The main theme of this study is that cost management methods in many industries have changed with time. The evolution of new costing techniques has been visible in specially manufacturing and assembly industries. Previous studies have explained the adoption of many new cost management techniques in different industries and countries. The previous studies called for the expansion of research into this field. The study found that there was a gap in the use of new cost management techniques in Indian manufacturing and assembly industries. Many manufacturing firms are using cost reduction methods namely target costing or price based costing and kaizen costing systems for manufacturing efficiency.

According to literature target costing and kaizen costing systems work to increase profit, cost reduction and manufacturing efficiency, and these costing systems has been successful in Japanese companies and these are also being used in western manufacturing especially automobile firms. Target costing and kaizen costing techniques are linked each other and these are modern cost management methods. These costing techniques are popular in Japanese companies, but not much in many western firms, who prefer the cost–plus costing methods. But now for total cost management many big manufacturing especially automobile companies have moved to adopt these techniques. In this respect, it was thought that these methods would fit in the automobile industry. Thus, Indian automobile industry has been chosen for the study to know application level of these Japanese costing methods in Indian manufacturing firms.

### 7.1 FINDINGS OF THE STUDY

Against the knowledge on target costing and kaizen costing as total cost management tools, the main purpose of this study was to assess the overall impact of the adoption of these costing techniques in automobile companies. In support of this, the study focussed
on achieving the seven objectives. The objectives of the study have been achieved by performing in-depth study on both kaizen costing and target costing as presented in the previous chapter. This study was conducted by using two questionnaires which were filled by non managers and managers of the sample companies.

The findings of this study and the interpretation thereof cannot contribute in all aspects relating to the target costing and kaizen costing techniques. However, the findings of this research present valuable insight and understanding about the adoption and implications of both target costing and kaizen costing techniques within the Indian automobile industry. In the study two modern cost management methods are considered and investigated the adoption level and implications of target costing and kaizen costing. The data has been examined by using statistical methods deemed appropriate to the objectives of the study and nature of the data. This study has generated a number of results, they are both theoretically and empirically derived, they are listed below. The theoretical findings are mainly from review of literature. The empirical findings are derived from the data analyses as presented in chapter six. A summary of the key findings from data analysis with the objectives of the study have been presented in this section.

7.1.1 FINDINGS OF RESEARCH OBJECTIVE 1:

To study the adoption of kaizen and target costing techniques in sample companies.

From the analysis it is clear that both kaizen and target costing techniques have been introduced in all sample companies. Further, it is observed that before 1995 Maruti and Hero sample companies introduced both techniques and HMSI introduced these techniques after 2000. Hence, all the companies have adopted these techniques from the time of their establishment.

The data revealed that in all sample companies senior management initiated the adoption of both techniques in their companies. Thus, senior management played immense role in the adoption of both techniques in all sample companies. It is quite clear from the analysis that the all sample companies are familiar with these techniques. Most of respondents have marked on ‘General knowledge and good knowledge’ for the statement
of familiar with the techniques. Thus, all sample companies all sample companies are familiar with these techniques and members have good knowledge of these techniques.

The table 6.3 shows, 84.6% in Maruti, 91.2% in Hero and 95% in HMSI of the respondents advocates the introduction of these techniques in whole organisation since inception. Hence, it is quite obvious that all sample companies introduced these techniques in whole of the organisation. The table 6.4 shows 94.8% in Maruti, 91.3% in Hero and 90% in HMSI of responses about the use of both techniques for all products in sample companies. Hence, it is clear that all sample companies used these techniques for their all products.

The study found variations in the current adoption level of both techniques in sample companies. The study found more positive orientation in two companies Maruti and Hero on full implementation and using as a part of daily practices of both techniques as current level of adoption and in HMSI with these two adoption levels, third seamlessly integrated with other organisational systems has been considered. The study found more positivity on the full implementation as a way of current level of the both techniques adoption in all sample companies which is 71.8% in Maruti, 73.5% in Hero and 80% in HMSI. Hence, in all sample companies these techniques have been adopted, the techniques are being implemented, degree of adoption is high and current level of adoption of kaizen and target costing in sample companies is full implementation of the both techniques.

