

Enhancement of Operational Excellence in the Retail Service Workshop Processes: A Case Study of General Motors East Africa Limited.

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ABSTRACT

Operational excellence is a philosophy of leadership, teamwork and problem solving techniques resulting in continuous improvement throughout the organisation by focusing on the needs of the customer, empowering employees, and optimizing existing activities in the process. GMEA embarked on putting up a Customer Care Centre (CCC) to cater for retail sales of vehicles, parts and service and was officially opened in 2004. Since then business has grown beyond the capacity it was intended to serve thereby creating customer dissatisfaction. Thus the objective of the study emphasises on the enhancement of operational excellence in improving the retail service workshop processes. The study used a descriptive design. The target populations of this study were the internal staffs and external customers of GMEA in Kenya. The study used both primary and secondary data. Primary data was collected by use of questionnaires. Questionnaires were used since they addressed specific questions. Quantitative data was analyzed using Statistical techniques. The key findings of the study were that integration of operational excellence initiatives into the company's strategy affected implementation to a great extent. The customers at GMEA indicated that RSW processes increased service quality, customer satisfaction and service performance to a moderate extent. GMEA staffs were neutral as to whether training helps them improve their understanding of the concepts of quality, process and quality improvement strategies or not. The study concluded that there were some improvements but some challenges hindered the implementation process of operational excellence. Integration of operational excellence initiatives into the company's strategy and ability to measure results affected implementation. The customers had doubts as to whether RSW processes increased service quality, customer satisfaction and service performance. The study recommended that for GMEA to deploy right and required talents it should identify a viable career progression within the organization and also present an attractive compensation package. Secondly, GMEA RSW Processes should consistently align its products and resources with its brand positioning.

Key words: Operational Excellence, Leadership, Performance Management

1.0 INTRODUCTION

According to Duggan (2009) operational excellence has not been an easy thing to define. The definition is vague at best. It involves ensuring that we do things right for the first time using the latest tools to solve the problem. Further, the perfect quality should be provided at the right time and the right price. He further explains that operational excellence is when each and every employee can see the flow of value to the customer and fix that flow before it breaks down.

According to Lareau (2003), there is need to do something different as employees in different organisation are working hard, but the organisations are not getting what the business units and location needs. He further explains that units, departments, and people have objectives that are generally attained, but it seems that organisations are always recovering from problems or fixing things the last minute. Despite the problems, the organisations do meet their goals every year but there is always room for improvements of their delivery and

cycle times, he concludes.

Operational excellence is a philosophy of leadership, teamwork and problem solving techniques resulting in continuous improvement throughout the organisation by focusing on the needs of the customer, empowering employees, and optimizing existing activities in the process. It stresses the need to continually improve by promoting a stronger teamwork atmosphere. It is no longer limited to purely manufacturing operations, as more and more industrial companies are working to implement an integrated approach to operational excellence. To expand their efforts, operational excellence leaders need to take the tools and make them applicable to the tasks that people do. By understanding the inherent challenges associated with operational excellence and, more importantly, the critical success factors and skills needed to overcome those challenges, organisations will be better positioned to create a culture of continuous improvement, one that is never satisfied with the status quo (Tennant, 2002). This was the intention and focus in starting General Motors East Africa Ltd (GMEA) Retail Service Workshop (RSW).

GMEA Retail Service Workshop was started in 2004 when new Customer Care Centre (CCC) was set up. Previously the service workshop was a small unit handling company fleet vehicles and unique customer service requirements especially where a specific vehicle model exhibited a unique manufacturing problem. Otherwise many customers were servicing their vehicles through the GMEA dealer network or the informal sector, commonly known as 'Jua Kali'. As the Retail Vehicle Sales (RVS) department continues marketing and selling new units, the RSW business continues to grow too (GMEA, 2010). However, no major reviews have been carried out to establish what needs improvement in order to maintain customer enthusiasm. Improvements are done as needs arise without proper assessment of the whole service chain (GMEA, 2010).

At RSW customer feelings and expectation need to be met in order to retain customers for life. Constant reviews need to be carried out from time to time to determine better ways of handling customers in order to maximise on profits. It is important to increase effectiveness and efficiency of RSW processes in order to strengthen the unit's core business (Kantabutra, 2007).

In order to accomplish this, any gaps with RSW processes need to be identified and addressed to ensure efficiency and total customer satisfaction. Buckler (1996) indicates that at some stage there will be need to try something new. "We can develop an understanding and commitment to riding a bicycle, but until we try we will never be able to ride. However, the first few attempts involve a high risk of falling off but at this point opportunity and encouragement must be provided if the benefits are to be achieved," he concluded.

RSW processes aim at increasing service quality, customer satisfaction and service performance in order to achieve the best results possible for a workshop, which is measured with key performance indicators (KPI's). The RSW processes cover the entirety of procedures within a service operation, that is, from service reception and actual work on the vehicle in the workshop up to vehicle handover to the customer and finally the service follow up (Yang, 2006). Drucker (1986) indicates that a business may be able to excel in more than one area. A successful business has to be at least competent in a good many areas in addition to being excellent in one. He adds that many businesses have to achieve beyond the ordinary in more than one area. In addition, the businesses must have real knowledge of the kind for which the market offers economic rewards that requires concentration on doing a few things superbly well. RSW needs major strategic changes and incorporate new ways of doing business in order to achieve its full potential (Phusavat, 2009).

RSW boasts of long-term dedicated managers and staff with a service culture and identity and new management with experience in similar capacities. RSW has strong orientation towards cooperation, problem-solving and developing working relationships within GMEA units, and in serving its internal and external customers (Kantabutra, 2007). On the other hand RSW financial accountability and responsibility exists in many areas with a balanced approach of recognizing the need to provide effective services within a realistic financial framework.

The core infrastructure of RSW buildings are well maintained for their age, custodial services are excellent, and some planning has begun for dealing with the deferred maintenance over time. Moreover, there are well managed facilities in the RSW buildings with service staff hired as part of the units to meet special needs of customers at the workshop. Recognition of the efficiencies and importance of technology in marketing and operations is exhibited at the RSW (Basu, 2001).

