

**Business Excellence Model in Indian  
Context:  
A Select Study**

by

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# CERTIFICATE

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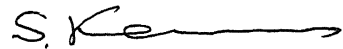
This is to certify that the thesis entitled “**Business Excellence Model in Indian Context: A Select Study**” being submitted by Mr. Sushil Kumar Agrawal to the Indian Institute of Technology, Delhi, for the award of the degree of “**Doctor of Philosophy**” in the department of management studies, is a record of bonafide research work carried out by him.

Mr. Sushil Kumar Agrawal has worked under our guidance and supervision and has fulfilled the requirements for the submission of this thesis, which to our knowledge has reached the requisite standard.

The model proposed and the results contained in this work have not been submitted in part or full, to any other University or Institute for the award of any degree.



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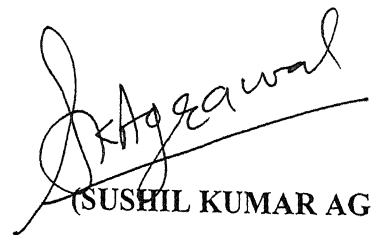
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(SUSHIL KUMAR AGRAWAL)

# ABSTRACT

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Quality has always been an important management function throughout, but in the decade of 90s it gained a significant momentum. World-wide organisations are undertaking significant quality initiative by introducing more effective systems and newer tools and techniques like ISO: 9000 certification and Total Quality Management (TQM) implementation, etc., to improve and sustain performance. TQM is an accepted way of managing a business to gain competitive advantage, thereby ensuring long term success, meeting the needs of all stakeholders. Recognising that TQM is a broad-spectrum improvement programme embracing socio-cultural and behavioural issues, many countries came up with Business Excellence Award Model as working model of TQM. Deming Prize (1951) of Japan and Baldrige Award (1987) of USA proved an effective tool in spreading quality awareness globally. The award model has served as a template on which organisations have performed self-assessment and developed strategic improvement plans. In India, similar approaches have not been able to generate the requisite enthusiasm, or could get the desired national visibility.

In the era of global competitiveness, quality improvement is both an opportunity and a threat. Opportunity, because there is a chance to improve quality and achieve excellence. Threat, because failure may consign the organisation to history. Repeatedly, it has been observed that significant improvements are achieved only when a change process is embedded in the socio-cultural system. The Japanese quality programs have been successful within their own cultural and social framework. The Baldrige award designed for American socio-cultural system has been continuously improved and was given a paradigm shift to make it more suitable to them. The most effective implementation involves moulding quality to fit a particular culture. In Indian context the western models were implemented without adopting them to Indian socio-cultural system, hence they could not generate desired awareness. Therefore, in Indian situation, we could adopt the experiences of

developed countries but for lasting improvement, we should blend it with local conditions. Piece-meal implementation/lack of strategic alignment will bring more failures than success.

In order to initiate an action plan for improvement organisations must understand their existing problem and identify opportunities for improvement. As such measurement of performance continues to pose a challenge even for leading organisations. This thesis is an endeavour to highlight this problem and evolve a few solutions for the same. The emphasis on individual improvement activities has evolved into cycles of evaluation and has matured into continuous improvement. To get insights into an organisation's performance, integration and correlation of various functions are necessary so that management can develop a vision for a positive change. In such a scenario, survival depends largely on learning from the best, building new markets, gaining future leadership rather than simple continuous improvement. For this purpose, Benchmarking offers an opportunity to learn, to learn about the organisation's strength and areas of improvement. An appropriate business excellence model can provide a mechanism for Benchmarking and reviewing priorities in relation to critical success factors to excel.

In this context, *an appropriate Business Excellence model* for Indian environment is proposed after a study of ISO: 9000 certified organisations. During model development, it emerged that long lasting superior performance requires organisational ability to control and continuously improving processes, strategy driven performance, and a vision to address needs of all stakeholders. The model emphasises that for achieving excellence organisations should adopt a holistic approach, focus on needs of all stakeholders and embrace all enablers. Essentially the model has two components namely enablers (seven in all) and results (five in all). The enablers are concerned with how the organisation approaches each of the criterion parts. The results are concerned with what the organisation has achieved and is achieving. The model reinforces the systems view of performance management, and places a greater emphasis on alignment of company strategy, effective information management, high performance work force and continuous process improvement.

Customer and market knowledge and supplier focus are two elements that are to be more emphasised in Indian context. The ability to change quickly that stems from the ability to assimilate and transfer new ideas to action faster than the competitor is the real organisational and individual learning. Without this mental and physical dexterity, an organisation is likely to fail in recognising changing customer expectations and suppliers commitment, remain stagnant, and unresponsive to competitors' initiatives. This aspect has also been highlighted in the model. Mechanism of implementation of the model at organisation level and national level has also been suggested alongwith two case studies.

