

# Evaluation of the Implementation of Total Quality Management (TQM) at PT. PLN (Persero) ULP Rogojampi

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#### Abstract:

Total Quality Management (TQM) is a strategic tool used by business people to involve everyone to focus on quality. Organizations that successfully implement Total Quality Management (TQM) are able to improve the perception of quality in the eyes of customers and at the same time reduce costs incurred in the organization. The purpose of this study is to evaluate the implementation of Total Quality Management (TQM) at PT. PLN (Persero) ULP Rogojampi. The analysis method used in this study is descriptive qualitative. The results of this study indicate that Total Quality Management (TQM) at PT. PLN (Persero) ULP Rogojampi has been implemented well. The evaluation conducted based on 10 (ten) main elements of Total Quality Management (TQM) shows that the elements, namely obsession with quality, scientific approach, long-term commitment, teamwork, education and training, controlled freedom, unity of purpose, employee involvement and empowerment have been implemented well by the company. Meanwhile, the elements of focus and continuous system improvement have not been optimally implemented by the company.

Keywords: evaluation, Total Quality Management

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#### I. Introduction

With the advancement of economic growth in this age of globalization, numerous companies encounter intense competition across all sectors, which includes the range of products and services they provide, quality, and competitive pricing. Moreover, the influx of foreign companies adds to the competition, allowing consumers the freedom to select the products and services they prefer based on their preferences. Businesses must be capable of keeping pace with advancements to fulfill the demand for ever more innovative products and services, ensuring customer satisfaction with the services offered. Consequently, the quality standards of products or services are factors that every company should take into account when making decisions, including the level of customer satisfaction with the products and services they receive.

Enhancing performance by consistently improving customer-oriented business operations while prioritizing flexibility and quality is crucial for overcoming challenges and competition. Conversely, businesses that fail to adjust to these shifts will gradually deteriorate and ultimately be left in the dust. The positive and negative states of a company can be evaluated from different perspectives, one being the quality of service delivery and the effectiveness of the management and employees within the company. The output generated by managers and employees can serve as a standard for the company when making decisions about its future growth. A performance evaluation system is essential as input and a standard for the organization regarding salary, incentives, promotions, disciplinary measures, and can also serve as a standard in boosting motivation, fostering continuous improvement, and strategizing for future human resource development. Every company must undertake this, as evaluating employee performance demonstrates the organization's desire for change and advancement for each employee, ultimately benefiting the company.

One method that can be employed to facilitate this is by adopting Total Quality Management (TQM), which emphasizes not only organizational management but also highlights key elements like customer focus, prioritizing customer satisfaction, valuing employees, data-driven management and analysis, participative leadership, and

ongoing assessment and enhancement. As stated by Deviesa (2019), TQM is a strategic instrument utilized by businesses to engage all individuals in emphasizing quality. TQM can assist organizations in establishing a competitive edge. Organizations that effectively adopt TQM can enhance customers perception of quality while lowering costs incurred within the organization.

As a government-owned enterprise operating in the electricity industry, PT. PLN (Persero) is closely linked to the growing variety of customer demands for supplying and distributing electricity with the highest quality possible to fulfill the community's electricity requirements, including achieving the established targets. Nonetheless, being the sole operator in Indonesia's electricity supply sector, the caliber of products and services offered by PT. PLN (Persero) faces significant scrutiny from the public. Different issues and challenges in service and operations, including fluctuating voltage, power interruptions, and customer complaints regarding electricity bills. Furthermore, PT. PLN (Persero) ULP Rogojampi, which is responsible for delivering electricity to its customers, frequently gets complaints concerning the services offered to them. This issue illustrates that certain aspects of Total Quality Management have not been effectively executed. Given this context, the author aims to pursue research on assessing the implementation of Total Quality Management (TQM) at PT. PLN (Persero) ULP Rogojampi.

#### **II. Literature Review**

#### **Management Accounting**

The National Associations of Accountants in Masiyah Kholmi (2019) defines management accounting as the process of identifying, measuring, accumulating, analyzing, preparing, interpreting, and communicating financial information used by management for planning, evaluating, controlling, and making economic decisions of

a company, as well as to ensure the appropriate use of the company's economic resources and as management accountability.

