

“To Study the Impact of Employee Commitment on Total Quality Management – A Case study of Rane Madras Limited, Mysuru”

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Abstract

Total quality of management (TQM) is an organizational concept which is widely embraced by enterprises throughout. It refers to the ability of an organization to mount an environment where they can continuously improve to deliver high quality goods and services. However, TQM in an organization is dependent on the commitment level of employees. The present study aims at examining the relationship between TQM and employee commitment and also to assess how employee commitment impacts TQM in an organization. The purpose of the study was accomplished by administering a well-structured questionnaire which was distributed among 60 respondents working at Rane Madras Limited, Mysore who belonged to middle and executive level of the hierarchical tree. The responses were collected back and was subjected to statistical analysis. Chi-square, correlation and regression analysis were used for analysis. Results revealed that there was a positive and statistically significant relationship between TQM and employee commitment. Further, the impact of employee commitment on TQM was also found to be statistically significant.

Keywords: Total Quality Management, Employee commitment.

Introduction

In the global marketplace increased levels of competition have resulted in quality becoming of increasing importance to organizations and consequently Total Quality Management (TQM) has become a key management issue. A considerable number of companies are applying TQM and the topic is the subject of many books and papers.

According to Fisscher and Nijhof (2005), “quality cannot be managed successfully without an explicit focus on moral values”, because “on one hand, we need control where quality management tools can be very useful. On the other hand, we need trust from, and moral concern for, the people involved”.

Total quality management (TQM) consists of organization-wide efforts to install and make permanent a climate in which an organization continuously improves its ability to deliver high-quality products and services to customers.

Employee commitment, defined as an individual's identification with and involvement in a particular organization. It is characterized by a strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on its behalf, and a strong desire to maintain membership of it.

Committed employees want to enjoy their work, feel they are appreciated, and know they are making a contribution to their company's strategic objectives. Additionally, employees who have trust in their leadership, and are trusted by their leadership, have a greater dedication and are ultimately more productive on the job.

O'Reilly and Chatman (1986) developed their multidimensional framework on basis of the assumption that commitment represents an attitude towards the organization. According to these authors, commitment takes on three distinct forms, which they labeled compliance, identification and internalization.

Organizational effectiveness depends on more than simply maintaining a stable workforce; employees must perform assigned duties dependably and be willing to engage in activities that go beyond role requirements. It thus seems reasonable to assume that employee willingness to contribute to organizational effectiveness will be influenced by the nature of commitment they experience.

The various personal, situational and positional factors can affect the commitment of employees consequently their attitudes and behaviour.

The organizational communication is perceived as a dominant TQM practice and is strongly associated with affective commitment of the employees (Ooi Keng Boon and others) (2006). The TQM objective of quality improvement and customer satisfaction can be better achieved if the top management are committed to empower employees to be responsible for the quality of their work and also empowerment in relation to decision making authority and process (Thaddeus Litie Njie) (2008). A major strategy for achieving high quality is Total Quality Management (TQM) and a management system for improving performance throughout a firm by maximizing customer's satisfaction, making continuous improvements and relying heavily on employee involvement (Fapohunda, Tinuke M.) (2012)

Statement of the problem:

The number of research papers indicated that the TQM practices is strongly associated with affective commitment of the employees. Despite extensive research on TQM practices, the issue of linking TQM practices with affective commitment has been found to be less focused. In TQM implementation, top management commitment in creating an organizational climate that empowers employees is very imperative.

Hence the author is interested in conducting the study on the impact of Employee Commitment on Total Quality Management.

Objectives:

- To study the level of perception of the employees towards TQM practices
- To study the level of perception of the employees towards Employee Commitment
- To study the relationship between TQM and Employee Commitment
- To study the impact of Employee Commitment on TQM

Hypotheses:

H1: The level of perception of the employees towards TQM practices are not equally distributed

H2: The level of perception of the employees towards Employee Commitment are not equally distributed

H3: There is a relationship between TQM and Employee Commitment

H4: There is a impact of Employee Commitment on TQM.

Limitations:

- The study is limited to Rane Madras limited Mysuru
- The study is limited to the sample of size 60 provided by the company
- Data is collected from middle and executive level employees only.

Method:

The purpose of the study was to analyze the impact of Employee Commitment (EC) on Total Quality Management (TQM). To accomplish the purpose of the study, the author constructed self-structured questionnaire with the help of the experts, and administered to 60 middle and executive level employees of Rane Madras Limited, Mysuru and collected back for analysis.