# TABLE OF CONTENTS

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S. No.	DESCRIPTION	PAGE
i	Certificate	i
ii	Acknowledgement	ii-iii
iii	Abstract	iv-vi
iv	Table of Contents	vii-xii
V	List of Figures	xiii-xiv
Vi	List of Tables	xv-xvi
vii	List of Abbreviations Used	xvii
<b>1.</b>	<b>Introduction</b>	<b>1-12</b>
1.1	Introduction	1
1.2	Evolution of National Quality Award (NQA) Models	2
1.3	Motivation for the research work	2
1.4	Emerging key research Issues	3
1.5	Objectives of Study	5
1.6	The Scope of Study	6
1.7	Methodology of the research work	7
1.8	Outline of the Thesis	11
1.9	Conclusion	11
<b>2.</b>	<b>Literature Review</b>	<b>13-64</b>
2.1	Introduction	13
2.2	Literature review at a glance	13
2.3	Basic Concepts of Quality and TQM	16
2.4	General TQM Principles	18
2.4.1	Breakthrough Improvement	20
2.4.2	Continuous Improvement	21
2.4.3	Culture Change	23
2.4.4	Customer Focus	29
2.4.5	Systems Approach	31
2.4.6	Team Work	35
2.5	TQM Models	38
2.5.1	Anderson Consulting TQM Model	40
2.5.2	Crosby's TQM Concept	40
2.5.3	Deming's System of Profound Knowledge	42
2.5.4	Feigenbaum's TQC Model	43
2.5.5	Ishikawa's Quality Model	43

2.5.6	ISO:9000 Quality System	44
2.5.7	Juran's TQM Concept	45
2.5.8	McKinsey TQM Model	46
2.5.9	Quality Management Self-Assessment	47
2.5.10	Re-engineering and Benchmarking	48
2.5.11	Schonberger's Quality Concepts	48
2.5.12	Taguchi's Quality Loss Concept	49
2.6	National Quality Award Models	50
2.6.1	Deming Prize Model (1951)	51
2.6.2	Malcolm Baldrige National Quality Award Model (1987)	52
2.6.3	Australian Quality Award Model (1988)	53
2.6.4	European Quality Award Model (1992)	53
2.7	Quality Award Models and Practices in India	54
2.7.1	Golden Peacock National Quality Award (GPNQA) Model (1991)	54
2.7.2	Rajiv Gandhi National Quality Award (RGNQA) Model (1992)	54
2.7.3	CII-EXIM Award for Business Excellence (1994)	54
2.7.4	MAIT Quality Recognition Programme (1995)	55
2.7.5	Other Quality Practices in India	55
2.8	Contemporary Quality Practices in various countries	56
2.9	Critical Appraisal	60
<b>3.</b>	<b>Role of Indian Socio Cultural Attributes in Business Excellence</b>	<b>65-87</b>
3.1	Introduction	65
3.2	Liberation of Indian Economy	65
3.2.1	Pre Economic Reforms Era	69
3.2.2	Post Economic Reforms Era	70
3.3	SWOT Analysis of Indian Organisations	70
3.3.1	Strengths	71
3.3.2	Weaknesses	71
3.3.3	Opportunities	71
3.3.4	Threats	72
3.4	Characteristics of Indian Work Profile	73
3.4.1	Negative Perception	73
3.4.2	Lack of Motivation	74
3.4.3	No Serious Concern for Training	74
3.4.4	Individual Guided	74
3.4.5	Myopic View On ISO 9000	75
3.4.6	Poor Understanding of Quality	75
3.4.7	Poor Overall Planning	75
3.4.8	Reactive Approach	75
3.4.9	Theory X-type Behaviour	76
3.4.10	Low Literacy	76

