International Journal of Business & Management Tomorrow

Quality Tools And Customer Satisfaction In Banking Sector

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Abstract

This research was aimed to identify the application of quality tools to improve quality - related outcomes (process improvement, employee satisfaction, customer satisfaction, quality performance) in banking industry. The data collected with questionaire distributed to 240 employees in banking sector. The statistical method used was structural equation modeling (SEM) assisted by the application of AMOS programs. The research concluded Positively That leadership was associated with teamwork, employee satisfaction improvementand process. Teamwork was Positively associated with quality knowledge tolls. Quality tolls Positively knowledge was associated with Quality tools application. Positively quality tools application was associated with process improvement and quality performance. Process improvement was associated with employee satisfaction Positively and customer satisfaction. Surprising there are no significant by the between leadership and custome associated Stisfaction, Quality Customer Satisfaction with application tools, and employee satisfaction with customer satisfaction.

Keywords Leadership, teamwork, knowledge-quality tools, quality tools application, process improvement, employee satisfaction, customer satisfaction, SEM

Introduction

The banking sector is one of a very supportive factor in winning the competition because the company that the company competitive in the delivery of services to quickly get to the customer with satisfactory service than the competitors will win the competition busines. Industry Banking is an industry that is engaged in providing a stimulus reply services to customers so that customers would save money in the bank. Such remuneration may include flowers, gifts, services or other remuneration. One of the remuneration of the most important is the quality of service (Fandy Tjiptono, 2002). The quality of service without the support of a quality service delivery system into something that does not mean. Quality of service is defined as the overall characteristics and the nature of a product or service that affect its ability to satisfy stated or implied needs (Kotler, 1997).

The management of the bank is required to be able to achieve a good level of service quality. Therefore, the required quality control system always oriented to the identification of what the needs and consumers. Quality control system is important because as a process that is not easy for an organization, even more so this involves corporate culture, management therefore need to design services so that consumers can be satisfied of the services offered by banks. Delivery of services with higher quality than competitors consistently is one way to distinguish a bank with other banks. The advantages of a service is dependent on the uniqueness and quality that is realized by the service, whether it is in line with expectations the customer. Everything that needs to be done to achieve high profitability so that banks can continue to grow and develop in accordance with the demands of competition (FandyTjiptono, 2002).

Selection of banking as the research object with a reason, as argued by Berger (1991), namely banking was an industry that offers superior Laboratorium for various types of research on market competition and performance. From the dynamic nature of the banking industry, appears from good rivalry with banking business companies and non-bank financial services, it is hoped this research will have direct implications for companies, especially financial services and other service companies in general. In line with the development of Banking in whole Indonesia, the development of the Banking Industry in Yogyakarta participate developed. Banking Industry was founded with the aim to assist and encourage economic growth.

The existence of the Banking Industry should continue to exist and maintained by improving service quality and performance in the bank. Quality of service is an indicator that can be used to measure the performance of a bank. Good quality will lead to improved performance of banks that will eventually cause a bank to store and distribute funds from the community back in the form of loans and other forms. Therefore,

this study aims to identify the application quality tools for improving quality in relation to process improvement, customer satisfaction and quality performance in the banking sector.

Literature Review And Hypothesis

Total Quality Service (TQS)

According to Stamatis (1996), TQS is defined as a strategic and integrative management system that involves all managers and employees, and using methods of qualitative and quantitative for continuously improving organizational processes in order to meet and exceed the needs, desires, and expectations of customers.

TQS focuses on five areas, namely;

1. customer focus

Identification of customers is a top priority the implementation of TQS. If the customer is known, the next step is to identify the needs, desires and expectations. There are two kinds of customer organizations, namely internal customers and external customers, both of which are the driving force of organizational activity. External customers to determine the quality of the products they receive, whereas the internal customers play a role in determining the quality of human resources, processes, and environment-related products.

2. Total Involvement.

In order TQS can be implemented properly, management should provide the opportunity for employees to take an active role in any decision-making. In order for the worker is able to capture this opportunity, many experts suggest that given the training and education in order to develop quality. Training is the training provided should be a dynamic, flexible, and can encourage the creativity of the work (Wilson, 1991). With the training, workers will always be prepared to deal with change, the commitment of workers will increase, and they will have a steady confidence.

3. The measurement.

One of the basic needs of TQS is to set the size of the base, both internal and external to the organization and customers. The results of organizational performance measurement and feedback from customers can be used as a basis in providing fringe benefits to employees, and provides a signal to the organization about the things that still need improvement.

4. Systematic Support

Successful implementation of TQS is very dependent on the support of top management. Management is responsible for managing quality processes by: 1) Build quality infrastructure that is associated with the internal management structure. 2) Linking quality with the existing management system, such as: strategic planning, performance management, recognition, appreciation, and promotion of employees and communication. Top management is driving the development of quality, value creation, purpose, and the system (ahire, et al., 1996). Goetsch and Davis (1994) asserts that the commitment must be manifested at least one third time for the top management is directly involved in implementation efforts TQM / TQS. Lack of top management commitment is one cause of failure of implementation of TQM / TQS (Ahire et al., 1996).

5. Continuous improvement

Continuous processes perfected a tool for organizations to control the quality of services provided to customers can lead to optimal quality. To support continuous quality improvement, everyone in the organization responsible for: 1) view all work as a process, 2) to anticipate changing needs, desires, and expectations of

customers. 3) make incremental improvements. 4) reduces cycle time, 5) Encourage and are happy to receive feedback, without fear or worry. Each product produced by the organization would go through certain processes in a system / environment. Therefore, the existing system needs to be improved, in order to always support the improvement of quality. According to Tjiptono (2000), the implementation of TQS will provide several key benefits, namely increased satisfaction index as measured by the quality of any size, increased productivity and efficiency, increased profits, increased market share, increased employee morale, and increased customer satisfaction.