The questionnaire consists of 25 questions comprising of two variables namely TQM and EC. The questions relating to TQM comprise of five parameters namely; Quality, safety, morale, production and cost. The questions relating to EC comprise of four parameters namely; Rewards and recognition, role clarity, corporate culture and communication and organization leadership and planning. Likert's 5 point scale ranging from strongly agree to strongly disagree is used as the rating scale.

Statistical tools used:

To fulfill the objectives of the study, descriptive statistics, Chi-square test, Correlation analysis and regression analysis were used.

Analysis:

The purpose of the study was to analyze the impact of Employee Commitment on TQM. To accomplish the purpose of the study following statistical hypotheses were constructed and analyzed subsequently.

Statistical hypotheses:

H1: There was no mean score difference in the perception of employees towards TQM

H2: There was no mean score difference in the perception of employees towards EC

H3: There was no relationship between TQM and EC

H4: There was no impact of EC on TQM

To test H1, it was customary to present the norm table of TQM with σ - Scale and it is tabulated in Table 1 and then test for goodness of fit for employee's TQM score level using Chi-square test and it was mentioned in the table 1.

Table 1
Norm Table for TQM

σ - level	class	TQM- level	Frequency	Percentage (%)
$\mu - 3\sigma, \mu - 1\sigma$	< 45	Below average	10	16.7
$\mu - 1\sigma, \mu + 1\sigma$	45- 51	Average	46	76.6
$\mu + 1\sigma, \mu + 3\sigma$	> 51	Above average	4	6.7
Total			60	100

Chi-square calculated value: 51.6

Chi-square table value: 5.991

Since the calculated Chi- Square value was greater than table value reject the null hypothesis at 5% level of significance i. e., there exist significant mean score difference in the employees perception towards TQM for, 16.7% indicated below average implementation of TQM, 76.6% indicated average implementation of TQM, and 6.7% indicated above average implementation of TQM. And it was found to be statistically significant. The employee's perception towards implementation of TQM in the company was average to below average (93.3%).

To test H2, it was customary to present the norm table of EC with σ - Scale and it is tabulated in Table 2 and then test for goodness of fit for employee's EC score level using Chi-square test and it was mentioned in the table 2.

Table 2
Norm Table for EC

σ - level	class	EC- level	Frequency	Percentage (%)
$\mu - 3\sigma, \mu - 1\sigma$	<51	Below average	8	13.33

$\mu - 1\sigma, \mu + 1\sigma$	51- 58	Average	43	71.67
$\mu + 1\sigma, \mu + 3\sigma$	>58	Above average	9	15
Total			60	100

Chi-square calculated value: 39.7

Chi-square table value: 5.991

Since the calculated Chi- Square value was greater than table value reject the null hypothesis at 5% level of significance i. e., there exist significant mean difference in the employees perception towards EC for, 13.33% indicated below average of EC towards their work, 71.67% indicated average of EC towards their work, and 15% indicated above average of EC towards their work. And it was found to be statistically significant.

To test H3 correlation analysis were used. The correlation between TQM and EC were computed and the calculations made for correlation analysis were tabulated in Table 3.

Table 3

Correlations			
Correlations		Overall TQM	Overall EC
TQM	Pearson Correlation	1	.539**
	Sig. (2-tailed)		.000
	N	60	60
EC	Pearson Correlation	.539**	1
	Sig. (2-tailed)	.000	
	N	60	60

** . Correlation is significant at the 0.01 level (2-tailed).

The correlation between TQM and EC was positive $r = 0.539$ with $P = 0.00 < 0.05$, the test was significant at 5% levels, that is there exists significant positive correlation between TQM and EC and it was found to be statistically significant.

To test H4, regression analysis were used and the computation made for simple regression analysis were tabulated in Table 4 -Table 6.

Table 4

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate

1	.539 ^a	.291	.278	2.682
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a. Predictors: (Constant), EC

Table 5

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	170.947	1	170.947	23.763	.000 ^b
	Residual	417.236	58	7.194		
	Total	588.183	59			

a. Dependent Variable: TQM

b. Predictors: (Constant), EC

Table 6

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	21.528	5.418		3.974	.000
	Employee Commitment	.484	.099	.539	4.875	.000

a. Dependent Variable: Total Quality Management

The estimated regression equation of TQM on EC was given by,

$$\text{Total Quality Management} = 21.528 + 0.484 (\text{Employee Commitment})$$

And the regression equation was found to be statistically significant at 5% levels.

Conclusion:

From the data analysis, it is proved that there exists a positive and statistically significant relationship between TQM and Employee Commitment. In other words, TQM and Employee Commitment holds a direct proportionality between them. It indicates that any change in Employee Commitment will show equal and proportional change in TQM. Further, the impact of Employee Commitment on TQM also showed positive result.

References:

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