However as operations expanded at the RSW there has been some weaknesses limiting their efficiency. RSW lacks mechanisms and communication that unites diverse groups and there are few applied standards to enhance services and develop employee training programs and career progression opportunities. RSW lacks an existing mechanism for re-investment and renewal of areas or closure of outlets based on projections for performance and performance standards in an environment where the current life cycle of many of the operations is in the declining stage (Phusavat, 2009). There has been extended period without a major renewal of operations and renovations to

upgrade RSW facilities, with many main facilities that have poor access and are not inviting and upgraded for the customers.

2.0 LITERATURE REVIEW

2.1 Implementation Process of Operational Excellence in GMEA

Operational Excellence (OE) is an all-embracing approach for optimising every day operations, in configuration with the organisation's strategic objectives and customer expectations. As mentioned in earlier, OE is a philosophy of leadership, teamwork and problem solving techniques ensuing into constant improvement throughout the organisation by looking at the wishes of the customer, empowering employees, and maximizing on the existing activities in the process. It stresses the need to continually improve by promoting a stronger teamwork atmosphere. OE is no longer limited to purely manufacturing operations as more and more industrial companies are working to implement an integrated approach to operational excellence (Becker, 2006). For OE leaders to expand their efforts, they are required to take the tools and make them applicable to the tasks done by people. The OE leaders need to understand the inherent challenges associated with operational excellence and, most importantly to understand the critical success factors and skills necessary to triumph over these challenges. Organisations are now positioned to build a culture of constant improvement as operational excellence is by no means content with the status quo (Duggan 2009).

OE not only encompasses everything from product development, logistics and administrative functions, but it also continues to move further into non-industrial sectors. For operational excellence, organizations need to commit to a ground-up, ongoing approach to conducting business. Organizations also require the right executives to lead their operational excellence efforts. Companies poised to "out-excel" the competition through either lean, Six Sigma or other various tools should be committed to gaining cost efficiency, delivery, service and quality advantages through operational excellence (Tennant, 2002). Six Sigma, lean manufacturing and total quality management are among the programs that companies are implementing to increase profitability and eliminate waste. However, when integrated under the umbrella of operational excellence and applied across the organization, there emerges a new way of doing business. This entails production of higher yields, reduction of waste, improvements of quality and increment of customer satisfaction (Lareau, 2003).

2.2 Lean Six Sigma Approach

Six-Sigma is a data-driven approach that measure, analyze, improve and control and utilizes design for sigma six (DFSS) (Treichler et al., 2002). According to Mader (2002), "DFSS is a methodology that utilizes tools, training and measurements to enable the organization to design products and processes that meet customer expectation and can be produced at Six-Sigma quality levels". DFSS has two main goals which include minimizing defect rates for reaching to the Six-Sigma level and maximizing positive impact during the developed stage of the products. Six-Sigma "takes an organization to an improved level of sigma capability through the rigorous application of statistical tools and techniques (Tennant, 2002)". The elimination of all non-value-adding activities within the manufacturing or service process is the long-term philosophy of the Six-Sigma. This is a journey with continuous improvement along its path and needs heavy focusing meantime that its implementation does not overwhelm the organisation. Six-Sigma makes significant contributions in major areas of an organisation. Some of the key areas to have influences in the short and long runs are on the process design, variable investigation, analysis and reasoning, focus and process improvement, broad participation in problem solving, knowledge sharing, goal setting, suppliers and data base decision making (Basu, 2001).

Six Sigma is a data-driven methodology for improving business processes and quality, consequently enhancing the customer focus by making employees look at business processes from an outside-in perspective. This is by considering customer needs first. By understanding what our customers need most, be it reducing product defects, product costs or time to delivery, we are able to make a difference in areas that are critical to meeting customer needs. Six Sigma approach makes the workers to maximise and sustain improvements. Lean being a process improvement methodology focuses on speed, efficiency and reduction of waste. While Six Sigma is closely linked to improvement of quality, Lean endeavours to accelerate cycle times and reduce the cost of any process by doing away with waste and eliminating non-value-add cost. As customers' needs are constantly evolving, tools like lean is an important complement to Six Sigma. Lean six sigma is meant to bring about improved productivity and profit maximisation (James, 2007).

Lean Six Sigma is a combination of lean methods and Six Sigma approach, which do more than simply improving processes by innovating business ideas, including operations, products, services and business models. Lean Six Sigma enables breakthrough innovation, thus destroying obstacles by creating an organisational climate in which innovation is instinctive (Basu, 2001). The philosophy of Six Sigma goes beyond the reduction of errors in one department of an organization, adding that it is a business initiative, not a quality initiative but a

way of doing business that improves quality and productivity and increases profits. The three major components to Six Sigma includes; the culture of organization, improvement of tools and support systems for the tools, which enables an organization to generate sustained success. GMEA needs to relook at its culture and improve on tools to create an enthusiastic staff to enhance customer service.

According to Armstrong (2009), job design has to start from work requirements because that is why the job exists. When the tasks to be done have been determined it should then be the function of the job designer to consider how jobs can be set up to provide the maximum degree of intrinsic motivation for those who have to carry them out, with a view to improving performance and productivity. The job design has to fulfil the social responsibilities of the organisation of the people who work in it by improving the quality of working life, an aim which, depends upon both efficiency of performance and satisfaction of the worker. The challenges with implementation of operational methodologies include; unsupportive culture and climate in the organisation; lack of clarity in linking strategy to execution; limited focus on process excellence; little engagement or no engagement of top management (Antony, 2003).

2.3 Challenges Facing Operational Excellence Adoption

When operational excellence is well done, it transforms an organisation and enhances the bottom-line results. However, there are two critical challenges that organisations must deal with in order to achieve all of its benefits. This includes implementation of the cultural change and deployment of the right talent (Gebauer, 2006). Poor implementation of cultural change at the GMEA and lack of deployment of right talent at RSW has hindered implementation of operational excellence.

