“A STUDY OF EMPLOYEE INVOLVEMENT SCHEMES AND ITS ROLE IN IMPLEMENTATION OF ISO 9000 QUALITY SYSTEM”

SYNOPSIS

1. INTRODUCTION

In a competitive environment, growth of any business organization would entirely depend upon customer appreciation and loyalty it can command. These can be ensured only by offering products and services of high quality on a durable basis. Therefore, continuous enhancement of quality on a sustaining basis has become essential for the prosperity of any business organization at present and in the future as well.

Management of quality is important both for manufacturing and service organizations. For most business organizations today, superior quality is at the core of their business strategy. Attaining near-perfect quality of products/services is seen as a principal means of capturing market shares and profitability in global competition. Achieving superior product/service quality within a business requires a long-term process of changing the fundamental culture of the organization.

Today, managers of many manufacturing and service organizations have overhauled the structure of their organization, changed their organization climates and redirected their product/service quality programmes towards becoming global quality leaders, through an effort that is known as “Total Quality Management” (TQM).

The role of human beings at work has changed as business and technology have changed over the years. Prior to the Industrial Revolution, skilled people had a major stake in the quality of the products produced and they were motivated by pride in their work as well as the need for survival. Later on, in the era of scientific management, F.W. Taylor’s system improved productivity by focusing on work methods design, the establishment of standards for daily work, selection and training of workers and piece work incentives.

Nowadays, the total quality movement has caused businesses to look more closely at the human side of work. The focus on customer satisfaction and flexibility to meet ever-changing customer demands has brought new approaches to work design and employee developments.

2. SIGNIFICANCE OF THE STUDY

As a result of rapidly changing business environment, organizations are adopting newer management practices. ISO 9000 Quality Management System is one such effort to stay in competition by implementing quality practices. The success or failure of quality management system in any organization is much dependent on the involvement of its
employees in the implementation of that system. There are a variety of employee involvement programmes being practiced in the organizations while implementing ISO Quality System and this is receiving attention both from academic as well as in-house researchers. However, a review of literature revealed that there is a lack of research endeavour comprising the Employee Involvement (EI) practices vis-a-vis ISO 9000 system’s implementation. The present research work has attempted to fill this void.

All these schemes cater to different aspects of management. A scheme like Quality Circle aims at problem-solving, whereas a scheme like Financial Participation is designed keeping productivity in mind. The ultimate aim of all these schemes is to increase the level of employee involvement, which is one of the essentials of the TQM.

But the questions like how far these schemes help in the implementation of ISO-9000 quality system and which among all these schemes play a leading role in the implementation are rarely answered. Understanding the interrelationship between the EI schemes and the implementation of the ISO-9000 is significant since it will help in pinpointing the major thrust areas with regard to ISO-9000 clauses and the use of employee involvement schemes to fulfill the requirements therein.

This study is also significant since it would help in understanding the mindset of employees at different levels through which the degree of acceptance about the EI schemes can be realized.

Though the study is mainly focused on the implementation of the ISO-9000 Quality System vis-a-vis the use of EI schemes in it, a fair picture about the success or failure of a specific scheme can be drawn up.

Kolhapur, being one of the growing industrial towns, has shown a favourable response to different quality management systems. Industries in and around Kolhapur are implementing ISO-9000 Quality Management System along with other systems to standardize their processes. Research work on the interrelationship between ISO-9000 System with the EI schemes being followed in organizations would certainly help them to pinpoint the areas where they need to focus. Through this research, attempt would be made to analyze the role of different EI schemes while implementing ISO-9000 system. The result will throw light on the usefulness and the effectiveness of EI in carrying out quality system activities. On the basis of these results, one can design strategies for EI which will lead to the overall quality improvement.

3. **ISO-9000 Quality Management System**

Quality, in all its aspects, has been recognized by majority of the industries as an important factor in capturing the market share. Quality is a dynamic phenomenon, it improves every moment with the newer developments in technology and management techniques. As the leading organizations of the world improve the quality standards of their products or services, the quality expectations of the customers of the products and services also go up. In response, a number of organizations world-over have begun adopting new quality management techniques, so as to keep pace with the international quality standards.
Quality, in the present context, as per ISO 8402 or BS 4778, is defined as “the totality of features and characteristics of a product or service that bears on its ability to satisfy the stated or implied needs”. Within the scope of this definition, the following concepts, namely, fitness for purpose, value for money, reliability, customer satisfaction and conformance to requirements, exist explicitly.