Service (Service)

Service is any act or acts that can be offered by one party to another, which is essentially tangible (physical intangible) and can not result in ownership of something. However, product-related services can be a physical product or not (Kotler, 2002). Service is a process that consists of a series of intangible activities which are usually (but not always) occurs in the interaction between customer and employee services and or physical resources or goods and or provided as a provider of systems solutions to customer problems (Tjiptono and Chandra, 2004) .

The concept of Quality of Service

1. Service Excellence

That is an attitude or way of employees in serving customers in a satisfactory manner, in general there are four main elements in this concept (Elhaitammy.T,] 990), namely: (1) Speed, (2) Accuracy, (3) Hospitality, (4) Leisure. The fourth component is a unit of service that is integrated, meaning of service excellence or service to be no less if there are components. To achieve the level of excellence, each employee must have certain skills, such as look good and neat, being friendly, showing passion and attitude are always ready to serve, quiet work, and do not feel proud because they feel necessary. Mastering the fine job tasks related to the section or department or any other part, able to communicate well, have the ability to handle customer complaints in a professional manner, thus efforts to achieve service excellence is not an easy job. But if it can be done then the relevant company will have large benefit, especially in the form of satisfaction and great customer loyalty.

2. Perception Quality of Service

The quality begins with customer needs and ends on the perception of customers (Kotler, 1994, in Fandy Tjiptono 2000). This means that the image quality is good not based on viewpoint or perception service providers, but based on the customer's point of view or perception of customer's. The customer who enjoys the company's service, so it is they who should determine the quality of the service. Customer perception of service quality is the comprehensive assessment of the merits of a service.

3. Consumer Expectations

In the context of quality of products (goods / services) and satisfaction has reached a consensus that customer expectations have a major role as a standard of comparison in the evaluation of quality and satisfaction. According to Olson and Dolver in Fandy Tjiptono (2000) customer expectations is the confidence of customers before trying or purchasing a product, which is used as a standard or benchmark in assessing the performance of these products. However, in some cases has not been achieved agreement, for example about the nature of the specific standards of expectation, the number of standards used, and source of hope.

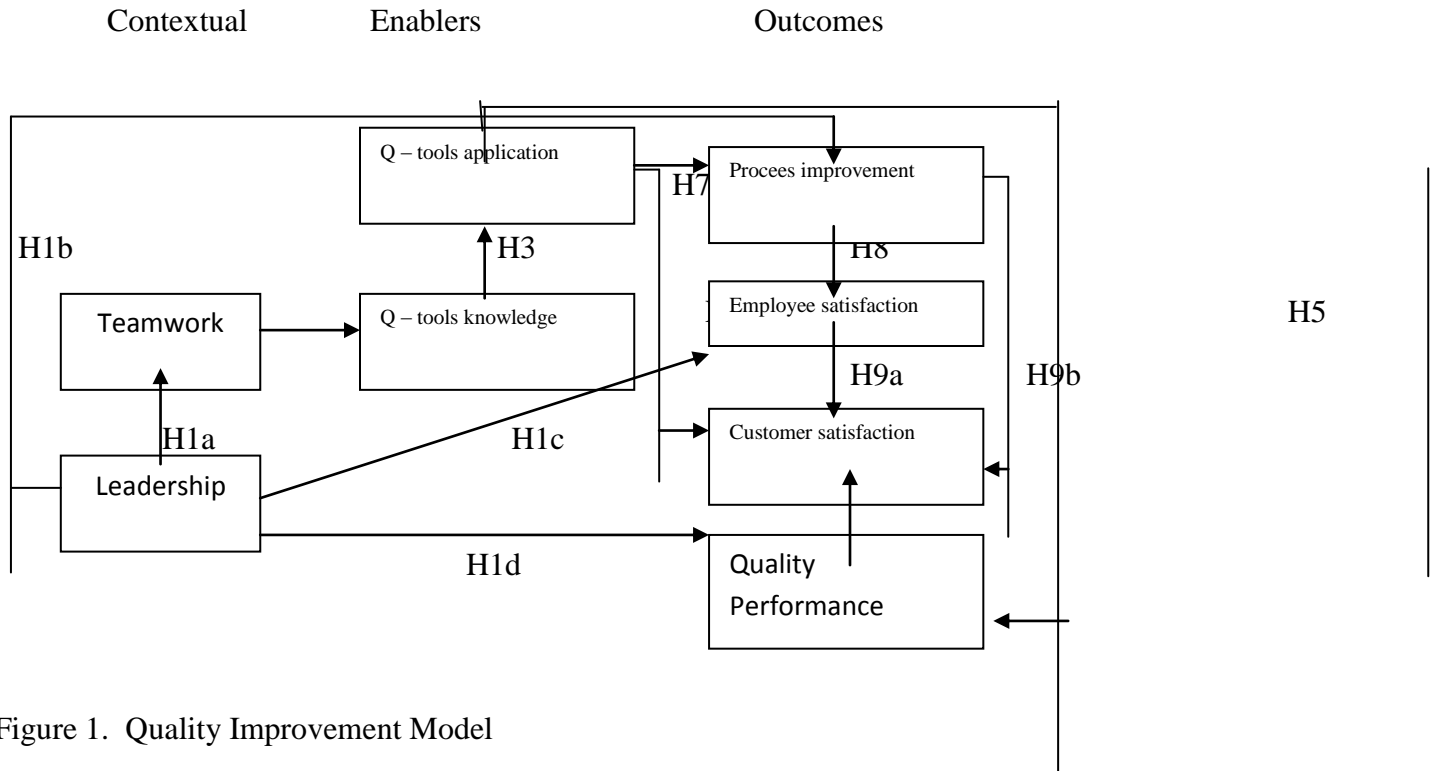The research model used in the improvement of the quality described as follows