It is found that target costing techniques is used in all sample companies through two main activities: (1) use of special departmental application for the implementation of target costing and (2) target costing takes place through rules and procedures in all sample companies. The study found that increasing range of products is the important factor in the decision of the adoption of kaizen and target costing techniques. The data analysis shows that 82.8% respondents agreed with the increasing range of products is the important factor and it was kept in mind in the decision of the adoption of kaizen and target costing techniques in all sample companies.

It is found that sample companies have many goals which they aimed to achieve through the adoption of kaizen and target costing techniques. The goals are: cost reduction,
improve the product design and product mix, increase profitability, elimination of the wastes and visibility of non value added activities, encouragement of their employees’ commitment towards continual improvement, management attention on cooperation among different departments, break down the barriers of their different functional areas and decision making improvement. The study found that for the goals of sample companies mostly respondents approximately above 80% have marked on ‘Strongly agree and agree’. Hence, it is observed that all sample companies adopting both techniques to achieve their different goals and to perform in better and effective way.

7.1.2 FINDINGS OF RESEARCH OBJECTIVE 2:

- To study the stimuli posses by the members in implementation of target and kaizen costing techniques in the sample companies.

The study found that Hero uses all incentives which are financial incentives, good working conditions, good cooperation, seniority base wage system, recognition, suggestion schemes, welfare systems, training, awards, bonus, prizes except gain/profit sharing and life time employment facility incentives as the study found very low positivity for the gain/profit sharing and life time employment facility incentives in this company. The analysis shows that Maruti and HMSI use all incentives and it is found that there is a variation in the positive orientation on the incentives of these companies. It is also found that two incentives gain/profit sharing and life time employment facility have comparatively low positivity in all companies and in HMSI with these two incentives awards and non financial incentives have also comparatively low positivity. It is found that the difference in responses may be due to the awareness of employees. It is clear that all companies provide different incentives to stimulate their employees but may be different incentives for different levels of employees.

It is found that all three companies time to time change their strategies regarding incentives to their employees. Also the study found that Maruti and Hero were more concerned about the change in incentives than HMSI. It is found that the employees were satisfied with the incentives provided by the sample companies to motivate their employees. Also it is found that employees of Hero were more satisfied with the incentives provided by the company than Maruti and HMSI.
7.1.3 FINDINGS OF RESEARCH OBJECTIVE 3:

- To study the level of involvement in identification of a work problem, waste, defects, creativity, scope for innovation and work on it by the members in the sample companies.

It is found that all three companies use suggestion box to take the suggestions from members. Further, it is clear from the analysis that all sample companies use employee involvement and suggestion teams. From the analysis it is found that in all three companies their employees contribute in continuous improvement programs and teams. The study found that in all sample companies employees have freedom and liberty to give their ideas. From the data analysis it is found that all sample companies use continuous improvement projects on regular basis.

It is observed that in all sample companies, employees identify new work problems and ideas to improve their work. It is found that in all sample companies employees focus on defects identification. It is apparent from the analysis that in all sample companies employees focus on waste reduction with their routine work. It is pointed out that in all sample companies employees focus on identification of new ways of work improvement. Hence, in all sample companies members identify work problems and they focus on defects identification, waste reduction and identify new ways of work improvement.

It is found that the employees care about the expressing disagreement with the superiors in all sample companies. It is observed that in all three companies employees follow the instructions of superiors. It shows that employees work under the instructions of their superiors but they work in their ways in all sample companies. It is quite apparent from the analysis that in all sample companies the ideas of lower level employees are controlled by their superiors. The study found that in all three companies employees develop plans as per the desires of their superiors. It is observed from the analysis that the employees worry when their ideas are not accepted by others in all sample companies. It is found that in all sample companies employees prefer team work than individual work. Hence, in all sample companies employees work under superiors, follow their instructions and have preference for team work.
It is found that in all sample companies various departments and personnel are involved in the practices of kaizen and target costing techniques. The departments and personnel, who are involved and assist in the application of both techniques in all sample companies are: product planning department, product development department, product design department, purchasing department, manufacturing department, marketing department, sales department, accounting and finance department, information system personnel, senior executives, suppliers and external consultants.