2.3.1 Culture

Change in an organisation, is usually faced by inherent amount of internal resistance because operational excellence is truly a transformation of culture, that can be doubly challenging. A decentralized culture oftentimes provides an even greater challenge when dealing with implementing operational excellence (Banuelas, 2002). Employees at RSW resisted change due to fear of losing jobs thus this affected implementation of operational excellence. To curb this, GMEA has encouraged open dialogue and active participation in organization strategies among the employees at the RSW.

No matter whether a change is of major proportions or is objectively rather small, the change manager must anticipate that people in the organisation are going to find reasons to resist changes. It is a basic tenet of human behavior that any belief or value that has been previously successful in meeting needs will resist change. This applies even if there are better more successful alternatives to meet those needs (Burdett, 1999). Resistance to change takes many forms. The more obvious forms consist of active resistance, where people will object, or refuse to cooperate with the change. Other more subtle forms of resistance are more difficult to deal with. Deeply entrenched fears, anxiety and beliefs are a common cause of organisational change resistance. Researchers have categorized this as resistance that occurs at the cognitive level. Often the foundation of this behavior has to do with the individual perceived negative connotation associated with the change initiatives. Whether this is a valid basis of fact or just a theoretical assumption is irrelevant to the person who feels intimidated or opposed to the change (Ghoshal, 1996).

Organisational change and resistance is a common experience for companies that are changing its core business objectives towards operational excellence. A reluctance of company employees to adopt new processes or align with companies new strategic goals can hamper business performance, result in a reduction of productivity and contribute to costs blowouts. It is important that companies looking to implement organisational change undertake strategic planning and evaluation to determine how to manage the change process (Child, 2005).

Companies can address organisational change and resistance to change by involving the affected individuals in the change process. By soliciting feedback, direct participation in the process can tear down barriers. People who contribute to the evolution of the development get to shape its implementation and can interactively refine the process along the way. This begins with the soft sell process where appointed leaders amplify the benefits of the change process. Providing education upfront can help alleviate any preconceived fears prior to the implementation stage. Direct participation is a way including people and offsetting the appearance of exclusion which can take place when forced change is introduced without consultation (Goldstein, 2005).

Encouraging open dialogue, asking for feedback, honouring tradition and active participation by management in the process can help unify an organisation about to undergo organisational change. When operational excellence takes place, friendships and team spirit that has been forged over the years can be broken apart by the relocation of team members. The socialization process that comprises part of an organisations culture is an often forgotten during the change as a result of operational excellence. Companies need to take this into consideration and adopt initiatives to compensate for the fears and stress that sometimes surface (Greiner, 2001).

Building change into an organisations framework requires strategic planning. This requires conscientious

evaluation, implementation and refinement from feedback. Current research indicates that many companies stumble by focusing on the change process and implementation phase without due consideration for the end effects and emotional consequences of the decision process. Organisational resistance in organisations occurs when the decisions adversely affect people. Failure to address this in the very beginning can make the transition to a company's new goals and objectives much more difficult (Child, 2005). GMEA failed to some extent to involve its employees at RSW in OE process and in the changes that directly affected them.

2.3.2 Talent

Recruiting and retaining the right talent to lead operational excellence efforts also poses a challenge. Today, finding good operational excellence talent is still difficult. As more and more non-industrial companies venture into operational excellence, the demand for experienced operational excellence talent is beginning to outweigh the overall supply. As a result, retaining top talent has also been problematic at RSW. This is especially true for industrial companies as many of the most experienced operational excellence people hail from those industrial sectors that were pioneers in continuous improvement (Banuelas, 2002).

To retain these executives the RSW needs to identify a viable career progression within the organisation, present an attractive compensation package and create an environment for people to do meaningful work, which includes coaching, development and job satisfaction. According to Leonard (2001), when an employee leaves a company for a direct competitor, there is always a chance that they will take important business strategies and secrets with them to be exploited by the competition. This is yet another reason why the retention of employees is so crucial to businesses. He further stated that because employers know that the best-qualified applicants will come directly from competitors, recruiting and hiring employees away from the competition becomes a necessity in an ultra-tight labor market. Mitchell (1992), observes that what is new and a hot topic among employers is how to attract and retain qualified candidates in a highly competitive labor market while also preventing their own intellectual capital from winding up in the hands of competitors.

In addition to overcoming cultural resistance, recruiting and retaining top operational excellence talent is cited as one of the biggest challenges to achieving a continuous improvement culture. One problem is that people tend to compartmentalize themselves. It often is difficult to find someone who can do it all lean, Six Sigma, supply chain, quality as a generalist. Organisations committed to implementing operational excellence can take one of two paths: hire externally or develop the talent internally. It is not surprising that the most successful companies tend to do both. For organisations unable to quickly develop the level of technical and leadership expertise they require, one option is to bring in outside experts who are responsible for coaching and mentoring the team (Banuelas, 2002).

2.4 Critical Success Factors

There are a number of critical success factors found among best-in-class organisations that have embraced a culture of operational excellence. They include support from the top management, integration of operational excellence initiatives into the company's strategy, cooperation from business units, a common language, credibility within the organisation and the ability to measure results (Gebauer, 2006).

2.4.1 Support from the Top Management

According to Banuelas (1999), the organisation's leadership team should embrace operational excellence. At the RSW the organisation top management has to see the value tools and methodologies have being employed to bring value to the customers and shareholders. This belief should start at the top and then be consistently carried throughout the organisation. Support from the top management should also be nurtured through the creation of committees that are mandated with spearheading operational excellence. Such involvements by the top management will foster customer satisfaction as their needs will be met.

2.4.2 Integration of Operational Excellence Initiatives into the Company's Strategy

When the top management has embraced operational excellence, it should then be incorporated in the organisation's strategy. Integration of operational excellence begins when the company decides the direction where it intends to go and then creating a set of operational excellence strategies in support of that direction. When this perspective of running the business is achieved, in the organisation, it fosters constant improvement (Banuelas, 1999).