Figure 1. Quality Improvement Model

Previous research

This research study replicates Foster, et al. (2002) which examined the role of quality tools in order to increase satisfaction with government agencies. with results showing that leadership has a positive relationship with teamwork, process improvement, and employee satisfaction. Knowledge of quality if applied will be effective in promoting the process. This increase in the presence of teamwork will be able to increase employee satisfaction and customer satisfaction. This study also replicate research Wahyuningsih Tri (2004) which examined the role of quality tools in an effort to increase consumer satisfaction in the communications sector with a sample of employees who work at institutions in the land transport sector that is sampled Railway company Indonesia, PELNI Company Sea samples taken and the air is taken samples of Garuda Indonesia Company. the results showed that the Quality application tools have a positive relationship with Process improvement, customer satisfaction, Quality Performance. Besides leadership has a positive relationship with teamwork, process improvement, but not on employee satisfaction and customer satisfaction since the survey results show that leaders in these companies do not respect our employees, will not listen to ideas from employees, does not inspire confidence in employees, and leaders do not supporting improvements in relation to customer service.

Hypothesis

Leadership

Greenberg and Baron in the book Behavior in Organization (2000) defines leadership as the process of how individuals influence other group members to achieve group or organizational goals set. According to Kets de Vries, 1994 in his article "The Leadership Mystique" said that although effective leadership strongly depends on the pattern and the complex interactions between leaders, subordinates and the situation, but in general the success of the leader has two roles: the role charismatic and instrumental roles. Scully (1993) states that leadership is required to initiate the process of change in government. Rago (1996) construct a deductive model of leadership in improving governance with leadership in achieving the objectives, coordination,

communication, and empowerment. Leadership based on the literature to be antesenden on improving the process (Deming 1996). Also, positive leadership is associated with employee satisfaction (Howard and Foster 1999).

Hypothesis 1a: There is a positive relationship between leadership with teamwork.

Hypothesis1b: There is a positive relationship between leadership with process improvement.

Hypothesis1c: There is a positive relationship between leadership with employee satisfaction.

Hypothesis1d: There is a positive relationship between leadership with customer satisfaction.

Teamwork

Gustafson and Kleiner (1994) defines a team as a small group of people doing the same job, meet regularly to identify and analyze the causes of problems, recommend and if possible implement the results. Medium according to Greenberg and Baron (2000) defines a team as a group whose members have complementary skills and are committed to common goals or performance objectives have similarities in that they face, as a responsibility. In the manufacturing and services sectors, the team has been adopted in the government. There are several reasons for this, one of the main reasons is the complexity in the workplace (Wenger and Snyder, 2000).

Quality Tools Knowledge /Knowledge of Equipment Quality

Before you apply quality tools, training often provides learning to employees about what is quality tools that enable and how to use it. Quality tools in this study includes seven basic tools in quality (ie, flow charts, control charts, histograms, scatter plots, Ishikawa diagrams , run charts, pareto charts and check sheets). Ceridwen (1992) identify the flow charts, Ishikawa diagrams, control charts and scatter diagram is a tool often used in quality improvement. Foster and Viano (1996) introduces how the basic quality tools used in the internal revenue service to improve service quality.

Hipotesis 2: There is a positive relationship between teamwork with quality tools knowledge.

Quality Tools Application /Application Equipment Quality

Application of quality tools more on sustainable use of quality tools after training is completed. Greene (1993) in Choon Tan, Wisner (2001) states that some programs fail to anticipate outcomes, largely due to the uncertainty on how the program should be implemented or applied. Foster and Franz (1998) proposed to use quality tools to improve product quality.

Hypothesis 3: There is a positive relationship between quality tools knowledge with a quality tool application

Quality Performance / Performance The Qualified.

According to Manz and Stewart in Kontoghlorghes Constantine (2001) states that overall understanding / knowledge of good and the synergies from the integration of TQM and STS will have an advantage in stability and flexibility of a stable, a good innovation, ownership of psychology, the quality of life in work, learning is continuous and discontinuous and ends on a high organizational performance and customer satisfaction can make happen. Choon Tan, Wisner (2001), shows the results of survey research that some quality practice in the transportation industry is positively associated with firm performance. Similarly, according to Dow Douglas et al. (1999) mentions that the practice of quality can be categorized in nine dimensions and not all of them have contributed to superior quality performance. According to Mc Cune (1989) in Choi, Eboch (1998), describe that performance management as a key source of customer satisfaction and based on the model proposed by

Anderson et al. (1994b), in Choi, Eboch (1998), stating that quality performance is influenced by the quality management practices that ended on customer satisfaction.

Hypothesis 4: There is a positive relationship between quality tools application with customer satisfaction.

Hypothesis 5: There is a positive relationship between quality tools application with quality performance.

Hypothesis 6: There is a positive hungan between quality performance with customer satisfaction.

Process Improvement

Most importantly, in the long term improvement process based on the quality of support (Deming, 1986). Most of the quality tools can be used to improve the process. The tools used for process documentation and proposals, implementation and evaluation for process improvement.

Hipotesis7: There is a positive relationship between application quality tools with process improvement.

