p < .029$; High management commitment to quality $t = 4.564$, $p < .001$) which also has the highest explanatory value 42.2% of variation in customer retention. The overall estimated regression is significant given the value of $F = 36.696$, $p < .001$.

4.2 Discussion of Findings

The regression result in Table 2 shows the correlation coefficient 'R' (0.723) which denotes the combined correlations of quality management dimensions and customer retention. while R square (0.523) which stands as the coefficient of determination indicating the amount of variance in customer retention by Suppliers quality management, Employees involvement in quality Management, Leadership enhancement of quality, High Management commitment. Thus, total quality management accounts for 52.3% of the variance in customer retention. More so, the p (Sig.) $0.001 < 0.01$ indicating that the test is significant. Hence, the alternative hypothesis is accepted that quality management dimensions predict customer retention. It is also evident from the regression result that high management commitment contributed significantly to customer retention since $P(\text{Sig.}) 0.001 < 0.01$ more than Supply quality management $P(\text{Sig.}) 0.006 < 0.01$ which also shows a significant relationship with customer retention. This result is similar to that of Chrusciel and Field (2003); Ciptono (2008) and Apudo (2010) that top management commitment is an important requirement in championing the course of quality management so as to achieve a high level of customer retention which is expected to lead to improved organisational performance. More so, empirical studies of Samson et al. (2013) show a positive effect of supplier quality management on organisation performance.

Several studies have identified the strategic roles of quality control management in enhancing customer retention in the manufacturing industry. Customer retention has been shown to be a primary goal in firms that practice quality management (Gronroos, 1991; Coviello et al., 2002). Naumann (2010) pointed out that customer retention is a strategic focus of organisations that adopt quality control management. Aghazadeh (2002) also affirms that a quality management practice is

absolutely important for business survival and increase customer satisfaction (Kanji et al. 1999).

5 Conclusion

Based on the results of the hypotheses tested, the study concluded that there is a significant relationship between high management commitment, supplier quality management and customer retention, however, employee involvement and leadership enhancement shows moderate positive significant relationship between customer retention. Thus, management should ensure a high commitment to quality assurance and also devote adequate resources to engaging high supplier quality management. Conclusively, efforts must be made towards continuous implementation of Total Quality Management practices in Cadbury, Nestle, and PZ Nigeria plc. The commitment of top management is a prerequisite for achieving results.

It is recommended that organisations should subscribe to quality award systems by implementing ISO certifications and devoting their resources to quality management in both products and services to the stakeholders. Adherence to quality boosts customer confidence, increase sales thereby impacting on positioning in the competitive environment though higher financial returns.

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