2.4.3 Cooperation from Business Units

Once operational excellence is ingrained in the company's strategy, it is crucial that the individual business units embrace the new way of conducting business. This requires that operational excellence executives work very closely with the heads of the business units. Operational excellence leaders should adopt different approaches for different business situations. It should not be a standard approach. Where a standard approach is applied to all cases the programs lose credibility throughout the organisation. Each business unit should be allowed to create

their own strategic plans and spend ample time with them to learn their business. This is critical for success (Gebauer, 2006).

2.4.5 Common Language

Companies should create a language that is applicable across every business unit. This makes the units to have a better chance of increasing understanding and acceptance. This shared lexicon should be communicated consistently and regularly with the entire enterprise. This allows the company to promote a widespread understanding, at different levels, of how these tools can be used in people's everyday jobs. When everyone speaks the same language, organisations should focus on how to keep the operational excellence programs top in their minds. This is through tapping various channels like videos, internet sites, dinners and award ceremonies to promote and explain operational excellence initiatives. The utility can as well produce a regular newsletter to promote operational excellence (Burdett, 1999).

2.4.6 Credibility

While the support of top management and business leaders is necessary to the success of operational excellence, the individuals leading the day-to-day operational excellence initiatives also must have credibility with the entire organisation. Executives' credibility often is determined by their backgrounds. Credibility within the organisation also is earned through the sharing of success stories and by starting small, getting some early successes and then expanding (Banuelas, 2002).

2.5 Retail Service Workshop Processes (RSWP)

According to Wallace (1992), it is essential to create a customer-driven strategy today. During the twenty-first century there is a rush towards accelerated technological change, fragmentation of markets, shorter product life cycles, and customer demands for more customized products delivered in less time. The margin for error becomes less and less and the trial-and-error decision making just won't work any longer.

RSW processes aim at increasing service quality, customer satisfaction and service performance in order to achieve the best results possible for a workshop, which is measured with key performance indicators (KPI's). The Workshop process covers the entirety of procedures within a service operation: from service reception and actual work on the vehicle in the workshop up to vehicle handover to the customer and finally the service follow up. RSW Processes should invest more "upstream" to improve product creation and "downstream" to better serve their customers and raise profitability. The RSW process intensifies the already strong pressure to make the most of servicing efficiency and operational performance. RSW should in addition consistently align products, service and resources with its brand positioning. They require the company to improve operational efficiency to achieve additional cost reductions which are necessary to remain competitive. These needs make it critically important for RSW to develop a sophisticated, long-term Workshop Process (Yang, 2006).

GMEA RSW started serious service business in 2004 when new Customer Care Centre (CCC) was set up. Previously Service workshop was a small unit handling company fleet vehicles and unique customer service requirements especially where a specific vehicle model exhibited a unique manufacturing problem. Otherwise many customers were servicing their vehicles through the GMEA dealer network or private sector, commonly known as 'Jua Kali'. As the Retail Vehicle Sales department (RVS) continues marketing and selling new units the RSW business continues to grow too. However, no major reviews are carried out to establish what needs improvements in order to maintain customer enthusiasm. Improvements are done as needs arise without proper assessment of the whole service chain (GMEA, 2010).

Duggan (2009) informs that operational excellence has not been an easy thing to define. The definition is vague at best. 'Doing things right the first time', 'using the latest tools for problem solving', 'providing perfect quality at the right time and the right price'. He further informs operational excellence is when each and every employee can see the flow of value to the customer and fix that flow before it breaks down. At RSW customer feelings and expectation need to be met in order to retain customers for life. Constant reviews need to be carried out from time to time to determine better ways of handling customers in order to maximise on profits. It is important to increase effectiveness and efficiency of RSW processes through provision of quality products at the right time and place in order to strengthen the unit's core business (Kantabutra, 2007).

According to Lareau (2003), we need to do something different as our people are working hard, but we are not getting what we, as business units and location need. He further informs that units, departments, and people have objectives that are generally attained, but it seems that we are always recovering from problems or fixing things the last minute. Despite the problems, we do make our numbers every year but there is always room for improvements of our delivery and cycle times, he concludes.

In order to accomplish this, any gaps with RSW processes need to be identified and addressed to ensure efficiency and total customer satisfaction. Buckler (1996) indicates that at some stage there will be need to try

something new. “We can develop an understanding and commitment to riding a bicycle, but until we try we will never be able to ride. However, the first few attempts involve a high risk of falling off but at this point opportunity and encouragement must be provided if the benefits are to be achieved, he concluded.” Drucker (1986) indicates that a business may be able to excel in more than one area. A successful business has to be at least competent in a good many areas in addition to being excellent in one. He adds that many businesses have to achieve beyond the ordinary in more than one area but must have real knowledge of the kind for which the market offers economic rewards that requires concentration on doing a few things superbly well. RSW needs major strategic change such as quality improvement strategies to improve on product features and incorporate new ways of doing business in order to achieve its full potential (Phusavat, 2009).

According to Schneider (2003), high quality service is defined by the customer’s experience while in your care and custody. Operational excellence ensures that the customer’s vehicles are ready when promised and fixed right the first time. Fixing the car right the first time is much about understanding what your customer is trying to tell you when they are communicating their frustrations with the vehicle as it is about proper diagnosis and professional quality work. Total quality service is only possible through high quality communication and knowing where you are in the process of completing a job at all times. Schneider (2003) continues to inform that selling service is perhaps the most difficult of all sales to make. Buying a product – something you can hold in your hand like an oil filter or a spark plug – constitutes the purchase of something you can touch and feel. Purchasing a service is something else entirely. When a vehicle owner buys a service, that person is really purchasing a promise – a promise that will be fulfilled in the future. That requires trust and a great deal of faith. Consistent execution of company policies and procedures is the catalyst for world-class service. However, consistent high quality service is only sustainable if your shop is operating at productivity levels that allow you to make a profit. Productivity is a by-product of your technicians ability to execute policies and procedures flawlessly Schneider concludes.