Employee Satisfaction

Process improvement has been placed in the long run as a possible source in employee satisfaction, and quality improvement has been shown empirically with employee satisfaction (Adam and Foster, 2001). Since the process and quality improvement efforts increase organizational commitment and communication, expectations that will be increased employee satisfaction, quality and process improvement can be used as a career anchor (Leavitt, 1996). Since the increase in quality has an important role in the empowerment of employees and level of accountability in the organization of government work, employees are more satisfied (Stepina and Perrewe, 1991).

Charles Perrow (1967) states that job satisfaction is not only influenced by the characteristics of work but also by factors relating between individuals and their work units and organizations such as the commitment within the organization and interaction between co-workers and supervisors. J.Hackman (1970) states that individuals sometimes interpret their work and organization based on personal characteristics, such as their beliefs and values, which may also have an effect on their job satisfaction. George, Jennifer (1998), in his article focuses on the importance of the seller (in this case are employees of the nexus) may behave to help directly to customers and concentrate to find out how the seller can set it up.

Hypothesis 8: There is a positive relationship between process improvement with employee satisfaction.

Customer Satisfaction

Wiper (1994) found an association between increased organizational with customer satisfaction in the overall measure of business performance at the Oregon Department of Transportation.

Hypothesis 9a: There is a positive relationship between employee satisfaction with customer satisfaction.

Hypothesis 9b: There is a positive relationship between process improvement with customer satisfaction.

Research Methods

Determination of the sample in this study using purposive sampling method. The criteria that an employee with a minimum of an undergraduate education at state-owned banks on the assumption that the employee knows and understands about the various kinds of equipment of quality. Survey method used to obtain primary data through questionnaires sent directly to the object of research . The questionnaire is a questionnaire that was developed based on research conducted by Foster, et al. 2002. However, in the

development of this study, the questionnaires are experiencing some adjustments to the conditions in the field include the reduction and the addition of constructs.

Results And Discussion

Characteristics of Respondents

Questionnaire has been prepared through a questionnaire distributed to respondents which passed directly in four sectors ie banking at Mandiri Bank, BNI Bank, BTN Bank, and BRI Bank in Yogyakarta Indonesia. Number of questionnaires distributed 240 questionnaires. Number of questionnaires returned was 196, but that can be used for subsequent analysis of 165 questionnaires was due to the remaining 31 questionnaires did not meet study criteria, including the questionnaire is not filled completely. So that the percentage rate of return of this questionnaire was 81%, and for the percentage rate of return questionnaires that can be used is 68% while the characteristics of the respondents was based on gender, and tenure,

Description of respondents by gender

The identity of respondents by gender can be seen in Table 1. In table 1 shows that of 165 respondents 102 respondents (61%) were male, 63 respondents (39%) were women.

TABLE 1
Identity of Respondents by gender

Gender	Number	Percentage (%)
Male	102	61
Female	63	39
Total	165	100

Sources: Primary data processed

Description of the respondents based on tenure

The identity of respondents based on tenure can be seen in Table 2. In table 2 shows that of 165 respondents 24 respondents (16%) have a term of between 2-12 years, 59 respondents (40%) have a term of between 13-23 years old, and 65 respondents (44%) had tenure of more than 23 years.

TABLE 2
Identity of Respondents According to the Term of Office

Term of office	Number	Percentage (%)
2-12 years	26	15
13-23 years	88	54
> 23 years	51	31
Total	165	100

Sources: Primary data are processed

Research Findings

Validity Test

This study uses cross sectional data collected from 165 state-owned bank customers in Yogyakarta . Data obtained using a questionnaire instrument equipped with a depth interview. Once that was done to test the validity and reliability by using SPSS 11.5 and the CFA. By using the SPSS 11.5 techniques used in this study is the Pearson product moment correlation method. To know that an instrument said to be valid if the value is

below the 0.05 level of significance. The validity of test results of calculations with the program SPSS 11.5 can be concluded that the results of Pearson correlation value calculation, whole grains have a question under 0.05 significance level. thus it can be concluded that all grains have a question that can be declared invalid, or whole grains have a question that can be declared eligible as an instrument to measure the research data.

The validity of a measuring tool to show how far the measuring instrument can measure what should be measured (Cooper & Emory, 1995). To test construct validity, this study used c onfirmatory factor analysis because the questionnaire used in this study have been used in previous research which will leave its validity is tested again. Based on confirmatory factor analysis, indicators of each construct should have a significant loading factor. According to Hair, et al. 1998, the loading factor is considered to meet the level of at least 0:30, 0:40 loading factor is considered better and in accordance with the rule of thumb used by researchers, and the loading factor 0:50 is considered significant.

Calculation of confirmatory factor analysis in this study will use using the program AMOS 4.01. The intended use of this program is to prove whether any indicators of a construct really have a strong correlation in these constructs. The results of confirmatory factor analysis calculations can be concluded that the factor loadings of each item questions that make up each construct is ≥ 0.4 so that the grains of the instrumentation of each construct validity can be said to be good and acceptable, except for the factor loading indicator QTK3 0:13 or with words else if we refer to the provisions of the CFA that an indicator that the value of factor loading ≤ 0.4 should be issued in the subsequent analysis. Although the validity of the calculation results with SPSS 11.5 all said to be valid indicators of the question but because the results of calculations with the CFA at 4:01 AMOS statistical application program there is one question that is not a valid indicator of an indicator in QTK3 then decided that QTK3 indicators are not included in subsequent analysis.

Reliability Test

This test aims to test the consistency of the indicators used in this study. An instrument can be called reliable in social research and exploratory when a Cronbach's alpha> 0.60 even> 0:50 could be considered reliable (Nunnally, 1970). The results of calculations relialibitas test using SPSS 11.5 can be concluded that the requirements of at least 0.60 Cronbach's alpha and corrected item-total correlation of at least 0:50 fulfilled for all the indicators in each construct, so that all the indicators can be said to be reliable.

