

MANAGERIAL ANALYSIS REGARDING THE IMPACT OF THE QUALITY LEVEL ON THE PERFORMANCES OF A COMPANY PROVIDING SERVICES IN THE CARAŞ-SEVERIN COUNTY

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Abstract: The present study includes some practical aspects and contributions regarding the managerial analysis performed at the level of an economic entity and the comparative analysis which included three other companies that have the same type of activity. Thus study is actually the continuation of another research started in 2018, regarding the analysis of the efficiency of the company activities and continued in 2019 on the quality of the services provided by the same entity. The results support the generating of relevant conclusions regarding the impact of the quality of services provided, on the efficiency and performances of the entity but also in making recommendations for the company to be able to face competition.

Keywords: management, quality, indices, efficiency, effectiveness, competitiveness, performance.

1. Introduction

In order to carry out a complex managerial analysis at the level of a family business company in the domain of service provision, the analysis of its factual status and of competitiveness factors was the first step. This analysis was materialized in the paper accepted for publication this year in the “Eftimie Murgu” University of Resita Annals, Fascicle 2 - Economic studies, which presented some realistic results and recommendations that will help the company develop its efficiency and its performances.

Thus, by continuing the research that described and published in 2018, in the “Eftimie Murgu” University of Resita Annals, Fascicle 2 - Economic studies, the aim was first of all to highlight the company weak points, strengths, opportunities and threats identified in the previous work, to facilitate the subsequent knowledge of the impact of all the competitiveness factors, but also the possibilities of increasing the performances of the economic entity.

For the purpose of this study it is important to start with the definition offered by the Webster Dictionary of the concept of quality, seen as a degree of excellence. Quality, in the economy domain, involves two aspects: a complex character and a dynamic and relative character. A product or a service provided, in order to fulfil its role for which it was created, must have a certain utility; it must fulfil complex conditions, leading to the idea that quality also has the same complex character. When talking about services provided, the quality components should be:

- the quality of the service provision determined by the quality of the personnel or of the equipment;
- the availability of the service determined especially by rapid reactions or the respect of the delivery time;
- the quality of the access to a certain service that practically depends on the quick possibility to contact a service provider;
- the quality of the relationship with this service provider or the way each customer is treated;
- the quality of the information that is offered to each customer;

- the quality of customer satisfaction by identifying the customer's needs, by promoting products or services, etc.

The development of the company quality is accomplished using certain paths:

- an extensive path characterized by the increase of the number of features useful to the service, during a certain period of time;
- an intensive path by improving the level of those features of the service quality.

In carrying out the study proposed, the comparative analysis was also used, by taking into account some features or characteristics of the company quality relevant in the provision of services performed by the economic entity concerned.

2. Study description

The previous analysis, mentioned in the introductory part, underlined the fact that the economic-financial situation of the economic entity analyzed reflects through indicators – the balance sheet elements - an efficient management but also high performances for the family-owned business. These results led to the proposal, together with the entity management, to analyze all the competitiveness factors simultaneously. Thus further analysis showed that the division on the market of companies can be achieved mainly by lower prices, usually obtained by using cheaper but at the same time qualified labour force, but also competent that practically supports the company operationalization, the company technological process and its automation, in order to increase the company capacity and to adapt to the market changing demands.

In addition, one of the most important criteria for separating companies on the current services market, remains the quality. The importance of the quality of services is clearly determined by:

- the increasing intensification of competition on the market;
- the increasing demands of customers, but of the community as well;
- the developing of the complexity and implicitly of the adaptability of services but also of all the processes involved in their accomplishment, implicitly of the management.

In other words, one could say that the statement of the famous specialist, Crosby Peter: “quality costs nothing, but non-quality does cost and sometimes is even very expensive” are true. That is why if one may consider that non-quality doesn't exist, then all the errors, deviations or mistakes would no longer have to be corrected, there would be no need for a certain type of personnel or a numerous one and those unsatisfied customers would no longer exist. Only then could one strive for total quality, for the competitive concept related to those ideas of being among the best, of doing everything right, that is to use the superlative which could be illustrated both by the place held on the market and by what the service provides for all the customers, implicitly by: minimizing costs, by improving the position on the market, by satisfying the customer, by the rigorous work or the personnel adhesion, by the continuous improvement of the company processes, including the management process consisting of the efficient and closely interdependent exercise of managerial functions: planning, organization, training-motivation, decision, control-evaluation.

At the request of the economic agent, a comparative analysis of the services provided by competitors in the same field of activity was realized. All companies operate in the Caraş-Severin County, these being:

1. The commercial society with a limited liability H T
2. The commercial society with a limited liability E T
3. The commercial society with a limited liability B T

4. The commercial society with a limited liability L T

The names of the companies subjected to this analysis are abbreviated for confidentiality reasons, because the agreement of the other economic entities was not demanded.