For achieving the goals of first attaining and then managing quality, various regional and international standards of quality measurement and assurances have been developed, so as to monitor and ensure quality at all the stages of manufacturing/production cycle.

ISO 9000 is one of the most widely recognized quality management tool that has been adopted by almost every quality-conscious organization in the world. ISO 9000 is a series of quality system standards, formulated and published by the International Organization for Standardization. It provides for the development and operation of a quality management system applicable to all types of organizations, and which can consistently meet the quality requirements of every kind of product or service.

These ISO 9000 standards are significantly different from the normal engineering standards that typically focus on units of measurement, technology, test methods, etc., while ISO 9000 attempts to standardize certain generic practices of quality management (the third kind of standardization). These standards aim at ensuring consistency in product quality by monitoring the process, since of the concepts of quality is the ‘fitness for use’. It helps to maintain consistency of product quality so that the criterion of fitness for use is maintained. In the absence of such a consistency, the customers, particularly the international ones, may have to incur substantial inspection costs at their end to ensure consistency of quality and its continued fitness for use. Therefore, a credible assurance on the part of the supplier that he shall maintain consistency in the quality of his product can greatly reduce the cost as well as risks for the customers of the product.

Thus, industrial houses are vigorous in discussing and establishing the principle of Total Quality Management, so as to take full advantage of liberalization through export thrust. With the foreign markets opening up to ISO accredited companies, the entire industrial sector of the country is getting into the quality act.

4. Employee Involvement

Employee Involvement is a system for invoking constructive ideas, inculcating a feeling of contribution, self-realization, dedication and creating a sense of being an integral part of the organizational process. An old maximum states that “the best person to put in charge of a problem is the one most directly affected by its outcome”. In other words, employees who are expected to implement organizational decisions should be involved in choosing the course of action.

As such, it is obvious that the systems that are developed with employee involvement are most likely to succeed. It is generally recognized that “doing a job does not mean doing it with interest”. Management thinkers like Elton Mayo, V.H.Vroom, Rensis Likert and Abraham Maslow are of the opinion that positive motivational factors,
engendered by methods like employee involvement, may develop a more creative, interested and more productive workforce. Employee involvement is one aspect of organizational motivation.

Employee involvement is a participative process that uses the entire capacity of an employee and is designed to encourage increased commitment to the organization’s success. The underlying logic is that by involving workers in those decisions that affect them and by increasing their autonomy and control over their work-lives, they will become more motivated, more committed to the organization, more productive, and more satisfied with their jobs.

Employee involvement can take diverse forms and includes a variety of schemes, such as verbal/non-verbal communication, departmental meetings, suggestion schemes, quality circles, representative participation schemes, recognition and reward system, etc.

5. **EMPLOYEE INVOLVEMENT AND IMPLEMENTATION OF ISO-9000 QUALITY MANAGEMENT SYSTEM**

At the heart of the TQM system is the concept of intrinsic motivation. Empowerment, i.e. involvement in decision-making, is commonly viewed as being essential for assuring sustained results. It is becoming a maxim of good management that human factors are the most important dimension in the improvement of quality and productivity. People really do make quality happen.

Most quality-conscious organizations are quick to point out that the best way to achieve organizational success is by involving and empowering employees at all levels. Employee involvement is a revolution that will turn top-down companies into democratic workplaces.

If quality is the objective, employee involvement will greatly facilitate the result because of two reasons - motivation and productivity.

6. **KOLHAPUR CITY AND ADJOINING INDUSTRIAL AREAS - THE STUDY AREA**

Kolhapur City has a rich cultural heritage. In recent years, it has swiftly changed from a vibrant garrison-transit town of yester dynasties to a Seat of Royalty (1731 A.D.), to a fast urbanizing centre from mid-19th century onwards. The yester-centuries’ Princely State of Kolhapur today is the headquarters of a District of the same name in the State of Maharashtra. Geographically, Kolhapur City is situated at 16°62’ North latitude and 74°54’ East longitude at a mean sea level of 1872 ft. on the eastern slopes of the Sahyadrian Mountain Ranges in the Western Maharashtra. The town’s municipality was originally established in 1854 and was converted into a Municipal Corporation in 1972. The City’s sprawl covers an area of 66.82 sq.km. and it is a home for 5 lakh-plus population.