#### **Total Quality Management**

Mann (2008) expressed that Total Quality Management (TQM) is an approach to progressing quality ideally by utilizing numerous measurements and has been broadly connected by numerous companies with the poin of progressing execution such as quality, eficiency, and benefit. In expansion, Ahmad (2020) in Trisna & Zuraidah (2022), expressed that Total Quality Management is the application of quantitative strategies and human assests in improving the quality of materials and administrations provided to an organization, all processes in the organization and meeting the degree of customer needs both now and in the future. Total Quality Management integrates fundamental management techniques of existing improvement efforts and technical tools under a disciplined approach that focuses on continuous improvement.

### **Main Principles of Total Quality Management**

According to Hansler and Brunei in Ibrahim and Rusdiana (2021), there are four main principles of Total Quality Management, namely as follows:

- 1. Customer satisfaction
- 2. Respect for everyone
- 3. Management based on facts
- 4. Continuous improvement

## **Characteristics of Total Quality Management**

There are ten characteristics of Total Quality Management developed by Goetsch and Davis (2016), namely as follows:

- 1. Focus on customers
- 2. Obsession with quality
- 3. Scientific approach
- 4. Long term commitment
- 5. Teamwork
- 6. Continuous system improvement
- 7. Education and training
- 8. Controlled freedom

- 9. Unity of purpose
- 10. Employee engagement and empowerment

#### **Previous Research**

The research of Gumolili, Morasa, and Wokas (2021) aims to determine how the company's performance and the Implementation of Total Quality Management (TQM) at PT. Bank SulutGo. The analysis method used is descriptive qualitative. The analysis is carried out based on the elements of Total Quality Management. The results of this study indicate that the Implementation of TQM at PT. Bank SulutGo has fulfilled the main elements of Total Quality Management and has a positive influence on improving managerial performance as indicated by increased planning, coordination, supervision and evaluation and company progress. Also able to improve financial performance as indicated in the profitability ratio figures.

Research by Gaspar, Palandeng, and Pondaag (2019) on the Influence of Total Quality Management (TQM) on Service Quality at PT. PLN (Persero) Manado Area. The analytical method used is a qualitative method. The results of the research that has been conducted show that the variables Focus on Customers, Teamwork and Long-Term Commitment have a significant effect on Service Quality, while Obsession with Quality does not have a significant effect on Service Quality. Simultaneously, the variables Focus on Customers, Obsession with Quality, Teamwork and Long-Term Commitment have a significant effect on Service Quality. Because Obsession with Quality does not have a significant effect on Service Quality.

#### **III. Research Methods**

## Research Approach

The type of research used in this study is qualitative research with a descriptive analysis approach. This study was conducted to obtain an overview, description, and evaluation of the implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi.

## Types, Sources, and Methods of Data Collection

In this study, the type of data used by the author is qualitative and non-numerical data. This data focuses on the explanation, interpretation, and understanding of the phenomena that occur, where the phenomenon is related to the implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi. In this study, the data source used by the author is primary data. The author collects data directly from research objects related to Total Quality Management obtained directly from the Finance and Administration section of PT. PLN (Persero) ULP Rogojampi.

### Method of collecting data

In an effort to collect data and information in this research, the data collection methods used consist of:

- Interview. Conducting direct Q&A with parties related to the discussion of the research object, in this case Mr. Zaki Pradana P. as the Team Leader of Administration and Customer Service at PT. PLN (Persero) ULP Rogojampi.
- Observation. Field research method conducted by observation by directly observing the company's condition related to the management control system. Observation is conducted to find out how the implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi is taking place.
- 3. Documentation. Collecting documents or data such as policies and procedures needed as supporting materials for the author in researching PT. PLN (Persero) ULP Rogojampi

## **Data Analysis Methods and Processes**

#### **Analysis Method**

The analysis method used in this research is a qualitative descriptive analysis method, which is a method for discussing problems that are descriptive, describing, comparing, and explaining data or conditions with theories, to then be analyzed so that a conclusion can be reached.

### **Data Analysis Process**

The data analysis process used in this study can be described as follows:

- 1. The first stage, collecting supporting documents for research and direct interview results from PT. PLN (Persero) ULP Rogojampi.
- 2. The second stage, the author processes and analyzes the data obtained related to the implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi.
- 3. In the third stage, the author compares the implementation of Total Quality Management with the theories obtained by the author about Total Quality Management.
- 4. The fourth stage, the author assesses whether the implementation of Total Quality Management has been carried out effectively through comparison with the theories contained in the literature.
- 5. The fifth stage, the author conducted an analysis of the implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi.
- 6. The sixth stage, the author draws conclusions and provides suggestions to PT. PLN (Persero) ULP Rogojampi.