Further, it is found that the involvement of some departments and personnel like product planning department, product design department, purchasing department and manufacturing department have more positive orientation in HMSI and Hero than in Maruti. The study also found that the involvement of some departments and personnel like sales department, accounting and finance department, information system personnel and senior executives have more positive orientation in HMSI than in Hero and Maruti. Further, it is found that the involvement of product development department has more positivity in HMSI than in Hero and Maruti, the involvement of marketing department has more positivity in HMSI and Maruti than in Hero, the suppliers involvement has more positivity in Hero than in HMSI and Maruti and the involvement of external consultants has more positivity in Maruti than in Hero and HMSI.

The study found that in all sample companies members understand external environment changes and they are aware about the need of changes. It is found that the members of all sample companies analyse problems or mistakes. Further, it is pointed out that members of the sample companies generate solutions of problems by new procedures. It is also found that the members receive training to use new techniques in all sample companies. The study found that the members of all sample companies alter their behaviours in accordance with the application of new techniques. Hence, data analyses show that in all sample companies members realise the need of change, analyse the problems, generate solutions to solve problems and alter their behaviour according the requirements of the application of new techniques. Hence, all sample companies have an environment of continuous improvement.
7.1.4 FINDINGS OF RESEARCH OBJECTIVE 4:

- To study the degree of generalization of target and kaizen philosophy among the members in the sample companies.

From the analysis it is found that in all sample companies, continuous improvement projects are highly visual to all members. The study also found that in all sample companies members submit new ideas or suggestions to improve the work on regular basis. It is found that in all three companies, ideas given by employees are accepted by managers. It is also quite noticeable that in sample companies, level of ideas acceptance is significant. Analysis shows that managers significantly accept the ideas of employees in all sample companies. The data analysis exhibits that the level of ideas generalisation is significant in all sample companies. Analysis shows that after the acceptance of ideas of members the ideas significantly generalised in all sample companies. It is also found that the level of generalisation of ideas is high in HMSI than in Maruti and Hero.

The study found that the frequency of ideas submission by members is significant and also in all sample companies members often give ideas. It is also noticed that the frequency of ideas submission is high in HMSI compare to Maruti and Hero. The data analysis exhibits that the frequency of product/service or design change is good enough in all sample companies. The sample companies often change the design of their products. The analysis also exhibits that the frequency of product design change is high in HMSI than in Maruti and Hero.

7.1.5 FINDINGS OF RESEARCH OBJECTIVE 5:

- To study the level of heed given to the ideas and defects conveyed by supply chain partners of the sample companies.

The study found that all sample companies have a philosophy of participation of supply chain management and it is also observed that Hero and HMSI have more positivity in this regard than Maruti. It is found that the supply chain partners convey their ideas directly to managers in all sample companies and also it is found that on this aspect more positivity is in HMSI and Maruti compare to Hero. It is observed that in all sample companies supply chain partners convey their ideas directly to concerned person. It is
also found that the supply chain partners convey their ideas through suggestion box/letters in all sample companies and on this aspect more positivity is in HMSI compare to Maruti and Hero. Hence, in all sample companies their supply chain partners use all three ways to convey their information, ideas, defects and suggestions. The study found that in all sample companies supply chain members frequently give ideas and suggestions and also on this aspect more positive orientation is in HMSI and Hero compare to Maruti.

The study noted that the supply chain partners contribute their ideas for product design in all sample companies and also on this aspect more positive orientation is in HMSI and Hero compare to Maruti. It is pointed out that the ideas of supply chain partners are recognised in all sample companies and also on this aspect more positivity is in HMSI and Hero than in Maruti. It is quite apparent from the analysis that the all sample companies pay attention on ideas conveyed by their supply chain partners and also the study found on this aspect more positive orientation in Hero than in Maruti and HMSI. It is found that the sample companies share target cost information with their current and potential supply chain members and also the study found on this aspect more positivity in Hero and HMSI compare to Maruti.

The study found that all sample companies encourage their supply chain members for giving new ideas and also the study found on this aspect more positivity in Hero and HMSI compare to Maruti. The study shows that decisions of sample companies are affected by the ideas or defects conveyed by their supply chain partners and also the study found on this aspect more positive orientation in Hero and HMSI compare to Maruti.

7.1.6 FINDINGS OF RESEARCH OBJECTIVE 6:

❖ To study the role of management to stimulate and support the effort of employees working at different levels to improve processes in the sample companies.