2.5.1 Strategies to Improve RSW Processes

Quality improvements strategies are used in RWS process to improve product features and customer satisfaction hence improved revenue. And also to reduce deficiencies like reduced waste, cost or rework leading to reduced cost. In both the cases quality improvement leads to beneficial change for an organisation and positively impacts bottom line. A good deal of this cost (Cost of Poor Quality) is hidden and hence not calculated. Majority of organisations normally only focus and compute visible cost like defective products, customer returns, warranty payments, rework and cost of testing. Other hidden costs like pricing errors, staff turnover, complaints handling cost, overdue payments and time with dissatisfied customers are rarely discovered and can amounts to 10 to 20 % of total cost (Kantabutra, 2007). The hidden cost provides a huge opportunity to save cost and enhance the profit margin. Among other techniques, Lean, Six Sigma, Business Process Reengineering, Cost of Poor Quality, Process Improvement help organisation discover hidden costs and reduce visible and invisible costs thereby directly improving the profit margins and positively impacting the bottom line (Yang, 2006).

2.5.2 Benefits of Workshop Training

Through workshop training, workers gain improved understanding of the concepts of quality, process and quality improvement strategies, methodologies and basic tools. It also brings about ability to make the right selection of quality improvement strategies and methodologies. It also brings about typical quality improvement process developed and ready to implement to reduce cost, time and improve quality, service and delivery. Training helps the staffs improve the management of business processes leading to improved and consistent quality and delivery (Sparrow and Cooper, 1998).

Space is costly and time is money. The common issues found in many workshops across the globe are the pressure to reduce lead times, improve quality and operational processes challenge even the most experienced businesses. While people play an important role in these outcomes, correct tool storage, workbenches and workplace equipment offer users the greatest potential for process improvement through layout, function and flexibility. It is a critical component to understand RSW workshop processes and identify areas that have become either bottleneck, time wasters, dangerous and not fit for application. Often when an efficient tool storage system like the one from Boscotek is adopted, weight load capacities are quickly reached because of the large quantity of items that can be stored. With heavier loads, product selection becomes more critical for safety and smooth work flow (Tan, 1995).

Workshop surfaces come in various types and this is perhaps the most important feature of your workbench which includes mild steel, timber laminate or melamine, hardwood, anti-static, duraloid and vinyl. All the different types can be fitted depending on the specific task application. The most appropriate workbench top for your application, allow your workbench to be useful for many years. Dynamic workshop environments are not best served by a static location or work flow pattern. Thus mobile workbenches and mobile tool storage cabinets

fully satisfies the dynamic workshop environments, offering localised and rapid access to tools, parts and work surfaces. This also eliminates wasted time involved in retrieving, carrying and working with tools over longer distances. Dynamic work flow patterns permit workbench workstations to be incorporated along the process chain where they are required most, providing the right tool in the right location at the right time (Cooper, 1998). RSW should entail a Dynamic workshop environment to improve operational efficiency. This in turn will ensure that the customers are provided with the right service at the right location and at the right time.

The right planning will ultimately provide RSW with the road map for success. Understanding this is the first step. Choosing industrial storage equipment of high density tool storage and workbenches like the ones at Boscotek for its function, durability and flexibility will assist in delivering goals for a more productive, intelligent, space efficient and safe workshop environment. On the other hand training helps the industry service providers re-engineer their knowledge processes to improve efficiency, increase customer satisfaction and drive world class levels of performance (Sparrow, 1998).

3.0 METHODOLOGY

The study used a descriptive design. Descriptive design is chosen because it is appropriate to review fact finding as it yields a great deal of information. In order to address the above topic, the study will adopt the case study strategy, using GMEA as a single case study. Shuttleworth (2008) defines the case study as an in depth study of a particular situation rather than a sweeping statistical survey. Shuttleworth (2008) further explains that it is a method used to narrow down a very broad field of research into one easily researchable topic. Soy (1997) added that case studies research excels at bringing us to understand complex issues or objects, and can extend experience or add strength to what is already known through previous research.

The target populations of this study were the internal staffs and external customers of GMEA in Kenya. Currently the entire management population of GMEA limited is approximately 200 employees. For purpose of this study, the target population was stratified into top/senior management level, middle level and low management level.

Sampling ensured that some elements of a population are selected as representative of the population. Stratified sampling technique was used to select the sample. The technique produced estimates of overall population parameters with greater precision. The study grouped the population into three strata i.e. low level management officers, middle level management officers and senior officers. From each stratum the study used simple random sampling to select 60 respondents.

The study used both primary and secondary data. Primary data was collected by use of questionnaires. Secondary data was collected from literature searches from both printed and electronic sources. Questionnaires were used since they addressed specific questions. The researcher used both closed and open ended questions since they were easier to analyse. In addition open ended questions permit greater depth of response and may give insight to the feelings and hidden interest of the customer. The questionnaires were pre-tested to confirm the flow and ease of understanding of the subject matter. Revisions were made on the basis of the results from the pre-tested questionnaires. Revised questionnaires were then administered.

Semi-structured interviews were also carried out so as to guard against confusing questions, since the interviewer could clarify the questions thereby helping the respondents to give relevant responses. They were also more flexible and the interviewer could adapt to the situation and get as much information as possible.

Both qualitative and quantitative data were collected and the Likert Scale was used where "1" was identified as completely dissatisfied and "5" as completely satisfied. Quantitative data was analyzed using Statistical Package for Social Sciences (SPSS). This involved computation of frequencies and percentages on closed ended questions. Measures of central tendencies (mean and standard deviation) on Likert scale questions were also computed using the SPSS. In addition statistical analysis, which is regression, was carried out to show the variability and significance between the dependent and the independent variables

4.0 DISCUSSION OF FINDINGS AND RESULTS

4.1 Model of the Vehicle

Table 1.0 shows the model of vehicles that the customers own.