#### IV. Research Results and Discussion

#### Research result

Implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi based on the Main Elements of Total Quality Management

#### **Focus on Customers**

As a business responsible for delivering electricity services to clients and emphasizing customer satisfaction, PT. PLN (Persero) ULP Rogojampi undertakes diverse initiatives aimed at prioritizing customer satisfaction. One approach is to foster innovation, specifically by introducing the PLN Mobile application, which assists customers with services like bill payments, reporting disturbances and complaints, tracking usage, receiving blackout alerts, and notifications for bill payments before the due date. Nonetheless, the presence of this PLN Mobile application remains ineffective as numerous customers are unaware of it due to insufficient socialization and action from PLN.

#### **Obsession With Quality**

In executing operational tasks, PT. PLN (Persero) ULP Rogojampi employs Standard Operating Procedures (SOP) to guarantee that every work unit performs activities efficiently and effectively as a means to enhance quality for its customers. PLN (Persero) ULP Rogojampi employs performance contracts to assess the accomplishment of its tasks and functions in order to meet the established targets. Furthermore, PT. PLN (Persero) ULP Rogojampi employs a systems operation management approach that aids in the functioning of electricity distribution to customers.

#### Scientific Approach

To reach a conclusion and address issues concerning the company's operations, a scientific method is essential to assist management in decision-making. During the decision-making procedure at PT. PLN (Persero) ULP Rogojampi utilizes data on P2TL, a series of activities consisting of planning, inspection, action, and resolution performed on the installation of usage from PLN.

## **Long Term Commitment**

The form of long-term commitment can certainly be seen in the company's vision and mission, so in accordance with the vision and mission that have been set, this encourages managers and employees to work by upholding improvements for development in order to achieve the company's vision and mission. The form of long-term commitment from the company can be seen from the efforts made by managers and employees who always work and strive to complete every existing performance target such as the target of distributing electricity and services to customers.

#### **Teamwork**

In order to achieve good teamwork within the company, PT. PLN (Persero) ULP Rogojampi has implemented Total Quality Management by maintaining and improving teamwork, both between leaders and employees and between fellow employees in carrying out their duties. Each employee will realize that each part of the company will need each other. The form of teamwork that is established between parts in PT. PLN (Persero) ULP Rogojampi, such as coordination between the system operations section and the facilities operations section in the implementation and management of the electric power system, as well as cooperation between the planning and evaluation section of the system operations, the procurement implementation section, the finance and administration section in the planning and procurement process of facilities, and budget management in accordance with the plan that has been prepared.

## **Continuous System Improvement**

Operational activities at PT. PLN (Persero) ULP Rogojampi involve many systems that are interconnected with each other to improve the quality of the company in order to provide convenience and comfort for customer satisfaction. Some systems used in the company, namely the SCADA (Supervisory Control and Data Acquisition) system which functions to control the distribution network and detect problems and disturbances quickly so that the electricity network system can operate reliably and safely. In the finance department of PT. PLN (Persero) ULP Rogojampi uses SIMA (Budget Monitoring Information System) which is an application to monitor how much the company's budget is absorbed in the current year. Although it has an application that can monitor and control the company's operational processes, there are often problems with conditions in the field that cannot be controlled where these problems are often caused by weather and natural conditions or other technical problems that cause sudden power outages. The problem of sudden power outages is often a complaint from customers regarding the services provided. PT. PLN (Persero) ULP Rogojampi responded quickly to the complaint, however, electricity restoration sometimes tends to be slow due to the repair location being rather difficult to reach, resulting in a long repair process, thus causing inconvenience to customers

## **Education and Training**

As an effort to obtain reliable human resources and to improve quality within the company, PT. PLN (Persero) ULP Rogojampi routinely conducts education and training programs every year. Pre-job training programs (on-job training) are implemented for prospective employees to improve their competence so that they will later meet the competency requirements as company employees. Quality improvement is also implemented for employees and company leaders, such as holding workshops that must be attended by employees in terms of maintaining and improving the quality of PT. PLN (Persero) ULP Rogojampi employees, conducting certification at least once a year, namely by carrying out field assignments to units. With these activities, it is hoped that employees can learn and improve their abilities from aspects obtained in the field such as marketing communication, planning strategies and evaluation of financial and administrative system operations, and other aspects.

