

# The Effect Of The Application Of Total Quality Management (TQM) On Operational Performance At Perum Perhutani Kph Banyuwangi Utara Regional Division Of East Java

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**Abstract:** Human resources are one of the internal factors that are very influential for the survival of an organisation to achieve a goal. Good human resources can improve the performance of the company and its success. This research was conducted by analysing each variable, namely customer focus, teamwork, continuous system improvement and training education on operational performance. The type of research conducted is quantitative research using purposive sampling method, which is 71 respondents. The data analysis techniques used are data instrument test, multiple linear analysis, hypothesis testing, coefficient of determination and classical assumption test. The results showed that customer focus had no effect on operating performance. Thus, there are 3 factors that affect operational performance, namely teamwork, continuous system improvement, and education and training.

**Keywords:** customer focus, teamwork, continuous system improvement, education and training, performance

## INTRODUCTION

Human resources are one of the internal factors that are very influential for the survival of an organisation to achieve a goal. Good human resources can improve company performance and success. Employee performance reflects the work of individuals or groups in fulfilling their duties and responsibilities, while maintaining legal and ethical matters (Hysadha et al., 2022). Therefore, every company will make every effort to increase productivity, efficiency, fast, easy service, and continue to create various new innovations to stay ahead and survive in the market. In order to compete and excel, one of the solutions that industrial companies must do is to adopt and implement the best practices for managing company operations (Wijayantini, 2023). This research was conducted by Perum Perhutani KPH Banyuwangi Utara, East Java Regional Division. Perum Perhutani's Forest Management Commitment and Policy was established based on Government Regulation number 72 of 2010, which is a State-Owned Enterprise (SOE) based on Forest Resources (SDH) that is given the task and authority to organise forest management activities (production forests and protected forests) based on principles within its working area in accordance with the provisions of applicable laws and regulations. FMU Banyuwangi Utara has been licensed as a sustainable forest manager nationally and internationally such as FSC international, ISO 9001: 2015, PHPL (Sustainable production forest management) by KAN (National Accreditation Committee).

The Annual Technical Plan target of 213 tonnes and the Company Work Plan and Budget (RKAP) of 216 tonnes and in the end the realisation of resources of 214,429 which exceeds the RTT in planning and realisation based on the quality of both operational and production quality has increased. In terms of human resources (HR), it is necessary to build human resources learning apparatus, by instilling the concept of a mindset capable of strategic thinking, open to collaborating with various development actors and the community based on systems and talent management. In this context, the application of Total Quality Management (TQM) is interesting to study. TQM focuses on improving quality as a whole, not only products, but also production processes and customer satisfaction. Total Quality Management (TQM) is a concept used by organisations to maintain competitive advantage and ensure the effectiveness of company operations. An in-depth understanding of the influence of Total Quality Management (TQM) on the operational performance of KPH Perhutani Banyuwangi Utara will provide insight into customer focus, teamwork, continuous system improvement and education and training in implementing TQM in the trading industry. It is hoped that this research can contribute to seeing the influence of the systems used, minimising waste, and increasing customer satisfaction in an increasingly competitive context.

## LITERATURE REVIEW

Total Quality Management (TQM) is a commonly utilized management strategy aimed at attaining sustainable success by prioritizing customer satisfaction and fostering continuous improvement. It emphasizes key elements such as customer orientation, collaborative teamwork, ongoing system enhancements, and employee education and training, all of which are crucial for improving operational effectiveness.

### Customer Focus

The principle of customer focus emphasizes understanding and meeting customer needs to ensure satisfaction and loyalty. However, findings from Adam (2020) indicate that customer focus does not significantly affect operational performance at Perum Perhutani KPH Banyuwangi Utara. This aligns with the notion that customer focus alone, without complementary practices, may have limited impact on organizational outcomes (Naibaho et al., 2023).

### Teamwork

Effective teamwork is critical for fostering collaboration and achieving organizational goals. Research by Boikanyo and Heyns (2019) underscores the role of work engagement in enhancing TQM practices. Similarly, Bintang (2022) demonstrates that teamwork significantly influences operational performance, suggesting that cohesive teams can improve process efficiency and output quality.