Normality Test

SEM testing is very sensitive to data that are not normally distributed because it will raise the chi-square and encouraging results are biased (Ferdinand, 2000; Hair et al., 1998). Rules of thumb commonly used is if it exceeds the critical value 2:58 means that the normality assumption is not met at the probability level of 0.01 (Hair et al., 1998). By using the program AMOS 4.01, the results of normality test data can concluded. Critical ratio In the column that shows that there are sixteen of forty-six figures a number greater than + / - 2.58, it indicates that the data are normally distributed. According to Bentler and Chou (1987) that if the SEM estimation techniques in the model using maximum likelihood estimation (MLE) although the data distribution is not normal can still produce a good estimate, so that appropriate data for use in subsequent estimates.

Multicolinieriety Test and Singularity

Testing for symptoms multicollinearity between independent variables did not notice any symptoms of damage multicollinearity of the model visible determinant of sample covariance matrix 6.5831e +028 (Appendix 5) and this figure is far from zero. Because it can be concluded that there is no multicollinearity or singularity in this data so that assumptions are met (Ferdinand, A, 2002:109).

Outliers Test

Outliers are observations or data that has unique characteristics that look very much different from other observations and appear in the form of extreme good value for a single variable or combination of variables (Hair et al., 1998). In the analysis of multivariate outliers can be tested with Mahalanobis distance squared at the level of $p < 0.001$. Mahalanobis distance squared test performed using the degree of freedom number of variables used in the study. Number observasi variables used in this study was 46, then the Mahalanobis distance squared value greater than (Number of variables = 8, $p < 0.001$) = 81.40033 will be issued and are not included in subsequent processing. The results of analytical calculations using the program AMOS 4:01 Mahalanobis distance squared results showed that most of it is 36,759, so it can be said to have met the requirements, because its value is smaller than 81.40033 and unnecessary data is eliminated.

Evaluation Criteria for Goodness of Fit

TABLE 3
Structural Equation Model Goodness of Fit Index

Goodness of fit index	Critical Value	Index	Information
-Chi-Square	Small expected	2040.304	
-Significance probability	00:05	0000	Poorly
Relative (Cmin / DF)		2189	Good
GFI	0.90	0651	Poorly
AGFI	0.80	0612	Poorly
TLI	0.90	0757	Marginal
CFI	0.90	0771	Marginal
NFI	0.90	0650	Poorly
RMSEA	12:08	0085	Good

Sources: (processed researcher with SEM)

From the evaluation results of the model presented in Table 3 turns of the eight criteria used, there are four criteria do not show any good results, meaning the model does not fit with the data and less well, so that the model needs to be modified. Modification index gives guidance on the variables which will result in diminution when the estimated value of chi-square. The variable in question is modifications that have index values greater than or equal to 4.0. The most likely alternative of Modification Indices is to provide a line covariance between Z3 (coz) and L; Z7 (QP) and L.

Justification that supports the theory covariance relationship between Z3 (coz) and L is expressed by saraph, et al. (1989) in Kannan, et al. (1999) propose and empirically validate the eight components of management practices that both the actual quality management (defined as the perception of managers in quality management practices in their business units) and quality management are ideally (trust managers based on the quality of management that should exist in business unit) is dependent in the context of organizational quality (saraph, et al. 1991) organizational context is defined as the environmental quality of the business unit managers and operasionalisasinya using measuring devices including managerial knowledge, corporate commitment to quality, performance quality, and type or company size.

Support for the covariance between QTA and Leadership the other is by Rago (1996), found that the leadership introduced the implementation of teamwork by providing resources and asset requirements and with symbolic communication in the application top-level commitment to quality tools. According to Garvin (1998), in Chen, et al. 2002, states that if managers want to be successful, they must move aggressively to increase their knowledge of QTA and performance. Justification that supports the theory covariance between Z7 (QP)

and L is found by Garvin (1998), in Chen et al. (2000) which states that if managers want to be successful they must move aggressively to increase their knowledge of coz and performance.

The results of testing with structural equation model (Structural Equation Model) with AMOS program after the modification shown in table 4.

TABLE 4
Structural Equation Model Goodness of Fit Index

Goodness of fit index	Critical Value	Index	Information
-Chi-Square	Small expected	1997.700	More and Small
-Significance probability	00:05	0000	BelumTerpenuhi
Relative (Cmin / DF)		2148	Good
GFI	0.90	0654	Ugly
AGFI	0.80	0615	Ugly
TLI	0.90	0765	Marginal
CFI	0.90	0780	Marginal
NFI	0.90	0658	Ugly
RMSEA	12:08	0084	Good

Sources: (processed researcher with SEM)

From the results of evaluation of the proposed model turns out from all the criteria used overall there are still unmet, but with the evaluation of model results against the criteria there is an increase in goodness of fit when compared with prior to any evaluation of the model. So the model still used by researchers, because some of the criteria have been met. Actually there is a way / solution for overcome by using a two-step SEM approach. This method has been used by some researchers to overcome these solutions, and test the general assumption will be fulfilled directly without having to make modifications to the index (Muafi, Entrepreneur, March, 2007)

Hypothesis Testing

Causality is said to significantly when the estimated parameter values both constructs have the CR value greater than or equal to 1.96 with a significance level of 0.05 (5%) or CR value greater than or equal to 2:00 for the significance level of 0.01 (1%), whereas if the CR value smaller than 1.96 then it has a weak causality (Suryanto, Sugiyanto, & Sugiarti, 2002).