#### **Controlled Freedom**

The existence of controlled freedom given by management to employees to give opinions, and given trust in making policies to act in order to provide the best service for customers, but this freedom is still in the right direction, and is still under the supervision of managers through existing job descriptions. With the implementation of controlled freedom, it can increase employees sense of ownership and responsibility for the decisions taken.

#### **Unity of Purpose**

To achieve a balance between the companys values and employees in order to achieve success, the company has implemented the Code of Conduct (CoC) activity. The importance of the Code of Conduct (CoC) at PT. PLN (Persero) ULP Rogojampi for its employees is to prevent any discrepancies in the work being done, as well as to provide motivation and learning in achieving the company's goals more effectively and efficiently. Meanwhile, the role of the Code of Conduct (CoC) for company leaders is to be able to provide motivation, both internally and externally to employees, and to be able to supervise employee performance for the smooth running of the company in achieving its goals.

#### **Employee Engagement and Empowerment**

As an effort to achieve common goals, PT. PLN (Persero) ULP Rogojampi does things as a form of involvement in employee empowerment as an effort to maintain and preserve a sense of belonging and responsibility for each employee. Employee empowerment of PT. PLN (Persero) ULP Rogojampi is carried out through job descriptions

where each employee with their work abilities is given tasks and responsibilities that are in accordance with their respective competency skills. Employees of PT. PLN (Persero) ULP Rogojampi also receive rights such as salaries that are in accordance with performance results plus a number of benefits obtained such as allowances, job incentives, social security insurance, employment leave, and long leave, and are given rewards that are in accordance with the results of the employee's work achievements.

#### Discussion

## Implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi based on the Main Elements of Total Quality Management

Based on the results of the research and evaluation conducted, it was found that there are main elements of Total Quality Management that have not been implemented optimally by PT. PLN (Persero) ULP Rogojampi, namely customer focus and continuous system improvement, so that there are improvements that need to be made by the company. Meanwhile, other elements, namely obsession with quality, scientific approach, long-term commitment, teamwork, education and training, controlled freedom, unity of purpose, and employee involvement and empowerment have been implemented well by the company.

Table 1 Evaluation of Total Quality Management Implementation at PT. PLN (Persero) ULP Rogojampi

No.	Key Elements of TQM	Evaluation Results
1.	Focus on Customers	It has been implemented, but its implementation is still not effective.
2.	Obsession With Quality	It has been implemented well.
3.	Scientific Approach	It has been implemented well.
4.	Long Term Commitment	It has been implemented well.
5.	Teamwork	It has been implemented well.
6.	Continuous System Improvement	It has been implemented, but its implementation is still not effective.
7.	Education and Training	It has been implemented well.
8.	Controlled Freedom	It has been implemented well.
9.	Unity of Purpose	It has been implemented well.
10.	Employee Engagement and Empowerment	It has been implemented well.

Based on the table above, it shows that several elements of TQM in the company PT. PLN (Persero) ULP Rogojampi have been implemented well so that the company obtains a good effect in terms of improving performance. With the implementation of TQM elements in PT. PLN (Persero) ULP Rogojampi has a positive impact on employee performance. However, the company must also improve several elements that are still not effectively implemented so that they can provide satisfaction to customers to achieve company goals based on the quality of human resources at PLN who are professional and have integrity.

## V. Conclusion and Suggestions

#### Conclusion

Based on the results of the study conducted at PT. PLN (Persero) ULP Rogojampi, it can be concluded that Total Quality Management at PT. PLN (Persero) ULP Rogojampi has been implemented well by the company. The evaluation conducted based on 10 (ten) main elements of Total Quality Management shows that the elements, namely obsession with quality, scientific approach, long-term commitment, teamwork, education and training, controlled freedom, unity of purpose, and employee involvement and empowerment have been implemented well by the company. Meanwhile, the implementation of customer focus elements and continuous system improvement has not been carried out optimally by the company. This shows that several elements of TQM have been implemented, thus providing a fairly good influence on achieving performance at PT. PLN (Persero) ULP Rogojampi which is based on the quality of human resources at PLN who are professional and have integrity.

#### Suggestion

Based on the research that has been conducted on the implementation of Total Quality Management at PT. PLN (Persero) ULP Rogojampi, the suggestions that can be given by the author are:

- 1. PT. PLN (Persero) ULP Rogojampi continues to pay attention to the main elements of Total Quality Management so that its implementation can be maximized and provide satisfaction for customers.
- PT. PLN (Persero) ULP Rogojampi needs to increase socialization and realization of digital platform service products to customers, so that the existence of these services can facilitate customers in their electricity needs.

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