The foundation of the modern industry in Kolhapur was laid with the setting up of ‘Shahu Chhatrapati Spinning and Weaving Mills’ on 27.9.1906 as a joint-stock concern. The Mill was set up partly to utilize the cotton being grown in about 30,000 acres in the State at that time. The Mill was originally only a spinning mill and the weaving department
was added in 1928. After several changes in its holding over the years, the Mill has now been liquidated due to lack of modernization and upgradation.

At present, Kolhapur has three specially designed and developed industrial zones; Shivaji Udyamnagar (set up in 1947 and extended into Y.P.Powarnagar and now planning further expansion to Mudshingi village nearby); Shirol MIDC Industrial Estate (1971), and Gokul-Shirgaon MIDC Industrial Estate (1982 and now planning to expand on additional 2200 hectares between Kolhapur and Kagal on the south). In addition, Kolhapur Municipal Corporation set up its Panjarpol Industrial Estate of 300 small-size plots on reclaimed land in 1983, mainly for servicing industries. Besides these major industrial areas, clusters of foundries, machine-shops, assembly shops have long since come up in the areas of Vikramnagar, Uchagaon; while Jawaharnagar area has been earmarked for leather industry.

7. ISO-Certified Engineering Industries in the Study Area: The Study Universe

The total number of ISO 9000:2000-certified industries in the study area is 102; out of which 41 are machine-shops, 12 are metal foundries, 5 industrial fabricators, and 44 are non-engineering (plastics, corrugated boxes, cement products, etc.) industries. Accordingly, out of 58 engineering industries, a sample of 10 (approx. 20%) industries, comprising 6 machine-shops, 1 machine-shop-cum-foundry, 1 industrial fabricator and 2 foundries were taken up. The main criterion behind the selection of the sample industries was that these had implemented all the four categories of Employment Involvement Schemes, namely, (i) Downward Communication Schemes, (ii) Upward Problem-solving Communication Schemes, (iii) Representative Participation Schemes, and (iv) Financial Participation Schemes.

8. Objectives of the Study

In view of the introductory remarks, foregoing discussion about the topic of investigation and the study universe, the following have been set out as the objectives of the study:

1. To study the Employee Involvement Schemes being implemented in the ISO 9000 certified engineering industries in the study area;

2. To critically evaluate the role of the Employee Involvement Schemes in the implementation of the ISO 9000 Quality System.

3. To offer meaningful suggestions, as may be appropriate.

9. Hypotheses of the Study

1. Employee Involvement (EI) Schemes play “Excellent” role in the overall implementation of ISO 9000 Quality System.

2. If considered separately Employee Involvement Schemes play-

I. “Good” role in implementation of clause No. 4 of ISO 9000 (Quality Management System)
II. “Good” role in implementation of clause No. 5 of ISO 9000 (Management Responsibility)

III. “Excellent” role in implementation of clause No. 6 of ISO 9000 (Resource management)

IV. “Excellent” role in implementation of clause No. 7 of ISO 9000 (Product Realization)

V. “Excellent” role in implementation of clause No. 8 of ISO 9000 (Measurement Analysis and Improvement)

3. Among the various EI schemes used in the implementation of ISO 9000 -
   I. Downward Communication schemes (Verbal/Non verbal communica-tion & Departmental meetings play “Excellent’ role;

   II. Upward Problem solving schemes (Suggestion schemes & Quality Circle) play “Good” role;

   III. Representative Participation schemes (Works Council, Joint Management Council, etc.) play “Fair” role;

   IV. Financial Participation Schemes (Bonus, incentives, etc.) play “Poor” role.

4. Among the various respondents of the study organizations -
   I. Production Managers are of the opinion that EI schemes play “Excellent” role;