The study found that in all sample companies, seniors and upper level managers convey the employees about the objectives. It is found that in all sample companies managers use
many strategies or take many steps to encourage and support employees. It is clear from the analysis that managers give equal attention on ideas acceptance of their members, managers give chance to the members to participate in decisions, managers and seniors in all sample companies carefully listen the ideas of employees, managers in all sample companies help in improving ideas of employees, managers in all sample companies provide adequate resources to the employees, managers in all sample companies help in submission of ideas of employees, managers send ideas of employees for recommendation to authority, managers in all sample companies help employees to express their ideas, managers increase the morale of employees in all sample companies, managers in all sample companies having good relations with employees, managers in all sample companies provide healthy competition environment to motivate the employees, managers in all sample companies apply rules to control employees, managers in all sample companies help in implementation of ideas of employees, managers provide relevant information to employees in all sample companies, managers in all sample companies take decision of job rotation to encourage employees and managers in all sample companies use new policies to help and encourage employees.

7.1.7 FINDINGS OF RESEARCH OBJECTIVE 7:

- To study the implications of kaizen and target costing techniques in the sample companies.

It is found that the both techniques are well established way of working in all sample companies and it is also noted that HMSI has more positivity on this aspect than Maruti and Hero. It is found after the data analyses that sample companies are taking many benefits by the use of both techniques. The benefits of current use of both techniques in all sample companies are: cost reduction, customer satisfaction, quality control, well in time information of new products into market, increased profits, improved organisation control, improved efficiency of indirect activities and rationalisation of existing products. Further, it is clear from the analysis that for all current benefits of both techniques in all sample companies mostly respondents approximately above 83% have marked on ‘Strongly agree and agree’. It indicates a clear-cut vision of companies towards different current benefits they are taking by the application of both techniques. Hence, all sample
companies are taking many benefits by the use of both techniques which help them to survive in competitive markets. It is also found that two benefits of both techniques cost reduction and customer satisfaction have more positivity in Hero and HMSI compare to Maruti.

The study found that sample companies are facing some problems with the implementation of both techniques. The problems with the use of both techniques which are considered in all sample companies are: long development cycle, excessive pressure on employees, market confusion by large number of products, complex methods, too costly to collect information, resistance to change, high cost of implementing, lack of management support, lack of commitment and coordination, consume more time of managers, difficulty in cost drivers identification, difficulty in designing systems, difficulty in identifying activities, necessary change of culture and mind set, adjustment with changing environment and integration with current accounting system. The study found that drawbacks or problems of both techniques have variations among sample companies. Further, it is found that some drawbacks like long development cycle, market confusion by large number of products, lack of commitment and coordination, too costly to collect information and integration with current accounting system are less accepted in Hero compare to Maruti and HMSI, while some drawbacks like excessive pressure on employees, complex methods, high cost of implementing, difficulty in cost drivers identification, necessary change of culture and mind set and adjustment with changing environment are more accepted in HMSI compare to Hero and Maruti.

The study found that in all sample companies top managers actively support in the implementation of these techniques and also on this aspect more positive orientation is in HMSI compare to Hero and Maruti. It is found that in all three companies both techniques are closely tied with their competitive strategies and also Hero has more positivity on this aspect than HMSI and Maruti. The study found that in all three companies managers use information of both techniques in decision making and also HMSI has more positivity on this aspect than Hero and Maruti. It is quite apparent after the analysis that all sample companies provide and meet the needs for implementation of both techniques like training and education to workers also it is found that HMSI and
Hero has more positive orientation on this aspect compare to Maruti. In all sample companies approximately above 74% respondents support the successful implementation of both techniques. Hence, it is clear that in all sample companies both techniques are successfully implemented.

It is found that all three companies are satisfied with the benefits they gained through the application of both techniques and Hero has more positive orientation on this aspect compare to HMSI and Maruti. It is apparent from the analysis that all sample companies consider these techniques as important methods in current environment and Hero has more positivity on this aspect compare to HMSI and Maruti. Further, it is noted that in all sample companies approximately above 84% respondents stated that companies are satisfied with benefits and use of both techniques in current market environment. Hence, all sample companies consider both techniques are useful in the current market environment and they are satisfied with the benefits of both techniques.