The results of regression weight on the model calculations are presented in Table 5

TABLE 5

Structural Equation Models - Regression Weights

	CR	Estimation
Teamwork Leadership □	9291 **	1074
Teamwork Tools □ Quality Knowledge	4998 **	0421
Quality Tools Quality Tools □ Knowledge Application	3596 **	0364
Application □ Quality Process Improvement Tools	4870 **	0488
Leadership □ Process Improvement	2567 **	0267
Quality Tools □ Application Quality Performance	7231 **	0576
Leadership □ Employee Satisfaction	3851 **	0295
Process Improvement □ Employee Satisfaction	5469 **	0458
Application Quality Tools □ Customer Satisfaction	1146	0108
Leadership □ Customer Satisfaction	0589	0056
□ Customer Satisfaction Employee Satisfaction	0745	0168
Process Improvement □ Customer Satisfaction	2761 **	0368
Quality Performance □ Customer Satisfaction	3393	0395

Note: * significant at the level of 0:05
** Significant at the level of 0:01
Sources: (on if the researcher with SEM)

Relations Leadership with Teamwork, Process Improvement, Employee Satisfaction and Customer Satisfaction

The results of calculation of SEM as shown in Table 5 shows that the parameter estimates between Leadership and Teamwork showed a positive relationship is very strong because it has a value CR 9291 or in other words greater than 2:00, these results indicate a significant result at the level of 0.01 (1%). This means that hypothesis 1a that says that there is a positive relationship between leadership and teamwork evident. This is in line with the findings of research conducted by Rago (1996), which states that the leadership introduced the implementation of teamwork by providing resources and asset requirements and top level commitment to symbolic communication in QTA

The relationship between leadership and process improvement has a CR value of 2567 or in other words greater than 2.00 and positive, so these results show significant results at the level of 0.01 (1%). This means that hypothesis 1b which states that there is a positive relationship between leadership and proven process improvement. This is in line with the findings of research conducted by Kets De Vries (1994) which states that leadership provides the foundation for improvement. Also in line with the results of Scully (1993) which states that leadership is required to initiate the process of change in government.

The relationship between leadership and employee satisfaction has a CR value of 3851 or in other words greater than 2.00 and positive, so these results show significant results at the level of 0.01 (1%). This means that the hypothesis 1c which states that there is a positive relationship between proven leadership and employee satisfaction. These results support proposed by Charles Perrow, (1967), which states that job satisfaction is not only influenced by the characteristics of work but also by factors related to the individual and their work units and organizations such as the commitment within the organization and interaction between co-workers and supervisors.

The relationship between leadership and customer satisfaction has a CR value of 0589 or in other words have a weak relationship, these results indicate that the results are not significant at level 0.05 (5%) . This means that the hypothesis 1d which states that there is a positive relationship between leadership and customer satisfaction has not been proven. These results support proposed by Howard Foster, (1999), which states that positive leadership is associated with employee satisfaction, as evidenced in the four studied banking sector is not good leadership or leadership, so that with a lack of good leadership is required to be able to satisfy the desires and wants of customers are highly variable. It is not possible to do.

Relationships Teamwork with Quality Tools Knowledge

The relationship between teamwork and quality tools knowledge showed a strong relationship because it has a CR value of 4998 or in other words greater than 2.00 and positive, so these results show significant results at the level of 0.01 (1%). So the second statement on the hypothesis that there is a positive relationship between teamwork and quality tools knowledge. This is in line with the findings of research conducted by Van Matre and Slovenský (2000) which states that the games and group exercises in this study the principles of teamwork can be effectively used to study the principles of quality management.

Relationship Quality Tools Knowledge with Quality Tools Application

The relationship between quality tools knowledge With quality tools application has a strong relationship because it has a CR value of 3596 or in other words greater than 2.00 and positive, so these results show significant results at the level of 0.01 (1%). Thus hypothesis 3 which states that there is a positive relationship between quality tools knowledge with quality tools application, This is in line with the findings of research conducted by Jones (2001) middle managers gain the knowledge and expertise about continuous quality improvement and their commitment to its implementation in the work them.

Relationship Quality Tools Application with Customer Satisfaction

The relationship between quality tools application with customer satisfaction has a weak link because it has a CR value of 1146, these two variables have a positive relationship but the relationship was not significant for significance level 0.05. so it can be said that hypothesis 4 which stated quality tools application has a positive relationship with customer satisfaction but proved unacceptable because it is not significant. As found by Mc Cune (1989) in Choi, Eboch (1998) also by the findings of Anderson et al. (1994b). in Eboch Choi (1998). Proved that no matter how good a performance about the quality remains difficult to be able to satisfy customers because of the needs and desires of customers are very varied and the customer will always demand more than what the company has provided. It is evident that although the quality of the equipment has been applied by the four banking sector but customer satisfaction is rarely met because it is always a gap between what is desired by the customer with what is given by the employee.

Relationships Quality Tools Application with qualityPerformance

Critical Ratio values for the relationship between quality tools application and quality performance by 7.231 so that it can be said that the relationship between these two variables is very strong because has a CR value of more than 2.00 and positive, so these results show significant results at the level of 0.01 (1%) . Thus hypothesis 5, which states that the quality tools application have a positive relationship with quality performance proven. Support for this hypothesis is the study of Scroeder et al (1994) in Kannan et al. (1999), which states that the six constructs are based on Deming's philosophy and causal relationships between constructs with performance measured by customer satisfaction.

Saraph et al. (1989) in Kannan et al. (1999), stated that the eight components of quality management to demonstrate the actual and ideal quality management depends on organizational context (business unit manager

of environmental quality and operationalized by using measuring devices including managerial knowledge, the company's commitment to quality, performance quality and type / size of company.)