   II. Production Workers are of the opinion that EI schemes play “Excellent” role;

   III. Administrative Managers are of the opinion that EI schemes play “Good” role;

   IV. Administrative Staff are of the opinion that EI schemes play “Good” role.

10. METHODOLOGY ADOPTED FOR THE STUDY

Both primary and secondary data were collected for accomplishing the above objectives. For collecting the primary data, **Survey Method** was used. Survey data was collected by administering a structured interview schedule to four sets of respondents - Production Managers, Production Workers, Administrative Managers and Administrative Workers (staff). The selection of sample respondents was done by using **Purposive Quota Convenience Sampling Technique**. Also, the **Non-Participatory Observation Method** was adopted for recording the researcher’s impressions about the status of various Employee Involvement Schemes being implemented in the study area.
11. **Sample Design**

In the *Purposive Quota Convenience Sampling Technique* adopted for the present study, ‘Purposive’ meant those respondents that belonged to a particular employee level; ‘Quota’ meant the predetermined sample size of 250 respondents, comprising of 40 Production Managers, 40 Administrative Managers, 150 Production Workers and 20 Administrative Workers (staff); and ‘Convenience’ meant only those respondents that were willing to participate in the survey were administered the pretested structured interview schedule. The actual respondents were selected by visiting the 10 pre-identified ISO 9000:2000-certified engineering industries in the study area.

12. **Data Collection**

12.1 **Primary Sources**

The primary data was mainly collected from the respondents belonging to different levels and categories, i.e. Production Managers, Administrative Managers, Production Workers and Administrative Workers through pretested structured survey schedules.

Also, personal interviews were held with the Management Representatives and observation method was used for collecting additional/background information. This has helped to gain first-hand insights into the implementation of ISO quality standard and Employee Involvement practices being adopted.

12.2 **Secondary Sources**

The secondary data required for the completion of the research work was collected mainly from the published sources in the academic libraries and archives of the selected engineering industries. Also, verbatim secondary data was collected to obtain the background material from the knowledgeable persons such as quality management consultants and academicians.

13. **Data Analysis and Interpretation**

The primary data collected from the respondents was processed on a computer under expert supervision. Computer was used for graphical presentation as well as for word processing. The statistical findings derived from this exercise, juxtaposed against theoretical background, have been interpreted through intellectual exercise for the purpose of drawing conclusions.

14. **Scope of the Study**

The present work is an exploratory investigation into the implementation of the ISO 9000 Quality System and the Employee Involvement Practices in the engineering industries in the study area. Its *geographical scope* is confined to Kolhapur City and the two nearby industrial estates at Shiroli and Gokul Shirgaon. The *topical scope* covers the evaluation of select Employee Involvement Schemes and their role in the implementation of ISO 9000:2000 Quality System in the select engineering industries in the study area. The *analytical scope* is limited to the fulfillment of the objectives set out for the study and the testing of the stated hypotheses. The *functional scope* is confined to offering a
set of suggestions for improving the implementation of the ISO 9000 Quality System, which can be of help to the existing ISO certified industries as well as to the industries planning to opt for ISO 9000 Quality System in future.

15. LIMITATIONS OF THE STUDY

The study is conducted in a mixed rural-urban setting where perceptions differ greatly from those obtaining either in highly industrialized or in purely rural settings. The findings of the study, therefore, may have to be read against this background.

16. CHAPTER SCHEME OF THE THESIS

The Thesis has been divided into Six Chapters as under:

- Chapter 1: Introduction and Research Design
- Chapter 2: A Review of Relevant Literature
- Chapter 3: Conceptual and Theoretical Framework
- Chapter 4: Profile of Kolhapur City - the Study Area
- Chapter 5: An evaluation of Employee Involvement Schemes and its role in implementation of ISO 9000 Quality System
- Chapter 6: Conclusions and Suggestions

The interview schedule used for collecting the primary data from the respondents forms the Annexure and a select Bibliography concludes the thesis.

17. MAJOR CONCLUSIONS

The following have emerged as the major conclusions of this work:

17.1 Human Resource Profiles of the Respondents

(1) Production Managers

The representative Production Manager in the engineering industries in the study area is 36-45 years old male, graduate, with Marathi as his mother tongue. He has work experience of more than 16 years and for the last 5 to 10 years, he is associated with his present employing organization.

While half the Production Managers belong to the age group of 36-45 years, about one fourth of them are in the senior age group of above-46 years and about one third of them belong to the younger age group of 26-35 years. Though majority of the Production Managers have work experience of more than 16 years, one fourth have slightly less experience of 11-15 years. Although majority of them have Marathi as their mother tongue, more than one third have other languages as mother tongue.