### Continuous System Improvement

Continuous system improvement involves ongoing efforts to refine processes and eliminate inefficiencies. Despite its theoretical importance in TQM frameworks (Tjiptono & Diana, 2001), Utari. (2020) found no significant impact of continuous system improvement on operational performance. This may reflect contextual limitations or the need for more robust implementation strategies (Karuntu et al., 2019).

### Education and Training

Education and training are essential for equipping employees with the skills needed to adapt to evolving organizational demands. According to Chen et al. (2024), training enhances occupational commitment and facilitates knowledge transfer. Widayabakti et al. (2023) confirm that education and training positively affect operational performance, highlighting its importance in sustaining workforce competency.

## METHOD

The method used in quantitative data, this quantitative data is research data in the form of numbers measured using statistics as a computational test tool and is associated with the problem under study to reach a conclusion. This study uses primary data and secondary data. In this study, the primary data in question is data on variables related to TQM and operational performance at Perum Perhutani KPH Banyuwangi Utara East Java Regional Division. Secondary data is obtained from a collection of scientific books, writings or articles related to the problems studied as a theoretical basis that can support primary data. This research uses purposive sampling method, meaning that the research respondents are the entire population. The population in this study were all permanent employees of the Perum Perhutani KPH Banyuwangi North office of the East Java Regional Division with a total of 71 employees. In this study the number of samples used was the entire population, namely all employees of the office of Perum Perhutani KPH Banyuwangi Utara Regional Division of East Java totalling 71 people, so that this study resulted in a saturated sample

## RESULTS AND DISCUSSION

### Results

The variable descriptions in this study explain the frequency distribution of respondents' answers about the indicators contained in this research questionnaire statement, namely customer focus (X1), teamwork (X2), continuous system improvement (X3), education and training (X4) and operational performance (Y). The validity test in this test uses a one-sided test (One Tailed) with a significant level of 0.05. The significance test is carried out by comparing r count against r table. The validity test results are as follows:

### Validity Test

Table 1. Result of Validity and Reliability Test

Variables	Item	Rtabel	Counter	Sig	Alpha	Description
Customer Focus (X1)	X1.1	0,234	0,794	0,000	0,05	Valid
	X1.2	0,234	0,784	0,000	0,05	Valid
	X1.3	0,234	0,789	0,000	0,05	Valid
	X1.4	0,234	0,758	0,000	0,05	Valid
Teamwork (X2)	X2.1	0,234	0,661	0,000	0,05	Valid
	X2.2	0,234	0,695	0,000	0,05	Valid
	X2.3	0,234	0,720	0,000	0,05	Valid
	X2.4	0,234	0,804	0,000	0,05	Valid
	X2.5	0,234	0,745	0,000	0,05	Valid
Continuous System Improvement (X3)	X3.1	0,234	0,770	0,000	0,05	Valid
	X3.2	0,234	0,791	0,000	0,05	Valid
	X3.3	0,234	0,750	0,000	0,05	Valid
	X3.4	0,234	0,777	0,000	0,05	Valid
Education and Training (X4)	X4.1	0,234	0,847	0,000	0,05	Valid
	X4.2	0,234	0,731	0,000	0,05	Valid
	X4.3	0,234	0,847	0,000	0,05	Valid
Operational Performance (Y)	Y.1	0,234	0,744	0,000	0,05	Valid
	Y.2	0,234	0,814	0,000	0,05	Valid
	Y.3	0,234	0,739	0,000	0,05	Valid
	Y.4	0,234	0,774	0,000	0,05	Valid

It can be seen that the correlation between each indicator of the variable focus on customers (X1), teamwork (X2), continuous system improvement (X3), education and training (X4) and operational performance (Y) shows that  $R_{hitung} > R_{tabel}$  (0.234) and  $Sig < 0.05$ . It can be concluded that all questions on the variable focus on customers (X1), teamwork (X2), continuous system improvement (X3), education and training (X4) and operational performance (Y) are declared valid.