Table 1.0 Model of the Vehicle

	Frequency	Percentage
Chevrolet Aveo/Optra	20	52.6
Dmax Isuzu	4	10.5
FVZ Truck	1	2.6
FVR Truck	1	2.6
Opel Corsa	2	5.2
NKR Truck	1	2.6
MV bus	1	2.6
TFR54 Pickup	5	13.1
TFS 85 Double Cab	2	5.2
TFS SU S/C	1	2.6
Total	38	100

The study established that majority of customers 52.6% owned Chevrolet Aveo/Optra. Further 13.1% indicated that they owned TFR54 model. On the other hand 10.5% revealed that they owned Dmax Isuzu while 5.2% indicated that they owned Opel corsa and TFS 85 models respectively. In addition 2.6% revealed that they owned models such as FVZ truck, FVR truck, MV bus and TFS SU S/C.

4.2 Effects of Success Factors on Implementation

This section of the study shows the extent of effect of success factors of operational excellence on implementation. Table 4.5 shows the results.

Table 2.0 Effects of Success Factors on Implementation

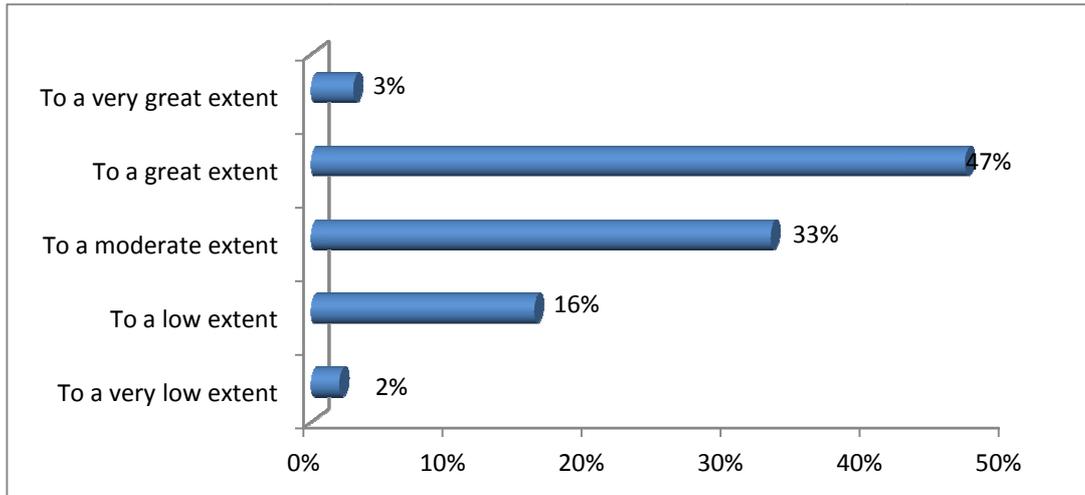
	Very low extent		Low extent		Moderate extent		Great extent		Very great extent	
	F	%	F	%	F	%	F	%	F	%
Support from the top management	2	3.4	8	13.8	21	36.2	19	32.8	8	13.8
Integration of operational excellence initiatives into the company's strategy	3	5.2	8	13.8	14	24.1	24	41.4	9	15.5
Cooperation from business units	1	1.7	8	13.8	24	41.4	20	34.5	-	-
A common language	-	-	9	15.5	25	43.1	23	39.7	1	1.7
Credibility within the organization	4	6.9	5	8.6	28	48.3	17	29.3	-	-
Ability to measure results	4	6.9	4	6.9	22	37.9	23	39.7	5	8.6

According to the findings, 36.2% indicated that support from the top management affected implementation to a moderate extent while 32.8% said that implementation was affected to a great extent. Further 41.4% indicated that integration of operational excellence initiatives into the company's strategy affected implementation to a great extent. On the other hand 41.4% said that cooperation from business units affected implementation to a moderate extent while 43.1% indicated that a common language affected implementation to a moderate extent. Nevertheless 48.3% indicated that credibility within the organization affected implementation to a moderate extent while 39.7% said that ability to measure results affected implementation to a great extent.

4.3. Extent of Cultural Change on Adoption and Implementation of Operational Excellence

The study sought to show the extent which the implementation of cultural change hindered the adoption and implementation of operational excellence. Figure 1.0 shows the responses.

Figure 1.0 Extent of Cultural Change on Operational Excellence



According to the findings, 47% indicated that cultural change hindered adoption and implementation of operational excellence to a great extent while 33% said that cultural change hindered implementation to a moderate extent. Meanwhile 16% pointed out that that cultural change hindered adoption and implementation of operational excellence to a low extent while 3% indicated that implementation of operational excellence was hindered to a very great extent. Only 2% indicated that cultural change hindered adoption and implementation to a very low extent.

4.4 Challenges Associated with Operational Excellence Methodologies

Table 3.0 shows the challenges associated with adoption and implementation of operational excellence methodologies

Table 3.0: Challenges Associated with Operational Excellence Methodologies

	Very Low extent		Low extent		Moderate extent		Great extent		Very great extent	
	F	%	F	%	F	%	F	%	F	%
Unsupportive culture and climate in the organization	4	6.9	4	6.9	23	39.7	16	27.6	11	19.0
Lack of clarity in linking strategy to execution	1	1.7	11	19.0	16	27.6	22	37.9	8	13.8
Limited focus on the process excellence	3	5.2	13	22.4	12	20.7	18	31.0	12	20.7
Little engagement or no engagement of top management	4	6.9	6	10.3	12	20.7	17	29.3	19	32.8

The study established that 39.7% indicated that unsupportive culture and climate in the organization affected operational excellence to a moderate extent. On the other hand a similar percentage indicated that lack of clarity in linking strategy to execution affected operational excellence to a great extent while 31% pointed out that limited focus on the process excellence affected operational excellence to a great extent. Further 29.3% said that little engagement or no engagement of top management affected operational excellence to a great extent.