Relationship Quality Performance with Customer Satisfaction

Critical Ratio values for 3.393 for the relationship between quality performance and customer satisfaction, or in other words, these two variables have a very strong relationship because has CR value of more than 2.00 and positive, so these results show significant results at the level of 0.01 (1%). Thus, hypothesis 6, which states that the quality performance have a positive relationship with customer satisfaction proven. Another support in this hypothesis is by Scroeder et al. (1994), in Kannan et al. (1999), which states that the six constructs based on Deming's philosophy and the causal relationship between the construct and the performance is measured by customer satisfaction. Customer satisfaction is operationalized by perception of managers in the company on their customer relationships, quality performance, and customer satisfaction compared to industry competitors.

Relationship Quality Tools Application with Process Improvement.

The relationship between quality tools application with process improvement and the very strong positive because it has a value of CR 4.870, so these results show significant results at the level of 0.01 (1%). Based on these findings, the hypothesis 7, which states that positive relationship quality tools application with process improvement proven. This is in line with studies that suggested by Deming (1986) which states that most of the quality tools can be used to process improvement.

Relationship Process Improvement with the Employee Satisfaction

CR values for the relationship between process improvement and employee satisfaction for 5.469 so that it can be said that the relationship between these two variables is very strong because has CR value of more than 2.00 and positive, so these results show significant results at the level of 0.01 (1%) . Thus hypothesis 8, which states that there is a positive relationship between process improvement and employee satisfaction proven. This is in line with research conducted by Stepina and Pertewe (1991) expressed primarily on improving the quality of employees. Since the increase in quality has an important role in the empowerment of employees and level of accountability in the organization of government work, employees are more satisfied.

Relationship between Process Improvement, Employee Satisfaction and Customer Satisfaction.

CR values for the relationship between employee satisfaction and customer satisfaction 0.745 it can be said the relationship between two variables is positive though very weak and not significant at the 0.05 level, so the hypothesis 9a which states there is a positive relationship between employee satisfaction and customer satisfaction proven but it is not acceptable because not significant. As research is done George, Jennifer (1998) which focuses on the importance of the seller (in this case are employees of the banks) may behave to help directly to customers and concentrate to find out how the seller can set it up. Proved that the employees in the four sectors studied are goverment banking employees who have job safety properties, they feel that they are safe can not be excluded from work, so they do not seek the maximum to satisfy customer desires.

While the value of CR for the relationship between customer satisfaction process improvement with 2.761 it can be said that the relationship between two variables is positive and very strong at the level of 0.01, so the hypothesis 9b Which states there is a positive relationship between process improvement with customer satisfaction proven. This is in line with research conducted by Wiper (1994), found an association between increased organizational with customer satisfaction in the overall measure of business performance at the Oregon Department of Transportation. Process is also proposing an increase competence, achievement, and the sense among employees in the workplace, contributing to job satisfaction of employees. According to Leavitt

(1996), stated that since the process and quality improvement efforts increase organizational commitment and communication, expectations that will be increased employee satisfaction, quality and process improvement can be used as a career anchor.
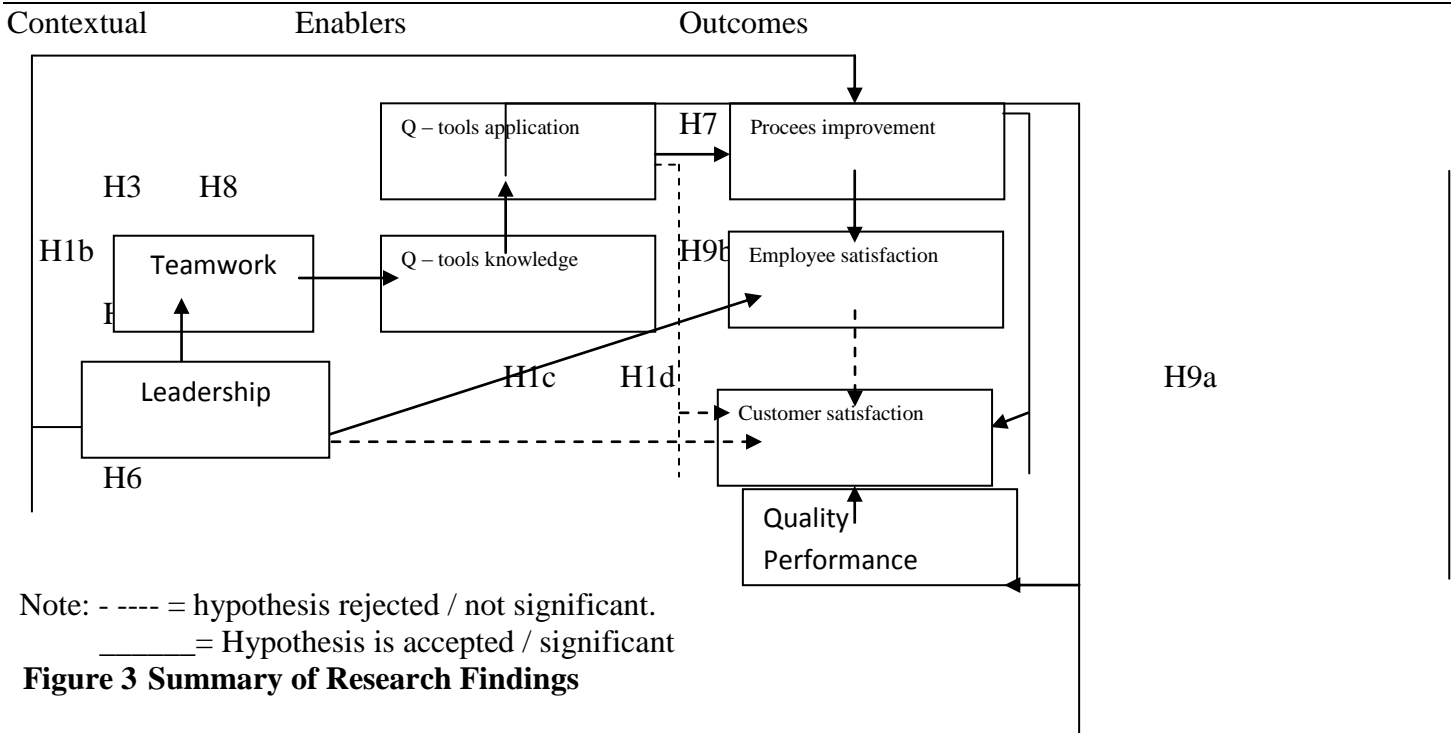
Next to see the direct effects, indirect effects of each variable can be explained that there is a direct effect on leadership with teamwork by 1.074, knowledge of quality tools for 0.000, to the application quality tools for 0.000, to process improvement for 0.267, amounting to employee satisfaction 0.295, to the quality performance for 0.000, and on customer satisfaction for 0.056. Can be explained also the indirect effect of leadership on quality tools that knowledge is mediated by the teamwork of 0.452, the indirect effect of leadership on the application quality tools that are mediated by the teamwork and quality tools is the knowledge of 0.164, the indirect effect of leadership on process improvement is mediated by teamwork , quality tools and quality tools application knowledge amounted to 0.080, the indirect effect of leadership on employee satisfaction is mediated by teamwork, knowledge-quality tools, quality toolsapplication and process improvement is for 0.159, the indirect effect of leadership on quality performance that is mediated by teamwork , knowledge quality tools, quality tools application, process improvement and employee satisfaction is at 0.095, the indirect effect of leadership on customer satisfaction are mediated by teamwork, knowledge-quality tools, quality tools application, process improvement, employee satisfaction and quality performance is for 0.259.