### Reliability Test

According to (Sugiyono, 2018) states that reliability testing shows how far the measurement results using the same object will produce similar data. The results of the reliability test are as follows:

Table 2. Reliability Test

Research Variables	<i>Cronbach's Alpha if item deleted</i>	Standard Reliability	Description
Customer Focus (X1)	0,787	0,60	Reliable
Teamwork (X2)	0,774	0,60	Reliable
Continuous System Improvement (X3)	0,739	0,60	Reliable
Education and Training (X4)	0,735	0,60	Reliable
Investment decision (Y)	0,762	0,60	Reliable

This table shows the reliability test on each indicator of the customer focus variable (X1), teamwork (X2), continuous system improvement (X3), education and training (X4) and operational performance (Y) with a Cronbach's Alpha or  $r$  alpha value above 0.60. This shows that this research instrument in the form of a questionnaire is reliable because the  $r$  alpha is greater.

### Partial Test

Partial test is a test used to test whether the independent variable partially affects or not the dependent variable, it is used (t test) by comparing the table and also the tcount with the constant level ( $\alpha$ ) of 5%. If  $t_{count} > t_{table}$  or t test significance value  $< 0.05$ , it can be concluded that individually the independent variable has a significant effect on the dependent variable (Ghozali, 2016).

Table 3. T-test results

Variables	T count	T table	Sig	Alpha	Description
Customer Focus (X1)	0,961	1,66830	0,340	0,05	Rejected
Teamwork (X2)	3,075	1,66830	0,003	0,05	Accepted
Continuous System Improvement (X3)	1,073	1,66830	0,287	0,05	Rejected
Education and Training (X4)	2,497	1,66830	0,015	0,05	Accepted

#### a. The Effect of Customer Focus on Operational Performance

The results of this study indicate that there is no effect of focus on customers on the operational performance of the Perhutani KPH Banyuwangi Utara Company, as evidenced by the t count is smaller than the t table, which is  $0.961 < 1.66830$  from the focus on customers variable has a significance value of  $0.340 > 0.05$  (5%), it can be concluded that  $H_0$  is accepted and  $H_a$  is rejected which means that the focus on customers has a negative influence on the operational performance of the Perhutani KPH Banyuwangi Utara Company.

b. The Effect of Teamwork on Operational Performance

The results showed that there was a significant effect of teamwork on the operational performance of the Perhutani Company KPH Banyuwangi Utara, as evidenced by  $t$  count greater than  $t$  table, namely  $3.075 > 1.66830$  from the teamwork variable has a significance value of  $0.003 < 0.05$  (5%), it can be concluded that  $H_0$  is rejected and  $H_a$  is accepted, which means that teamwork has a positive effect on the operational performance of the Perhutani Company KPH Banyuwangi Utara.

c. The Effect of Continuous System Improvement on Operational Performance

The results of this study indicate that there is no effect of continuous system improvement on the operational performance of the Perhutani KPH Banyuwangi Utara Company, as evidenced by the  $t$  count is smaller than the  $t$  table, namely  $1.073 < 1.66830$  from the continuous system improvement variable has a significance value of  $0.287 > 0.05$  (5%), it can be concluded that  $H_0$  is accepted and  $H_a$  is rejected, which means that continuous system improvement has a negative effect on the operational performance of the Perhutani KPH Banyuwangi Utara Company.

d. The Effect of Education and Training on Operational Performance

The results showed that there was a significant effect of education and training on the operational performance of the Perhutani Company KPH Banyuwangi Utara, as evidenced by  $t$  count greater than  $t$  table, namely  $2.497 > 1.66830$  from the education and training variable has a significance value of  $0.015 < 0.05$  (5%), it can be concluded that  $H_0$  is rejected and  $H_a$  is accepted, which means that education and training has a positive effect on the operational performance of the Perhutani Company KPH Banyuwangi Utara

## CONCLUSION

This study uses primary and secondary data, namely data collected directly from the field by distributing questionnaires to 71 respondents and also through journal and book literature. This study uses purposive sampling method, meaning that respondents are the total population. Respondents of this study were all employees and workers at Perhutani Company KPH Banyuwangi Utara Regional East Java. Based on the data test conducted, it can be seen that customer focus has no effect on operational performance. Thus, there are 3 factors that affect operational performance namely teamwork, continuous system improvement, and education and training

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