(2) Administrative Managers

The representative Administrative Manager in the engineering industries in the study area is 36-45 year old male, graduate, with Marathi as his mother tongue. He has 16-20 years of work experience and for last 5-10 years, he is working with his present employing organization.
While half the Administrative Managers belong to the 36-45 years age group, more than one fourth of them are in the age group of 26-35 years and above-46 years. Also, one fourth of them have two college degrees or are postgraduates. Alike Production Managers, more than one third Administrative Managers also have other than Marathi as their mother tongue.

(3) Production Workers

The representative Production Worker in the engineering industries in the study area is 26-35 years old male, having education upto 12th standard and has Marathi as his mother tongue. He has work experience of 11-15 years and is associated with the present employing organization for the last 11-15 years.

While more than one third Production Workers are in the age group of 26-35 years, almost half of them are either in the age group of 18-25 or 36-45 years. More than one third of them have education upto technical diploma, but one fourth of them have studied only upto the 10th standard. Though majority of them speak Marathi, more than half have other languages as their mother tongue, making the group multilingual and representing various parts of India. With regard to work experience, about one fourth are in the entry level group, having experience of 5-10 years. While majority of the workers are associated with the present employing organization for more than 10 years, one third of them are with the same organization for the last 5-10 years.

(4) Administrative Staff

The representative Administrative Staff in the engineering industries in the study area is 36-45 years old male, graduate, with Marathi as his mother tongue. He has 16-20 years work experience, which he has earned in the present organization only.

While majority of the Administrative Staff are in the age group of 36-45 years, half of them are in the initial age group of 18-35 years, one fourth of them have educational qualification of upto 12th standard and have other than Marathi as mother tongue. Though majority of them have 16-20 years work experience, half of them have maximum 15 years experience and one fourth are associated with the present organization for 5-10 years.

17.2 Overall Opinion of Respondents about the Role of Employee Involvement Schemes in Implementation of ISO 9000-2000 Quality Management System

In all, the four categories of the respondents, namely, Production Managers, Administrative Managers, Production Workers and Administrative Staff were interviewed for the investigation of the role of various Employee Involvement (EI) Schemes.

It is revealed that, collectively all the four categories have rated the role of EI as being ‘Good’. Respondent category-wise comparison shows that though all the categories have rated EI schemes as being ‘Good’, there are minor differences in ratings granted by them to various schemes, which is obvious. It is also observed that the Administrative Managers, which comprises the managers from the departments having support functions, and are not engaged in manufacturing activities directly, such as Marketing, Accounts,
HRD, etc., are more positive about the role of EI in the implementation of ISO quality Management System, followed by Production Workers, Administrative Staff and lastly, Production Managers.

17.3 Clause-wise Comparison of the Role of EI Schemes in the Implementation of ISO 9000:2000 Quality Management System

Various requirements of five Clauses of ISO 9000:2000 Quality Management System were tested for analyzing the role of six selected EI schemes.

It is revealed that in the implementation of the ISO 9000:2000 Quality Management System Clauses, the role of the EI Schemes is ‘Good’.

It is also found that, though the role of EI schemes in implementing each Clause is ‘Good’, there is a slight difference in the opinions about the effectiveness of EI on Clauses considered separately. It is observed that EI is more effective for Clause-6 (Resource Management), followed by Clause-8 (Measurement Analysis and Improvement), Clause-5 (Management Responsibility), Clause-4 (Quality Management System), Clause-7 (Product Realization).

It may also be concluded that there is a gap of about 25 percentile points between the Perfect (100%) and the prevailing EI role.

17.4 Scheme-wise Comparison of the Role of EI Schemes in the Implementation of ISO 9000:2000 Quality Management System

The study covered a total of six different EI Schemes, namely, Verbal/Non-verbal Communication, Departmental Meetings, Suggestion Box, Quality Circle, Representative Participation and Financial Participation.

It is found that the Verbal/Non-verbal Communication and Departmental Meetings, both falling under downward communication, have been rated by the respondents as playing an ‘Excellent’ role in the implementation of ISO 9000:2000 Quality Management System. It is also observed that there are mixed opinions about the Upward Problem-solving schemes such as Suggestion Box and Quality Circle. The opinions of the respondents show that the Suggestion Box scheme plays a ‘Fair’ role, while the role of Quality Circle is ‘Good’. Among the remaining schemes, Representative Participation is considered as playing a ‘Good’ role and Financial Participation playing only a ‘Fair’ role.