Also explained the total effect of leadership on the teamwork of 1.074 as large as the direct effect because there are no other relationships that may influence the teamwork, the total effect of leadership on QTK of 0.452, the total effect of leadership of 0.164, the total effect of leadership on process improvement for 0.347, the effect total leadership of employee satisfaction for 0.454, the total effect of leadership on the quality performance for 0.095, and the total effect of leadership on customer satisfaction for 0.315. Further explanation can be done in the same way.

TABLE 6

Summary of Research Findings

HYPOTHESIS	TESTING	TEST RESULTS	
		HYPOTHESIS	ACCEPTANCE
H1a	Against L T	Positive influence	Received / Significant Positive
H1b	Against L PI	Positive influence	Received / Significant Positive
H1c	Against ES L	Positive influence	Received / Significant Positive
H1d	Against CS L	Positive influence	Rejected / Not Significant
H2	Against T QTK	Positive influence	Received / Significant Positive
H3	Against QTK Qta	Positive influence	Received / Significant Positive
H4	Loss of credit coz CS	Positive influence	Rejected / Not Significant
H5	Against Qta QP	Positive influence	Received / Significant Positive
H6	Against QP CS	Positive influence	Received / Significant Positive
H7	Coz Against PI	Positive influence	Received / Significant Positive
H8	PI Against ES	Positive influence	Received / Significant Positive
H9a	Against ES CS	Positive influence	Rejected / Not Significant
H9b	PI Against CS	Positive influence	Received / Significant Positive

Contextual   Enablers   Outcomes

Note: - ---- = hypothesis rejected / not significant.
          _____= Hypothesis is accepted / significant

Figure 3 Summary of Research Findings

Conclusion And Implications

Conclusion

From the test results by using the SEM shows that quality tools application has a positive relationship with process improvement. This indicates that quality tools application can improve the quality in conjunction with process improvement because if the employees in these firms had to apply quality tools so that employees will try to win a competitive competition with private companies, so the company is going to happen in terms of quality improvement process. Quality tools application are not have a positive relationship with customer satisfaction. This indicates that quality tools application can improve the quality in conjunction with customer satisfaction if the employee has to apply quality equipment it means the employee had been able to find out what the customer wants, but it is understandable that customers have the desire to satisfy a very diverse and seemed unlikely to be satisfied by the employee while the employee has applied quality equipment.

Quality tools application has a positive relationship with quality performance. This means that quality tools application can improve the quality in conjunction with quality performance because if applied correctly by the employee in the company's employees within the company will be able to work with the best, so that would be created quality performance. Other results of this study, showed that the leadership has a positive relationship with teamwork, process improvement, and employee satisfaction but not on customer satisfaction because of the survey results showed that it lacked a leader in respect to increase in relation to customer service and also the leader understands correctly that the customer will never be satisfied.

Employees in the company although knowledgeable about the quality of equipment and they apply that knowledge in daily work, this is consistent with the hypothesis 3 which states there is a relationship between quality tools knowledge with quality toolsapplication. Knowledge of quality when applied by the company will be able to effectively increase the process. This increase, if done with teamwork will be able to increase employee satisfaction. From the managerial view, the authors found that the quality of training equipment (quality tools training) can be effective, it must be applied throughout the team process. Leadership here is a crucial factor in improving the quality tools of knowledge, but teamwork also have an important role of

knowledge about the quality of the equipment must be applied in work teams. So both the leadership and teamwork have an important role as a contextual variable in the banking sector quality management.

Research Implications

The results of this study can at least provide input for further research and education. So it can encourage other researchers to conduct further studies related to quality tools. Finally, the study recommended more are expected to provide insight into application quality tools in an effort to improve customer satisfaction.

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