Chapter 2

Review of Literature

Quality circle as one of the tools used under the total quality management concept for the development of human resources assumed its importance after the World War II. Even though the concept of quality circle was originated in Japan, it was adopted and followed by a number of countries for the development of their human resources. As a human resource development tool, it was found to be effective for improving the level of performance of employees in various sectors. A number of studies have been conducted on various aspects of total quality management, quality circles and employee performance by individual research scholars, research organizations and other agencies. There were a number of eminent thinkers and managerial experts who were considered as the gurus of total quality management concept. A number of TQM models were also developed by various experts. The researcher attempted to review the contributions of TQM gurus and the various TQM models in this chapter. An attempt had also been made to review some of the relevant studies available in the area of Total quality management, Quality circles and Employee performance, in order to provide a theoretical background to the present study.

U. J. Nwogu & Nath M. Abraham (2013) attempted to evaluate the concern of quality improvement in educational institutions. The concerns and issues on the structure, technique, methods and reactions of management of the institutions in implementing the recommendations of quality circles were evaluated in the study. The study found that, in spite of these issues and concerns, Quality Circle is a technique that will assist in the achievement of educational goals..
Chitra Sharma (2013)\(^2\) found that along with quality and process improvement, quality circles also work as an administrative tool that focuses more on personal development, increased motivational level, better understanding of process, skill upgradation and increased decision making skill of members.

Murali Rao someswara (2013)\(^3\) analysed and evaluated the quality management practices in higher education sector. The study aimed at defining quality and tried to measure the level of quality maintained in MBA programs in various institutions.

Sunil Kumar Pradhan and Dr. Suman Kalyan Chaudhury (2012)\(^4\) conducted the study with three main objectives namely to know the performance management system and how it helps in organizational development, to assess the efficacy of performance management as a tool for HR interventions and to know how performance management leads employee satisfaction, this ultimately increases employee retention. The study found that the main purpose of performance management is to link individual objectives and organizational objectives in such a form as to give best possible platform to the employees to perform at the highest level.

Kannan S (2012)\(^5\) analysed the sociological aspects of total quality management in industrial organizations. The study specifically discussed the impact of total quality management practices in the Society.

Ambily A S (2012)\(^6\) Quality of work life as an essential requirement for success of an organizations was analysed in the study. A positive comparison of the quality of work life in the private and public sector enterprises in Kerala had been successfully done in the study.
Dilip Aher (2012)\textsuperscript{7} conducted the study with the objectives of exploring the impact of quality circles on the turnover among the employees in the industries, to find out the degree of involvement of employees in the decision making process and to study the level of job satisfaction of the employees from the quality circle concept.

Soumendu Biswas and Arup Varma (2012)\textsuperscript{8} examined the relationship between psychological climate and transformational leadership, with employee performance. The study proved that organizational psychological climate and transformational leadership predicted job satisfaction. Job satisfaction in turn predicted employee performance, a composite measure of in-role and extra-role performance.

H. James Harrington Frank Oehi & Hal Wiggin (2012)\textsuperscript{9} analysed the quality and productivity problems and improvement opportunities that face the construction industry today. It was found that there is a lack of good research for improved approaches and that the construction work is considered as an undesirable profession. It is also found that there had been slow change over from quality control to TQM. It was suggested that improved quality and productivity is needed to eliminate high levels of waste in the construction industry.

Ernest Boateng – Okrah & Fred Appiah Fening (2012)\textsuperscript{10} ascertained the level at which TQM practices had been implemented in a mining company in Ghana. The study revealed that the company had passed through the introductory stage of the TQM training of top and middle level management and is currently at the point of transferring the knowledge to the rest of the employees in the company.

Rajesh Choudhary & Lalit Yadav (2012)\textsuperscript{11} attempted to focus on the impact of Quality circles towards employees and organization. Employees’ attitude towards
participative management is also discussed in detail throughout the study. This study reveals and suggests that the positive attitude will be developed by the implementation of quality circles. It leads to overall improvement in organizational culture as well as performance of employees –

**NKK Prasanna & Tushar N Desai** (2011)\(^{12}\) proved that quality circle technique to be very effective for the problem selected by the quality circle members for the petrochemical industry. Optimization of grease consumption in the centrifuges led to the reduction in maintenance costs, enhancement in reliability and availability of the equipment, enhancement of morale and development of a sense of team dynamics among the employees, which proved to be beneficial to the employees and the organization as a whole.

**Madhu Ranjan Kumar** (2011)\(^{13}\) aimed to study how TQM can be used to transform Indian bureaucracy study was conducted in six units of Indian Government. The study showed that, within the context of ISO, a prevalence of robust corrective and process based quality procedures and quality objectives aid the transition of ISO certified units toward total Quality Management.