The study shows that all three companies witnessed increase in their performance level resultant to the application of both techniques. With the application of both techniques their performance has improved and it is noticeable that Hero and Maruti have more positivity on this aspect than HMSI. It is revealed that in all sample companies the rate of successful implementation of both techniques is very high and Hero and Maruti have more positive orientation on this aspect than HMSI. The study notes that in all sample companies most of respondents stated ‘very good and good’ on these aspects.

The study shows that profits of the sample companies have increased with the adoption of these techniques as is corroborated with the trends of financial performance of sample companies. The trends of financial performance of Maruti show that their profits increased with their sales except March 09, March 11 and March 12. The trends of financial performance of Hero show that their profits increased with their sales except 2006-07 and 2010-11 and the trends of financial performance of HMSI show that their profits increased with their sales continuously. This may be considered as the resultant to use of both techniques in sample companies.
7.2 MAJOR FINDINGS OF THE STUDY

The major findings of the study are:

1. The study indicated that both target costing and kaizen costing techniques have been adopted by the sample companies. All the three companies adopt target and kaizen costing and have been using these techniques for more than ten years. The sample companies adopted these techniques with time variation and potential as is of their incorporation.

2. The study found that members are stimulated by all sample companies through different incentives for the implementation of both techniques. Companies give employees satisfactory incentives and they get the recognition they deserve. The companies are using both monetary and non-monetary incentives to initiate their employees.

3. The study revealed that sample companies employees come forward with new ideas or suggestions, identify new work problems and defects, focus on waste reduction and new ways for work improvement for better performance with time along. The critical finding is that the members of different departments have significant roles in implementation of target costing and kaizen costing in the sample companies.

4. It is obvious from the analyses that managers in sample companies significantly accept the ideas of employees and generalise their ideas among all members. Further, it is confirm from the study that employees frequently submit ideas and the continuous improvement projects are visual to all employees in sample companies.

5. One of the finding of the study is that companies give attention to the ideas provided by their supply chain partners. Companies change their products frequently and supplying customized products to their customers. The companies are aware about the role of supply chain members in improving their performance and quality of product.

6. The study confirms that managers provide the support and stimuli to the employees working at different levels in different ways to improve processes and
for implementing target costing and kaizen costing techniques in their companies. Top management support is considered valuable for the application of both techniques.

7. The study shows that in different departments of sample companies, most of them have applied target costing and kaizen costing principles. All the supply chain parties and workers are involved with a positive mindset and believe on integration in the above-mentioned costing techniques and stated that target costing and kaizen costing are worth implementing in their companies. One of the main findings of this study is that the application of target costing and kaizen costing techniques has a positive impact on improving the companies’ profitability, quality of products, effectiveness and market share. Both costing techniques are considered highly beneficial in all sample companies. It is also noted that there are some drawbacks and barriers which are considered by sample companies in the implementation of target costing and kaizen costing techniques and it is also found that with the drawbacks, both techniques are used and beneficial for sample companies.

7.3 CONCLUSIONS

Target costing and kaizen costing techniques are interrelated and these cannot be separated. These costing techniques are jointly used for total cost management where the market environment has features like fierce competition, low profit possibilities, low customer loyalty and high demand of innovative products at low costs. These costing techniques have been adopted by manufacturing companies in different ways and on different levels. But these techniques are not implemented and adopted by all firms in every industry. The study concludes that total cost management system is a set of target costing and kaizen costing techniques that can contribute in shaping the future of the company. Results indicate that the target and kaizen costing techniques have been adopted by the sample companies and the level of adoption of both techniques is high in the sample companies and also these techniques have been proved to be beneficial for the sample companies. More clearly, companies need to focus on encouraging employees of
all departments to play an active role in the implementation of these techniques. Furthermore, the adoption of target costing and kaizen costing systems produce high level of success in the context of financial benefits and customer satisfaction in companies and they are satisfied with the benefits of the techniques. It can be concluded that large business units are more likely to adopt target costing and kaizen costing techniques.