4.5 Comparison of GMEA workshop Processes Compared with Competitors

This section shows responses on comparison between GMEA workshop processes with what competitors are doing to better their services workshops. Figure 2.0 shows the results of the findings.

Figure 2.0 Comparison of GMEA workshop Processes Compared with Competitors

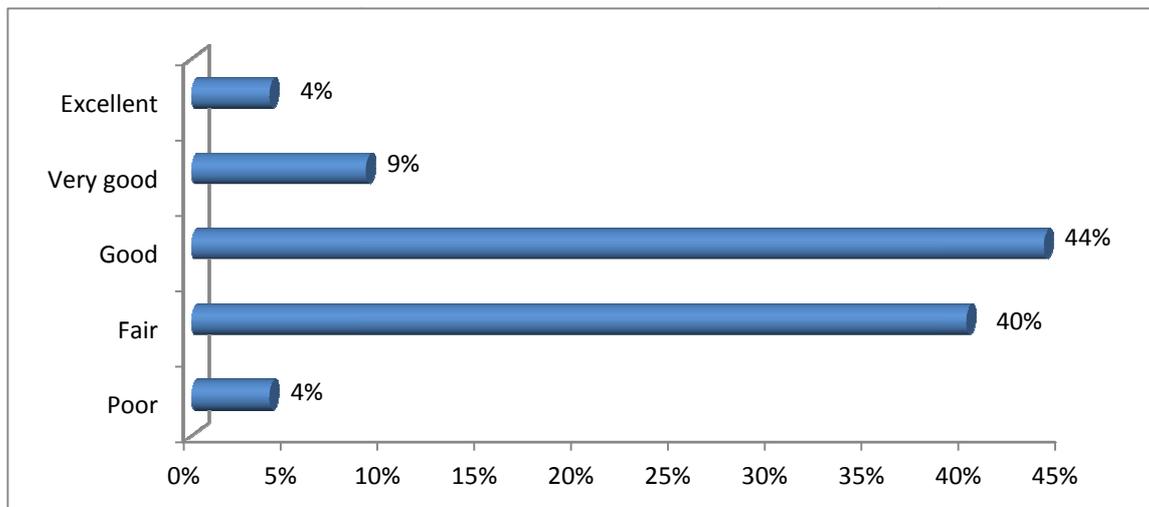


Figure 2.0 shows that 44% of the customers indicated that GMEA workshop processes were good compared with what competitors were doing to better their service workshops. Further 40% said that GMEA workshop processes were fair compared to competitors while 9% indicated that GMEA workshop processes were very good compared to competitors. On the other hand 4% indicated that GMEA workshop processes were excellent and poor respectively.

4.5.1 Workshops Processes Offered by Competitors

The customers pointed out the following processes that were offered by competitors. There was 24 hours service, pick and drop service, comfortable waiting rooms for long distance drivers, customer care quality/good reception area. Enhanced vehicle booking to improve on promised time was prevalent, fast turn-around of jobs parts not readily available. The customers further indicated that there was monthly loyalty earnings, motor clinics on a regular basis, quality check and sticker issued to indicate vehicles quality has been checked, satisfaction with opening and closing hours, served non-GM products. Thorough cleaning of the vehicles (interior and exterior). Vehicle buffing after painting, wheel balancing and alignment were other processes/services offered by the competitors.

4.5.2 Extent of the Following Statements on RSW

Table 4.0 shows the extent to which the respondents agreed with the following statements on RSW in GMEA.

Table 4.0 Extent of the Following Statements on RSW

	Strongly Disagree		Disagree		Neutral		Agree		Strongly agree	
	F	%	F	%	F	%	F	%	F	%
GMEA has increased effectiveness and efficiency of RSW processes in order to strengthen the unit ,s core business	3	5.2	4	6.9	15	25.9	27	46.6	9	15.5
RSW processes have helped to maximize efficiency and operational performance	3	5.2	7	12.1	14	24.1	24	41.4	10	17.2
RSW processes have made GMEA improve operational efficiency to achieve additional cost reductions	2	3.4	3	5.2	20	34.5	27	46.6	6	10.3
Gaps within RSW processes were identified and addressed to ensure efficiency and total customer satisfaction	5	8.6	6	10.3	13	22.4	26	44.8	8	13.8
Customer retention through RSW is achieved through better ways of handling customers	1	1.7	5	8.6	10	17.2	18	31.0	24	41.4
RSW needs major strategic change to achieve its full potential	3	5.2	3	5.2	5	8.6	17	29.3	30	51.7

According to the findings, 46.6% agreed that GMEA has increased effectiveness and efficiency of RWS

processes in order to strengthen the unit's core business while 41.4% agreed that RSW processes have helped to maximize efficiency and operational performance. On the other hand 46.6% agreed that RSW processes have made GMEA improve operational efficiency to achieve additional cost reductions while 44.8% said that Gaps within RSW processes were identified and addressed to ensure efficiency and total customer satisfaction. In addition 41.4% strongly agreed that customer retention through RSW is achieved through better ways of handling customers. Besides, 51.7% strongly agreed that RSW needs major strategic change in order to achieve its full potential.

Table 5.0: Strategies to Improve RSW Processes

	Strongly Disagree		Disagree		Neutral		Agree		Strongly Agree	
	F	%	F	%	F	%	F	%	F	%
Quality improvement strategies have been applied to improve customer satisfaction	4	6.9	3	5.2	14	24.1	32	55.2	5	8.6
Quality improvement strategies have helped to reduce deficiencies like reduced waste, cost or rework leading to reduced cost	2	3.4	4	6.9	14	24.1	29	50	9	15.5
Training helps us to improve our understanding of the concepts of quality ,process and quality improvement strategies	2	3.4	2	3.4	27	46.6	27	46.6	-	-
Training has enabled us to make the right selection of quality improvement strategies and methodologies	4	6.9	3	5.2	2	3.4	29	50	20	34.5
Hidden costs like pricing errors have been identified and dealt with to save cost	1	1.7	7	12.1	17	29.3	21	53.4	2	3.4
Training has helped us improve the management of business processes	1	1.7	4	6.9	2	3.4	34	58.6	17	29.3
Durability and flexibility of storage facilities and work benches assist in delivering goals for a more productive intelligent space efficient and safe workshop environment	2	3.4	1	1.7	2	3.4	30	51.7	23	39.7
Right planning of the workshop provide the company with the road map for success	1	1.7	2	3.4	1	1.7	25	43.1	29	50