**Syed sheharyar Zaidi** (2011)\(^{14}\) found that among the resource human resource is the most prized asset for attaining the primary goal – profit making, of any organization. The study also proved that in the present days competitive environment, where innovation is the only true source of gaining competitive advantage, the importance of human resource is more than ever. They identified they importance of training and the need of training as an on going process.

**Senthil Genesh & Jerme Joseph** (2011)\(^{15}\) regarded performance review as one of the most complex and controversial human resource technique in organizations. The study explored the domain of cognitive complexity of
executive appraises by examining perceived organization formalization and experiential perceptions of performance review system complexity as predictors of appraises executive alienation in performance review systems.

**Alessandro Brun** (2011) was conducted the research with the objective of giving Global Vision about total quality management concept. The study indicated that in order to motivate people with in an organization the leadership must consider job rotation as one of the most important management strategies. The study also demonstrated quality circles are regarded as the most successful approach for the systematic development of human motivation.

**Abhijit Chakraborty, Sudip kr. Deb Sitanath Mokhopadhay & Ranjan Bhattacharya** (2011) attempted to focus on the effect of quality circle when applied in small enterprises in the competitive world. The study observed that quality circle implementation is the best effective when management objectives are taken as promoters task.

**Sanjeet Sinhgh, Gagan Deep Sharma and Harman Deep Cheema** (2011) examined the effect of performance appraised on an individual as well as on the organizations. The research found that there is noticeable effect of performance appraisal on the organization as well as on the individual.

**Arthi J** (2011) attempted to design an integrated model of organizational commitment, quality of work life and job performance. The study was conducted regarding the employees in IT sector at Coimbatore. A special integrated model had been suggested by the researcher.

**Sobhana G** (2011) analysed the relationship between stress management and leadership styles of the executives. The study was conducted with reference to the
corporate sector. The study also aimed to analyzing the stress of employees as a consequence of various leadership styles practiced by the executives in the corporate sector.

**Charity Tinofirei** (2011) explored unique performance enhancing or inhibiting factors among Zimbabwean employees in non-profit organizations in Harare. The study found that non-profit organizations use creative sector-specific approaches to motivate employee performance.

**Abdul Hameed and Aamer Waheed** (2011-) analyzed the theoretical framework and models related to employee performance. The study found that the success or failure of the organization depends on employee performance. Therefore organizations are investing huge amount of money on employee development. The study also developed a model which explains the relationship between employee development variables (employee learning, skill growth self directed and employee attitude) and employee performance variable.

**Mathew Joseph** (2010) analysed the role of total quality management in ISO 9000 certified manufacturing organizations. The study was confined to selected manufacturing units in Kerala and identified the specific role played by total quality management practices in getting ISO certification.

**Unnikrishnan Kartha N R** (2010) conducted the study with the objective of analyzing the impact of ISO 9001-2000 on quality management practices in various organizations in Kerala. The study revealed that ISO 9001-2000 had a great impact on quality and quality management practices in the identified organizations in Kerala.
Ashok Khurana & Kanika Goyal (2010) explored the performance appraisal practices of selected Indian Industries. It provides an insight into the concept of performance appraisal, the method and approaches of performance appraisal, the appraisal process etc. The study observed that at L&T performance of human resources is appraised at three levels. That is self appraisal by employee reviewing his past performance, critical attributes appraisal by immediate supervisor and performance and development planning for future period by the superior along with the employee. The study observed that performance appraisal is indispensable to be aware of each employee's abilities, competencies and relative merit and worth for the organization.


Kannan S and Govinda Rajan S R (2010) conducted a study to determine whether quality circles in public sector and functioning more effectively than the private sector in terms of length of participation, training, participates feeling about QC's and organizational support to QC's. The results of the study revealed that participates from both sectors expressed their improvement in work life after joining in the QC programme with job satisfaction. However a significant difference was observed between the sectors in organizational support QC activities. Higher positive results were found in public sector organizations.

Vishal V. Gaikwad & Anita V. Gaikwad (2009) studied the role of quality circles as a management tool to enhance the effectiveness of library services. They found that quality circles are not only limited to manufacturing firms but for variety of organizations where there is a scope for group based solution of work related problems. If lucratively implemented in the field of library and
information science, the results and conclusions will not only be amazing but it will also help us to stumble onto our own lacunae and design a better system.

**Right management**-(2009)\(^{29}\) proved that- Engaged employees lead to increased productivity; between customer loyalty and profitability, retention customers loyalty and profitability. Employee engagement drives improved organizational performance. The research confirmed that engagement leads to higher financial performance, higher customer satisfaction and higher employee retention.