It is concluded that with both drawbacks and benefits the both techniques are overall significant in the sample companies. Manufacturing firms can use these costing methods to evaluate needs of product design, for overall cost reduction possibilities and also the combined form of these techniques can be used by all automobile companies to improve their performance. Each of these costing methods is performed to increase the effectiveness of different stages of product’s life cycle. The best work or application of these costing methods depends on a culture of trust, teamwork, cooperation and support of employees of all level as well as good relation with supply chain partners is required and as they are involved at every stage of implementation of these techniques. With the implementation of target costing and kaizen costing techniques manufacturing companies can meet customer requirements and endeavour to exceed customer expectations. Increasing use of target costing and kaizen costing techniques is needed and these techniques are very successful ways for reducing manufacturing costs by identifying cost reduction opportunities without any compromise in the quality of product. Finally, it is concluded that target costing and kaizen costing are much more than cost reduction tools. This study indicates that Indian automobile companies are also in the league of target costing and kaizen costing adopters.

7.4 RECOMMENDATIONS

The research is useful to provide relevant suggestions to enhance the performance of automobile companies. Using target costing and kaizen costing techniques extensively would increase the level of success. The combination of improvement techniques target costing and kaizen costing is recommended. The improvement of manufacturing work is an endless activity and it requires involvement of many people in an organization. Latest techniques of cost management and cost improvement should be adopted by
manufacturing companies to become competitive in market. The target costing and kaizen costing methods may be suitable for any manufacturing company who wants to manage their costs of production. This study proposes some practical suggestions to support the application of target costing and kaizen costing techniques in automobile sector. The suggested points and recommendations of the study are presented as under:

- Target costing and kaizen costing techniques are team-dependent techniques. These techniques will not give the expected results from its application if there is not a proper coordination between the departments and also teamwork attitude in the organization. A team attitude among employees can bring together the knowledge and experience regarding work for better performance. Thus, before application of target costing and kaizen costing techniques, companies should ensure the teamwork attitude or change the attitude of their workers.

- The competitive environment demands that a company should have an effective supply chain because good relationships with suppliers have a high potential impact on the manufacturing performance. Company should have all information about their supply chain members especially customers and suppliers. Company must build good relationship with their suppliers and focus on the demands of customers.

- Based on study, it is suggested that the development and implementation of target costing and kaizen costing is related with the learning attitude in the organisation. Learning organisational culture can influence the application of target costing and kaizen costing in a good manner and it can increase spirit of teamwork, job efforts and better performance.

- Company must have an effective communication system and important information as well as pre decided targets should be communicated to employees of all departments and there should be transparency. It is important that companies should pay more attention on their communication system to enhance their performance. Because the use of effective information technology enables an organisation to interlink with its employees and supply chain members. An effective communication system helps in the implementation of target costing and
kaizen costing techniques. Therefore, companies should focus on the timely providing important and necessary information.

- Employee’s involvement is necessary for the implementation of both target costing and kaizen costing. Companies should pay more attention to satisfy their employees and increase their interest. Incentive system of company is very important to encourage the employees and for their full involvement in the production. Thus, companies should use new or adequate incentive schemes to motivated employees for the successful implementation of target costing and kaizen costing techniques. In addition these costing tools are designed to be applied by employees therefore; the system in company should be linked to their performance and compensation. The company should aware about the unreasonable stress and pressures on employees. The employees also should be rewarded for their group work.

- Supply chain members especially customers and suppliers have very important role in the application of the target costing and kaizen costing techniques. The study describes that suppliers play important role in the design & development as well as manufacturing stages of the product life cycle by providing materials and ideas or suggestions. Thus, an organization should shortlist its suppliers and should include only those suppliers in their list who are believed that they will be able to meet the target of the cost of the product. Because having too many suppliers may be very costly due to facilities maintenance for them and also company can improve their relations with few suppliers.

- For successful application of target costing and kaizen costing techniques, companies should focus on setting two types of targets: (1) Set neither difficult nor easy target cost for target costing and (2) Set neither difficult nor easy cost reduction targets for kaizen costing because these are more feasible options of the successful implementation of these techniques. The target cost and cost reduction targets should be achievable with considerable efforts.

- Negotiations with suppliers should be based on the market price with little focus on the actual cost of a product. With the help of target costing and kaizen costing a company can estimate accurate cost of new and existing products. Thus, there
should be fact-based negotiation with suppliers. This assists a manufacturing company in comparison and selection of suppliers. Integrated actions with suppliers can be induced extra cost saving for company.