The researchers revealed that quality improvement strategies had been applied to improve customer satisfaction. This was agreed to by 55.2% of the respondents. A further 50% agreed that quality improvement strategies had helped to reduce deficiencies like reduced waste, cost or rework leading to reduced cost while 46.6% were neutral as to whether training helps us them improve their understanding of the concepts of quality ,process and quality improvement strategies or not. Notably, 50% of the respondents agreed that training had enabled them to make the right selection of quality improvement strategies and methodologies, while 53.4% agreed that hidden costs like pricing errors had been identified and dealt with to save cost. Moreover, 58.6% agreed that training had helped them improve the management of business processes while another 51.7% agreed that durability and flexibility of storage facilities and work benches assisted in delivering goals for a more productive intelligent space, efficient and safe workshop environment. Nevertheless, 50% of the respondents strongly agreed that right planning of the workshop provided the company with the road map for success.

4.6 Correlation Analysis

The study sought to test the relationship between the dependent variable and independent variables and this was done using correlation analysis as presented in the table below. This was tested using Pearson Product Moment Correlation Coefficients.

Table 1: 11 Pearson Correlations Results

		Operational excellence	Current RSW processes	Strategies to improve RSW processes	Implementation process
Current RSW processes	Pearson Correlation	0.431	1		
	Sig. (2-tailed)	0.000			
Strategies to improve RSW processes	Pearson Correlation	0.564	0.186	1	
	Sig. (2-tailed)	0.092	0.002	.	
Implementation process	Pearson Correlation	0.826	-0.132	0.635	1
	Sig. (2-tailed)	0.002	0.002	.	

On current RSW processes and operational excellence, a correlation coefficient of 0.431 was established depicting a low but significant relationship ($p < 0.000$) between the two. On the other hand there was a correlation coefficient of 0.826 depicting a high and significant relationship ($p < 0.002$) between operational excellence and implementation process. However, the study shows a correlation coefficient of 0.564 depicting a high but insignificant relationship ($p > 0.092$) between operational excellence and strategies to improve RSW processes. Hence, execution of the current retail service workshop (RSW) processes, employing strategies to improve RSW processes and implementation process would increase operational excellence in GMEA

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

Operational excellence program has been implemented at GMEA RSW. Notably there were some improvements but some challenges hindered the implementation process of operational excellence. Integration of operational excellence initiatives into the company's strategy and ability to measure results affected implementation. According to (Banuelas, 1999) Integration of operational excellence begins when the company decides the direction where it intends to go and then creating a set of operational excellence strategies in support of that direction. When this perspective of running the business is achieved, in the organization, it fosters constant improvement. It was evident that the company had difficulties in deploying the right talent to lead in operational excellence. This is in alignment with Banuelas, (2002) findings that as more and more non-industrial companies venture into operational excellence, the demand for experienced operational excellence talent is beginning to outweigh the overall supply. As a result, retaining top talent can also be problematic.

On retail service workshop, the customers had doubts as to whether RSW processes increased service quality, customer satisfaction and service performance. They suggested that GMEA should adopt services such as 24 hour service, pick and drop service to remain competitive. According to Wallace (1992), it is essential to create a customer-driven strategy today. RSW processes aim at increasing service quality, customer satisfaction and service performance in order to achieve the best results possible for a workshop, which is measured with key performance indicators.

On strategies adopted, the staff had doubts as to whether training helps them improve their understanding of the concepts of quality, process and quality improvement strategies or not. Quality improvements strategies are used in RSW process to improve product features and customer satisfaction hence improved revenue. And also to reduce deficiencies like reduced waste, cost or rework leading to reduced cost. Thus GMEA should train its employees as this will increase their ability to make the right selection of quality improvement strategies and methodologies.

5.2 Recommendations

Operational Excellence (OE) is an all-embracing approach for optimizing every day operations, in configuration with the organization's strategic objectives and customer expectations. The study recommends that for GMEA to deploy right talent they should identify a viable career progression within the organization, present an attractive compensation package and create an environment for people to do meaningful work, which includes coaching, development and enhancing job satisfaction. They could further hire externally or develop the talent internally depending on their best option that is cost effective. Secondly GMEA should train its employees on quality improvement strategies used in RSW process to improve product features and customer satisfaction hence improved revenue. This will aid in reducing deficiencies like reduced waste, cost or rework leading to reduced

cost. Training will consequently increase employees' ability to make the right selection of quality improvement strategies and methodologies. The training will also assist employees avail products and services that create enthusiastic customers. No one should be second guessed for doing the right thing for the customer.

RSW processes aim at increasing service quality, customer satisfaction and service performance in order to achieve the best results possible for a workshop. The RSW process intensifies the already strong pressure to make the most of service efficiency and operational performance. The study recommends that GMEA RSW Processes should consistently align products and resources with their brand positioning. GMEA RSW should improve operational efficiency to achieve additional cost reductions which are necessary to remain competitive. To achieve this GMEA should develop a sophisticated, long-term workshop processes.

Some of the strategies that could be adopted as recommended by the staff and customers at GMEA were introduction of 24 hour services at the retail service workshop so as to enhance convenience of the customers. Expansion of the RSW service facility to create space and accommodate the increased business. This expansion will also assist to serve customers efficiently and effectively. Availability of spare parts at all times must be looked at urgently as this has created a lot of dissatisfaction to customers. It is a critical for GMEA to understand workshop processes and identify areas that have become either bottleneck, time wasters, and not fit for application. Consequently right planning will ultimately provide them with the road map for success. Moreover this will assist in delivering their goals for a more productive, efficient and safe workshop environment.

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