**R. N. Rai** (2009)\(^{30}\) carried out the study with the objective of finding how the behaviour of a person can affect the performance of QC in India. The study revealed that quality circles have had a significant impact on the reduction in the absenteeism and grievances but have a minimum impact on the reduction of turnover rate of employees.

**B Sripirabaa & Krishnaveni** (2009)\(^{31}\) found that partnering has a negative significant impact on the functions of performance management system and alignment. Financial support has a negative impact on alignment, whereas the performance management systems overall functions has a significant positive impact on alignment. Final support also has positive significant impact on the performance management systems functions.

**V. K. Khanna, B. S. Sahay, Prem Vrat & Ravi Shankar** (2007)\(^{32}\) studied the main contributing variables to enhance TQM index are leadership, strategic planning, customer and market focus, and human resource focus in both the market sceneries. Indian automobile sector had also adopted TQM path but it is still a player of little consequences in the global auto market. One of the major reasons for dismal performance of the Indian automobile sector can be attributed
to the fact that it has not been able to prioritize and focus on key variables, which are instrumental in enhancing.

**Senda Wali** (2007)\(^{33}\) examined the relationship between the extent of TQM implementation and organizational factors were investigated. The result indicated that joint-venture, ownership, leadership styles and quality experiences are the most influential factors that contribute in the TQM implementation. It also suggested that knowledge of organizational context is useful for explaining and predicting quality management practices.

**Maria Liticia Santos Vijande & Luis I Alvarez- Gonzalez** – (2007)\(^{34}\) conducted the study was to develop an instrument for measuring TQM implementation following the European Foundation for Quality Management Excellence Model and to provide the empirical evidence on the relationship between management practices and measures of business performance in the model.

**Dileep Kumar M** (2007)\(^{35}\) The research was conducted on total quality management philosophy. The main objective of the study was to find out the impact of organizational culture had significant impact on employees and employers behaviour.

**Singh T P and Singla Nitin** (2006)\(^{36}\) Singh and Singla state that the quality management has assumed great importance in today’s highly competitive manufacturing industry. Quality management systems (QMS) has been widely implemented throughout the world. Many firms have arrived at the conclusion that effective QMS implementation can improve their competitive abilities and provide strategic advantage in the market place. They recommended a flexible
approach for implementation be used which takes in to account, the factors and forces prevalent in the industry.

**Peter Ebong Ajang** (2006)\(^{37}\) found that job satisfaction was the top motivator among employees. It also revealed that it was mainly the growth factors (lower order needs) which were highly valued and given higher motivational importance than the traditional higher order need factors by the respondents. The study concluded that the ranking of work related factors that motivate employees may change over time and may differ significantly from one person to another and also across different groups of employees.

**Mukherjee P N** (2006)\(^{38}\). Mukherjee presented comprehensive view of the concepts principles and practices of quality management systems from the basics through advanced tools and techniques for practical implementation. The author proved that the success of QMS depends on a lot on the strong foundation and infra-structure of an organization and helps to a world-class management system for performance excellence and global leadership.

**Lakhal L, Pasin and Liman Mohammed** (2006)\(^{39}\) explored the relation between quality management practices and their impact on the performance. First, critical management practices were identified and classified into three main categories: management, infrastructure and core practices. There after a model linking these practices and performance is posse and empirically tested. The empirical data were obtained from a survey of 133 Tunisian companies from the plastic performing sector. The findings revealed a positive relationship between quality management practices and organizational performance.

**Diane M Alexander** (2006)\(^{40}\) found that while behavioural change and performance improvement may be common outcomes of 360 degree process, this
desired outcomes are not always achieved and the process can backfire on an organization in terms of an employees affective and behavioural reaction impacting their motivation and commitment.

T. R. Abo-Alhol, M. Y. Ismail, S. M. Sapnam & M. M. Hamdan (2006) investigated changes in employee attitude brought about through participation in Quality Circle. Assessment of circle performance was measured by technical aspects. Results showed that QCs develop positive attitudes among employees who derive job satisfaction when they feel that their companies are a good place to work and consequently more willing to extend their efforts for the companies.

Divakaran Nair K.S (2005) attempted in developing an instrument for assessing human resource quality. It also aimed at measuring the impact of total quality management efforts on human resource quality using the instrument. The study identified two such tools namely quality improvement teams and quality control circles.

Remya T V (2005) Studied performance normalization and identified three capabilities operate at the three level of the individual the team and the organization. The implication for organizations will be to build intervention at all three levels to attain innovation capability.