The present researcher’s personal observations revealed that the actual number of suggestions received through the suggestion box in the study organizations is quite low. The likely reasons could be low level of interest among the employees and an improper understanding of the objectives of the Suggestion Box Scheme. It was also observed that the quality of the suggestions received was only fair. Majority of the suggestions were of very routine nature and did not contribute significantly to value addition. The likely reasons here could be the lack of knowledge about problem-solving techniques as also an inferiority complex among the employees.
In some instances, it was observed that the employees bypass the suggestion box and directly submit their suggestions orally to the superiors.

18. **Testing of Hypotheses**

The statistical techniques applied have returned the following results after the testing of the hypotheses.

The following hypotheses, namely:

1. Employee Involvement Scheme play -
   I. “Good” role in the implementation of Clause No.4 of ISO 9000 (Quality Management System);
   II. “Good” role in the implementation of clause No. 5 of ISO 9000 (Management Responsibility);

2. Downward Communication schemes, e.g. Verbal/Non-verbal communication and Departmental Meetings play “Excellent’ role in the implementation of ISO 9000;

3. Administrative Managers are of the opinion that EI schemes play “Good” role in the implementation of ISO 9000;

4. Administrative Staff are of the opinion that EI schemes play “Good” role in the implementation of ISO 9000;

*stand accepted.*

The following hypothesis namely:

1. Employee Involvement (EI) Schemes play “Excellent” role in the overall implementation of ISO 9000 Quality System;

2. If considered separately, Employee Involvement Schemes play-
   I. “Excellent” role in implementation of clause No. 6 of ISO 9000 (Resource management)
   II. “Excellent” role in implementation of clause No.7 of ISO 9000 (Product Realization)
   III. “Excellent” role in implementation of clause No. 8 of ISO 9000 (Measurement Analysis and Improvement)

3. Among the various schemes-
   I. Upward Problem solving schemes e.g., Suggestion schemes & Quality Circle play “Good” role in implementation of ISO 9000,
   II. Representative Participation schemes e.g., Works Council, Joint Management Council etc. play “Fair” role in implementation of ISO 9000,
   III. Financial Participation Schemes e.g., Bonus, incentives etc. play “Poor” role in implementation of ISO 9000 Quality System.
4. Among the various respondents-

   I. Production Managers are of the opinion that EI schemes play “Excellent” role in implementation of ISO 9000,

   II. Production Workers are of the opinion that EI schemes play “Excellent” role in implementation of ISO 9000,

19. **Major Suggestions**

The present investigation, conducted in select engineering industries, has observed certain similarities as well as variations in the opinions of employees of these industries about the EI practices being followed and their role in the ISO 9000:2000. Accordingly, the major suggestions emerging out of the above conclusions are:

19.1 **Views of Employee Categories about the Role of EI in the Implementation of ISO 9000:2000**

   Although all the employee categories considered for the present study have expressed the same opinions about the role of EI by rating it as ‘Good’, there is a difference of about 25% in the prevailing value and the ideal percentile value (100%). This gap shows that there is a scope for improvement.

   Adoption of newer tools and implementation of newer techniques, either through modification or abandonment of the existing systems which have been in practice for years together, need a change in the perception. Though the employees in these industries have managed it remarkably so far, with some more effort, the level of agreement can be heightened. The researcher suggests the following points for the consideration of top managements:

   1. Sensitize and motivate individuals, especially the managerial cadre, to the strategic importance of quality, the cost of poor quality, and the managerial role in influencing the quality of products. This can be done with the help of special training.

   2. Create an environment of self-motivation for the individuals. This can be done by adopting a positive attitude, sharing of goals, developing interesting work situations through job rotation, job enlargement and job enrichment. Regularly celebrating organizational successes and achievements can also contribute to employee motivation.

19.2 **Role of EI in the relevant ISO Clauses**

   Five Clauses of ISO 9000:2000 Quality Management System are considered for the present study and it is revealed that the EI schemes have played a ‘good’ role in the implementation of each of these Clauses. However, it is also observed that the EI is rather more effective in the implementation of certain Clauses than the others. Further, the gap between the present rating and the ideal rating (100%) emphasizes the need for improvement. The researcher has the following suggestion to offer for improving the performance as regards Clause-7 (Product Realization).
The Clause seeks the fulfillment of the requirements such as understanding and satisfying the customer needs by producing and delivering the product matching to the requirements. Through this Clause, the organization demonstrates its ability to provide a quality product.