- It is recommended that to face competition and beat competitors, a manufacturing company should work according the confrontation strategy and should follow the concept of survival triplet and also fix their survival zone. The dimensions of survival triplet quality, price and functionality should be balanced with in the maximum and minimum limits of the survival zone of the company because the balance between these items can increase the profits of company. Further, manufacturing companies could develop a strategy for implementing target and kaizen costing by paying more attention on the identification and adoption of a proper organisational culture that suits the implementation of these techniques.

- General process of target costing can be applied for a simple product but process of target costing having three levels: market driven costing, product level target costing and component level target costing, is specific because it considers deep and every aspect about product and possibility of cost reduction thus, it can be used for products having complexity and require creativity during their design and development stages.

- It is suggested that when the target costing and kaizen costing systems are properly implemented with the support of members in the company these could be very important tools to foster total cost management and strengthen the organisation. With proper application modern cost management techniques target costing and kaizen costing enable business organisations to create and maintain competitive advantages.

- Attention of top management should be focused on the application of both techniques and training should be extended for employees regarding the role and application of target and kaizen costing techniques. Because proper training for changes and understanding the concepts of target and kaizen costing techniques have importance in the implementation of these techniques in the company.

- These techniques can be very effective in decision making and in making key decisions if these are implemented with full coordination, commitment and
support of managers and employees. Strong coordination among employees, friendly and supportive environment can lead the proper implementation of these costing methods. Time to time directions of top management is also required to derive the most beneficial outcomes of target and kaizen costing techniques.

- The literature states that majority of the product costs are incurred during the design & development stage of product thus, cost reduction possibilities are high during the design & development stage of product than its manufacturing stage. Hence, firms should be focused more on cost reduction in design & development stage of new product and cost reduction with cost control in the manufacturing stage of existing products.

- Research indicates that both techniques have advantages as well as disadvantages but advantages are considered strong than their weaknesses. By proper attention on the implementation of both techniques companies can reduce the weaknesses of these techniques. Therefore, to reduce the problems of these techniques companies should focus on the proper application of both techniques, employees must be trained and motivated to accept these costing methods, understanding attitude, proper feedback system and employees should be ever observant of cost reduction opportunities. For companies to make effective use of target costing and kaizen costing must be able to effectively execute processes of these costing methods in order to consistently create positive results.

- It is also suggested that skills and previous work experience of the team members resulted in true collaboration and it provides solutions regarding products which creates value for the customer. Employees of all departments should freely share their knowledge, experience and candidly discuss their problems and issues. Management also should focus on integrated work than separation or individual work.

7.5 LIMITATIONS OF THE STUDY
Overall, the findings and results of this study are sufficient for the accomplishment of the objectives of this research. But like other studies this study also has some limitations. The limitations associated with this study are under mentioned.

- First limitation of this study is that merely automobiles companies are covered under this research. The scope of the study is limited because sample included only automobile companies working in India. This limitation may confine the generalization of the findings of the study. The generalization of the findings of this study on all industries requires an overall sampling from all industries. Sample size of the study under consideration is not enough to generalize the results on all other manufacturing companies; however the findings of the study would be generalised on automobile industry.

- There are many old and modern cost management techniques but merely cost management techniques, target costing and kaizen costing have been considered. The thesis does not describe all the tools and all aspects of target costing and kaizen costing techniques and also other costing methods which are used in sample companies.

7.6 AREAS FOR FUTURE RESEARCH

This research is just an endeavour in studying the implementation with the integration of target costing and kaizen costing as total cost management system for developing new and existing products. A few of the potential areas for future research are -

- Firstly, it would be worthwhile to ascertain application of total cost management through the combination of target costing and kaizen costing techniques in other than automobile and manufacturing companies or in non-manufacturing firms, service sector, medium and small scale industries to determine whether these costing techniques are more suitable there or not. Thus, it would be interesting to investigate the applicability of new costing techniques in other areas of the country.

- For further research a comparison between traditional and contemporary costing methods and their application in various industries can be studied.
• The next area of interest for further research is that the core concepts of kaizen and kaizen costing have some similarities and dissimilarities therefore, understanding of their characteristics in depth require further research. Additional investigation is necessary to study the distinction between the core concepts of various Japanese costing tools and management approaches.

• One another area of further research is to explore, the main costing strategies used by companies in market competition and uncertainty conditions, those which are not applying modern cost management tools.

• Further research may be conducted with multi-national study comparing the application level of these techniques across different cultures like India, U.S.A and China etc.