Michelle Brown and John S Heywood (2005) studied with the objective of estimating the determinates of performance appraisal systems. The results of the study indicated that performance appraisal is associated with workers having shorter expected tenure and greater influence over productivity. The study also revealed that complimentary human resource management practices such as formal training and incentive pay, are associated with an increased likelihood of
performance appraisal but that union density is associated with a reduced likelihood of performance appraisal

**Brett Anthony Hayward (2005)**\(^{45}\) The research investigated the relationship between, employee performance, leadership and emotional intelligence. It was found that there is a very strong significant linear relationship between emotional intelligence and transformational leadership.

**K.S. Divakaran** – (2005)\(^{46}\) conducted a study with the main objective of designing and developing an instrument model for measuring human resource quality in different organizations. It was observed that there is increase in cultural change index in all organizations. The survey established linkage between TQM practices and QWL. The study concluded by saying that TQM should aim at continuous improvement in HRQ, conquering all obstacles which come in the way and Human quality in an organization provides support to all functions in the journey towards TQM.

**Sasmita Palo and Nayantara Padhi (2003)**\(^{47}\) found that training creates awareness, builds employees commitment to quality policy and strategy, facilitates team work, enhances performance standards and bolsters the skills and abilities of employees. However, the organization needs to focus more upon improving communication competencies, multiple skill development and customer value training successful TQM training in the organization needs more budgetary allocation and commitment, support and enthusiasm of the top management.

**Shpresa syla & Gadaf Rex Gopi (2003)**\(^{48}\) conducted a study on quality circles and found that QC’s present the best way of incorporating the employees in a
search for best solution for the problems in enterprise. They also found the advantages and reason for more effective usage of quality circles

R Mukundan (2002)\textsuperscript{49} conducted with the finding the 21\textsuperscript{st} century, Indian corporate have begun the journey of TQM. The journey is very painful yet there is no alternate road for excellence. TQM is both a goal and a path. Therefore the quality journey is one that can never end.

George Boyne (2002)\textsuperscript{50} conducted a study with the objective of evaluating the level of performance of private sector with the level of performance of public sector. The study was conducted with the finding that the performance in private sector is more efficient than the performance in the public sector

Shari M Yusof and Elaine Aspin Wall (2000)\textsuperscript{51}. Analysed the issues in TQM implementation. They analysis the revealed that TQM is a philosophy mainly dominated by large companies. Small business are lagging behind larger ones, when it comes to introducing and adopting new managerial philosophies and advanced technology.

Roberson peter J and sonal J Senevirante (1995)\textsuperscript{52} conducted a study in 47 organisations that adopted quality circle process to find out the nature and effectiveness of changes taking place in private sector and public sector. The study found that changes in private sector were effective in individual development and the changes in public sector were more successful in imoroving system performance

Adrian Wilkinson, Mich Marchington & Barrie Dale (1994)\textsuperscript{53} examined the issues of Total Quality Management and the management of human resources. It suggested that while TQM had been identified as a major innovation in
management practice, there had been a preoccupation with the ‘hard’ production – oriented aspects of TQM rather than the softer HRM elements. However, increasing attention is being paid to HR issues currently.

**K.F Sherwood, B G Dale & V Guarrier** (1993)\(^5^4\) examined the relationship between a programme of quality circles and a process of quality improvement. The study revealed lack of understanding of what is required to introduced and sustain a process of continuous quality improvement and a number of mistakes made in the operation of quality circles.

**Rodger W Grifeth and Arthus G Bedeian** (1989)\(^5^5\) investigated the effects attributable to two nontask factors gender and age acting as main effects and in interaction on performance ratings.

**Mathew P C** (1992)\(^5^6\) evaluated the personnel management practices in the co-operative sector in Kerala and suggested the need for introducing modern personal management practices in the co-operative sector to improve the efficiency of the employees in the sector.

**Ricky W Griffin** (1988)\(^5^7\) tested the consequences of implementing quality circles in an industrial setting. It was found that attitudes, behaviour and effectiveness all improved initially for the experimental group but then dropped back to previous levels.

**J. de Vries & H. van de Water** (1985)\(^5^8\) concluded that whether quality circles are a means to improve the quality of working life or not is, among other factors, determined largely by the characteristics of the production structure. Therefore, more attention should be focused on the given production structure of organizations wherever quality circles are initiated.
Anthony J. Mento & Rober P. Steel. (1985) In order to assess the effects of a quality circle programme within a dynamic organizational environment, the authors strongly recommend the collection of both outcome and process type data within the context of a rigorous experimental design. Taken together outcome and process measures can shed a great deal of insight into a more complete understanding of the effects of the QC process on individual and organizational functioning.

George Munchus III (1983) traced the development of quality circle in Japan with reference to such traditions as permanent employment, nenko (Seniority based compensation) enterprise unionism and management paternalism. Quality circles were examined as tools for motivating employees, reducing labour turnover, effecting employee career expansion and allowing employee participation in job design.
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