The following features were used to analyze the quality of the services provided:

1. The speed of transport (time periods);
2. Safety / protection during transport;
3. The conditions offered;
4. Correctness and promptness of the transporter;
5. Prices / taxes charged
6. The existence of a local headquarter

The study was conducted on a specific sample, of 30 persons, aged between 20 - 50 years, 20 persons graduating only high school and 10 persons with higher education, living in the Caraş-Severin County, of which 18 are men and 12 women. The sample represented people who benefited from the services of the four competing companies.

The scale used to quantify the activity was scored as follows: Very Favourable – 5 points; Somewhat Favourable - 4 points; Indifferent - 3 points; Somewhat Unfavourable – 2 points; and Very Unfavourable – 1 point.

After processing all data, the following results were obtained:

By analyzing the companies providing services according to the quality of services offered the following results can be underlined:

For the first company analyzed, the best characteristic was represented by the prices applied, obtaining a score of 3.80, and the weakest characteristic being the safety / protection during transport having a score of 3.37.

The second company analyzed obtained the best score of 3.72 for storage conditions and the lowest score of 3.30 for the speed of transport, the time periods during which the packages are delivered.

The third company had the best fairness / promptness characteristic with a score of 3.51 and the lowest score of 3.10 was obtained for the prices applied.

The fourth company analyzed obtained the best score of 3.60 for the existence of the local office, and the lowest score of 3.05 for the storage conditions.

Thus, in order to establish the general hierarchy of the companies analyzed in terms of quality of services, the scores obtained was centralized in the following table:

Table 1 Comparative analysis on the service quality management

Characteristics	HT	ET	B T	L T
Transport speed	3.63	3.3	3.3	3.38
Safety/ protection	3.37	3.6	3.37	3.35
Conditions	3.67	3.72	3.27	3.05
Fairness / promptness	3.67	3.7	3.51	3.4
Prices used	3.80	3.53	3.1	3.4
The existence of local headquarters	3.7	3.62	3.47	3.5
General scores	4.25	3.58	3.34	3.35

According to the scores obtained, the hierarchy from the point of view of the customers' attitude towards the quality of the services provided, was established as follows:

- The commercial society with a limited liability H T had a score of 4,25;
- The commercial society with a limited liability E T had a score of 3,58;
- The commercial society with a limited liability L T had a score of 3,35;

- The commercial society with a limited liability B T had a score of 3,34.

After analysing the scores of these service providers, competitors in the same field and in the county, the following aspects were underlined: all the companies analyzed were within the limits of the answers from indifferent to favourable in terms of customer satisfaction regarding quality, because these companies managerial objective was represented by the efficiency of internal activities and by profitability and even if these were not focused on the customers.

As a decision-making factor involved in the management of HT, the company manager stated that he will make every effort to ensure these high quality characteristics for the company customers, but an efficient management referring all available internal resources (human, material, financial, informational), in order to ensure the continuity of the company activity in terms of efficiency, profitability and quality, as highlighted in the previous analysis.

The results of this case study have shown that there are good premises and practices in the domain of services providers analyzed, in order to keep to these high standards, proposed for the satisfaction and loyalty of customers.

3. Conclusions

By analyzing theoretical and practical premises, used by the family business studied, having as object of activity the provision of services, one can consider that from the point of view of the company management, this should focus both on results and resources, mainly on the human resources, which are practically the ones that generate value and remain responsible for the good management of the other resources used in labour processes.

In terms of maintaining relationships with third parties and in particular with the customers of the company and attracting new customers, the company must take into account the fact that the rising price could be associated by the customer with a higher quality of services. Thus, one could think on the one hand that: the price of the service can be an a priori indicator for the quality of the long-awaited benefit; and on the other hand that: the evaluation of the quality-price ratio by the customers could be raised as a problem, and the subsequent judgment from the customers regarding the quality of the benefit in relation to the price paid.

However, the measurement of the quality of services is a more complex issue, because it has multiple dimensions, the quality:

- as material or support provided by the analyzed company;
- as manner which refers to the way of carrying out all operations;
- as adaptation to the customers' specific needs;
- as use proved by compliance and duration;
- as novelty appreciated precisely by the payment of a certain price - sometimes higher by the first consumer of the service without apprehensions or complaints submitted to the analyzed company.

At the same time, from the comparative study, the general rule in services is also proven, according to which the decrease in prices generates the attraction of customers, the overcoming of competitors, as well as the fact that the price is the first argument of quality followed by the relation between effect and satisfaction intervenes and the expenses incurred.

Also, by analyzing the final economic-financial results, we were able to find positive aspects and developments related to the efficiency and quality of the services provided by this company. However, the company has to focus more on total quality management, viewed as a modern management system, which will be based on the participation of all employees and which will mainly focus on customer satisfaction, but the company also has to follow the

efficiency of the implicit activity and that of the management one, while keeping the place held on the market.

From this point of view, it would also be interesting to realize a comparative analysis of the theme of the total quality, fact for which this research can remain open to other ideas or proposals and can be extended even to the level of services provided in the field by a public entity, which would generate conclusions that could lead to their efficiency but also to the increase of quality of services that would be provided to the citizens.

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