

CHAPTER 5

Conclusion and Recommendations

This chapter summarizes the findings of this study, discussed some of the implications, points out its limitations and concludes by making some recommendations for future research.

5.1 Summarization of the study.

The present study explore the issues of institutionalizing of the quality system (ISO 9000) intervention implemented in Mecomb Malaysia Sdn Bhd, particularly the engineering and administration department absorbent towards implemented intervention strategies conducted in the organization. Moreover, this study also focus on the ability of the organization to meet future challenges created by the changes in the business environment and technology. The assessment is vital not only to determined that a change implemented is effective but also to come out with the feasible and necessary steps to make sure that the intervention implemented is adopted as normal organization functioning and to ensure that the results of successful change programs persist over time.

Specifically there are three type of independent variable being examined in its association with several expect of change program, such as organization characteristics, intervention characteristics and institutionalization process in conjunction to dependent variable such as indicator of change and divisional performance.

Demographically, the total number of respondents is 222 and from the data it is separated into eight numbers of department, with eight numbers of position and five separation of tenure in the organization.

From correlation analysis done to all the hypotheses, there exist a relationship between all the tested dependent variables, [knowledge, team work, sales growth, continuous learning and internal customer support] and the independent variable in this study. This is further elaborated in term of strength towards relationship between the dependent variables and independent variables, thru stepwise regression analysis done.

5.2 Recommendation of the study

From the results of the study, there exist few factor that the organization should be concentrate in order for the change program implemented to be successful and persist over time, the main factor is as per discuss below :

1. Diffusion : Diffusion facilitates institutionalization by providing a wider organizational base to support the new behaviors. The new behavior that exist after the implementation of ISO 9000 system in the organization should be supported from every angle. The change of behavior, norms and culture of the employee in daily operation required a strong base of support.

According to Weeks, Helms and Etkin (1995, pp. 43-49), for total quality management to increase the probability of success, the concept must be accepted and driven by the managers who are responsible for its implementation. If top management does not provide support or provides only weak support, the process is likely to fail.

They further stressed that the assessment of an organization's readiness for quality management must begin with top management attitudes. Top management must be willing to put as much energy and time into the quality management process as will be needed to make it succeed. Likewise, employees must have input into the design and implementation of the quality management process. Within an organization, key groups must be formed to determine the organization's approach to quality

management. These core groups will develop the foundation on which successful quality initiative can be built. That is when the diffusion is said to be reached, where a wide organizational accept the new ways of working which complement the organizational values and norms.

2. Commitment : The management should look into the commitment level of each employee, this should not restricted to certain level of employee. From the regression results, it is clearly that commitment plays a big rule in making sure that the success of the change program. Commitment from all level of employees are the most important factor that should exist before change program can be implemented.

One of the precepts of total quality system is employees greater involvement and commitment to the process and its goal. It is through the actions and behavior of the management that employees identify with goals of the company and extend their commitments towards its success. Thiagarajan T (1997, pp 273).

Ramirez and Loney (1993, pp 38 – 40) reported that management commitment was rated as the most critical step in quality improvement process activity. In fact, management related activities such as the need for clear vision statement, and focusing the business process on customer satisfaction, were listed among the top ten critical steps for a successful quality improvement process.

3. Reward Allocation : lower mean score in term of reward allocation, thus relate to the possibility of unsatisfactory feeling among the vast majority of employee towards the reward they received from the company not only limited to financial reward but also non financial reward.

From the study there exist unsatisfactory among employee that the reward allocation did not linked towards the new behavior. Furthermore the reward system was not constantly revised to maintain a high level of desired behaviors. This has leads to affect the motivation factor of the employee thus further effect to the commitment level of the employee.

The management should take steps in providing a better and should exceed the expectation level of reward for employee that performed. To do this, management should established a proper appraisal system and appraise their employee without any bias involvement.

According to Gareth J (2002, pp366) performance appraisal is the evaluation of employee's job performance and contribution to the company. Performance appraisal is further divided into three main type:

1. Trait appraisal – managers access subordinates on personal characteristic that are relevant to job performance.
2. Behavior appraisal – managers access hoe workers perform their job – the actual actions and behaviors that workers exhibit on the job.
3. Results appraisal – manager appraise performance in term of results or actual outcomes of the work behaviors.

For this study, the organization should have identified the most suitable appraisal system that relate rewards towards the new behavior develop after the implementation of ISO 9000 system in the organization. Establishment of proper appraisal system, such as 360 degree appraisal system, a performance appraisal system that involved appraisal by peers, subordinates, superiors and sometimes client is an important success factor for this organization.

Rewards and recognition as one of the enablers which maximizes employee's potential and involvement and, in doing so, become one of the main contributors to the company's journey to quality.

According to Crosby (1993) considering recognition as one of the most important steps of the quality improvement process. In best organization, rewards and recognition are linked to sustaining the appropriate behavior. Titman and Callum (1991) see reward and recognition as an essential element of the total quality process and a prerequisite to achieving and maintaining a corporate culture which embraces the total quality process.

5.2 Conclusion of the study

The study basically proof that in order for the change program to be successful, there are few factor need to be in place before the change program can be implemented. The hypotheses 1 to 5, is the proof that the management need to look into all the factors contributing to the successful of the implemented change program to persist over time, those factor is listed from its level of importance in their contribution to the indicator of institutionalization and divisional performance of the organization.

The major finding from this study are :

1. Employee knowledge level : with the major of the employee population of the organization having a higher level of education, the level of understanding of the implemented ISO 9000 quality system should be at a high level, but having a higher level of education did not means that the level of commitment on implemented system is at peek. The management should concentrate on motivating and continuously educating the employee thru training program and others motivational program available.

2. Creating a better working environment and better communication among employee will help the diffusion of the new implemented ISO 9000 system accepted and implemented effectively in the organization like Mecomb Engineering Sdn Bhd, where the flow of information and update of new technology changes is an important and vital factors to the success of the current business environment. The increase number of competitor in the same industry have pushed the organization to change rapidly and accordingly, and to ensure that they are not only be left behind, the management have address clearly in their business mission statement, that every employee should understand their rules and their importance in making sure that the organization should be a market leader in every single business that they venture.

More that everything the study also reveal that the commitment, efficiency and effectiveness of every employee should be linked to one crucial factor, that is the reward allocation. The implementation of ISO 9000 quality system which is linked to the new behavior can and often have an influence on the effectiveness of the organizational change efforts. When the impact of a change program on the reward system is not taken into account, the reward system can become an important factor that will delay the change program. On the other hand the reward system, which is linked to the new behavior will have a positive relation to the successful of the implemented system.

Finally, this study met the objectives to measure the effectiveness of the implemented ISO 9000 system program in Mecomb Malaysia Sdn Bhd.

For more insight into this study, future research should include longer time period of the study with the extension to the evaluation of the effectiveness in others quality program implemented in this organization such as TQM and 5S.

It is also suggested that the future study should include the whole organization of Sime Darby Berhad as a whole not only limited to the engineering arm of Sime Darby Berhad but also to the rest of the division. The plantation division, the property division, manufacturing division, international division and the Malaysia Region division. This will further reveal their individual norms and culture that need to be linked, understand and studied and will further make the research much more meaningful, not only to the Sime Darby Groups of Companies but also the whole nation, since they are one of the biggest employer in Malaysia.