The present research has shown that the EI has received low rating for its role in certain activities, such as understanding customer requirements, designing the procedures for subcontracted/purchased products, handling customer complaints, procedures for handling and storage, servicing, etc., mentioned in this Clause. Activities to increase the awareness and involvement may be carried out in the organization so as to get better results. The employees need to realize that they too, can play a significant role in fulfilling customers requirement by understanding them first and the producing the desired results. The management too, can make provision for involving the employees by motivating them by various means.

19.3 Enhancing the Effectiveness of various EI Schemes

The present research has thrown light on the effectiveness of select EI Schemes in the implementation of ISO 9000:2000. The findings show that apart from the downward communication, schemes such as Verbal/Non-Verbal Communication and Departmental Meetings, the effectiveness of other EI schemes is not very satisfactory. Especially the Suggestion Box scheme and Financial Participation schemes have been found to be below average. The researcher submits the following suggestions for improving the effectiveness of the EI schemes.

(1) Training and Development

Increased involvement means more responsibility, which, in turn, requires greater levels of skills. This can be achieved through training. The management may make arrangements to train and develop its employees.

The type and area of training depend upon the needs of the particular organization and may vary. The researcher would suggest that the employees be trained in Problem-solving techniques. Knowledge about the principles of quality management may also be provided, so that every employee shall be better aware about the requirements and what he/she can do.

Such training programmes will help in changing the mindset of the employees towards EI schemes and may also result in more encouragement and involvement. An understanding of the problem-solving techniques will help employees to give logical and practical suggestions.

(2) Publicity and Promotion of Quality Management System

An on-going publicity and promotion of the quality efforts of the organization is very essential and important. Successful projects, suggestions accepted from the employees, new ideas presented by them, etc., must be displayed. This will increase employees’ sense of belonging. These displays must be updated regularly so as to reflect the management’s seriousness about the Quality Management System.
Also, if possible, a Quality Newsletter may be published every month, so as to recognize the efforts contributed by individual employees, work-teams and the management. Publicity about valid suggestions will boost the confidence among the employees about their role in the organization.

(3) Compensatory System

Quality Management System emphasizes on flexibility, lateral communication, group effectiveness and responsibility for the entire process that has customer satisfaction as its ultimate objective. The compensation system should be designed in such a way that the employees perceive it to be the organization’s commitment to quality.

(4) Performance Appraisal

Performance appraisal is most effective when it focuses on the organizational objectives and, therefore, on an individual or a group of individuals. Since the end-goal of the ISO 9000:2000 is customer satisfaction through quality products, appraisals should relate to this end-goal. Hence, the appraisal system should be aligned with the principle of shared responsibility for quality.

The appraisal system should be used to determine reward levels, aid career development such as promotions and improve communication.

(5) Careful Selection

People well-suited for operating in a quality environment may require additional characteristics, such as attitude, values and analytical ability. They need to sharpen their problem-solving skills, in order to perform the qualitative work demanded by the ISO Quality Management System. Since the emphasis is on team and group processes, employees should perform in group settings. Thus, the selection process should note these skill requirements and match them with scientific selection of employees.

Thus concludes the presentation of conclusions and suggestions of this work.

Dr. S.S. Sahasrabudhe  
M.A., Ph.D.,  
Research Guide

S.B. Pandit  
B.E., M.B.A.  
Research Scholar

Kolhapur  
March ________, 2010
“A Study of Employee Involvement Schemes and its Role in Implementation of ISO 9000 Quality System”

A SYNOPSIS

of the

THESIS

submitted to

SHIVAJI UNIVERSITY,
KOLHAPUR,

for the award of the Degree of

DOCTOR OF PHILOSOPHY

in

COMMERCE & MANAGEMENT
(under the Faculty of Commerce)

by

S.B.PANDIT
B.E.,M.B.A.

under the guidance of

Dr.S.S.SAHASRABUDHE
M.A.,Ph.D.,
Kolhapur

MARCH, 2010