3.4.11	Lack to Clarity of Objectives and Vision	76
3.5	Internal Environment of Indian Organisations	77
3.5.1	Learning Disabilities	77
3.5.2	Leadership Profiles	78
3.5.3	Employee Attitudes	78
3.5.4	Competitive Disadvantage	78
3.5.5	Low Automation	79
3.5.6	Lack of Emphasis on Research and Development	79
3.6	External Environment of Indian Organisations	79
3.6.1	General Environment	80
3.6.2	Globalisation and Competition	80
3.6.3	Economic Climate	81
3.6.4	Extent of Technology Transfer and Use	81
3.6.5	Suppliers Profile	82
3.6.6	Customer's Profile	82
3.7	Cognitive Limitations of Decision Making System	82
3.7.1	Factored Decision Making	83
3.7.2	Information Filters	83
3.7.2.1	Peoples Cognitive Limitation Filter	83
3.7.2.2	Operating Goals, Rewards and Incentives Filter	84
3.7.2.3	Information Measurement and Communication System Filter	85
3.7.2.4	Organisational and Geographical Structure Filter	85
3.7.2.5	Organisational Culture filter	85
3.7.3	Rules of thumb	86
3.8	Conclusion	86
<b>4.</b>	<b>Evolution of A Conceptual Business Excellence Model</b>	<b>88-134</b>
4.1	Introduction	88
4.2	A Critique of important Quality Award models	89
4.2.1	Deming Prize Model (1951)	89
4.2.2	Malcolm Baldrige National Quality Award Model (1987)	91
4.2.3	Australian Quality Award Model (1988)	96
4.2.4	European Quality Award Model (1992)	98
4.2.5	A Critique	101
4.3	National Quality Award Models in Indian Context	104
4.3.1	Golden Peacock National Quality Award Model (1991)	104
4.3.2	Rajiv Gandhi National Quality Award (RGNQA) Model (1992)	104
4.3.3	CII-EXIM Award or Business Excellence (1994)	105
4.3.4	MAIT Quality Recognition Programme (1995)	105
4.4	Core Values for Indian Business Excellence Model	106
4.4.1	Effective Leadership	107
4.4.2	Continuous Learning and Improvement	107
4.4.3	Long range view of the future	108

4.4.4	Effective Information Management	108
4.4.5	Fast Response	108
4.4.6	Design Quality with preventive and corrective action	108
4.4.7	Employee involvement and development	109
4.4.8	Customer driven performance	109
4.4.9	Internal and external partnership development	110
4.4.10	Corporate responsibility and citizenship	110
4.4.11	Results focus	110
4.5	Identification of Categories for proposed Business Excellence Model	111
4.6	Identification of Criteria Elements for Enablers	112
4.6.1	Leadership	112
4.6.2	Strategic Planning	113
4.6.3	Information Management	113
4.6.4	Human Resources Focus	114
4.6.5	Customer and Market Focus	115
4.6.6	Supplier Focus	115
4.6.7	Process Management	115
4.7	Identification of Criteria elements for Results	116
4.7.1	Impact on Society	117
4.7.2	Human Resource Satisfaction	117
4.7.3	Customer Satisfaction	117
4.7.4	Supplier Satisfaction	118
4.7.5	Company Specific Business Results	118
4.8	Conceptual Framework for proposed Model	119
4.8.1	Content validation of conceptual model	119
4.8.2	Construct validation for conceptual model	122
4.8.3	Predictive validation by paired comparison method	123
4.9	Conclusion	133
<b>5.</b>	<b>Model Testing and Application</b>	<b>135</b>
5.1	Introduction	135
5.2	The Methodology	135
5.3	Development of Survey Instrument	136
5.3.1	Development Philosophy	136
5.3.2	Reliability and Content Validation	137
5.4	Sampling Techniques and Administration Methodology	141
5.5	Preliminary Response Analysis	142
5.6	Issues in Model Application	143
5.7	Mapping of Response in Enablers – Results Grid	149
5.8	Correlation between Enablers and other Criteria Element	151
5.9	Individual Element Analysis	152
5.9.1	Leadership	152
5.9.2	Strategic Planning	155

5.9.3	Information Management	157
5.9.4	Human Resource Focus	160
5.9.5	Customer and Market Focus	163
5.9.6	Supplier Focus	166
5.9.7	Process Management	168
5.9.8	Impact on Society	171
5.9.9	Human Resource Satisfaction	173
5.9.10	Customer Satisfaction	175
5.9.11	Suppliers Satisfaction	178
5.9.12	Company Specific Business Results	180
5.10	Emerging Issues	182
5.11	Conclusion	184
<b>6.</b>	<b>Implementation Strategies at Organisational Level</b>	<b>185</b>
6.1	Introduction	185
6.2	Issues in implementation strategy	185
6.3	Organisation-wide Implementation Strategy	186
6.4	Analysis of present status based on quality grid	188
6.5	Determination of self-assessment score	190
6.5.1	Award Simulation Approach	191
6.5.2	Proforma Approach	193
6.5.3	Matrix Chart Approach	195
6.5.4	Workshop Approach	196
6.5.5	Questionnaire Approach	197
6.6	Guidelines for Determination of Self-Assessment Score	199
6.6.1	Scoring Guidelines for Enablers	199
6.6.2	Scoring Guidelines for Results	200
6.7	Identification of Strength/Area of concern	201
6.8	Implementation Process	201
6.9	Conclusion	202
<b>7.</b>	<b>Select Case Studies</b>	<b>203</b>
7.1	Introduction	203
7.2	Case Study-I: Model application in a service (Utility) Organisation	203
7.2.1	The process	203
7.2.2	Area of concern	204
7.2.3	Strategic Action plan to drive improvements	209
7.2.4	Managerial Implications	210
7.3	Case Study-II: Model Application in a Process Organisation	214
7.3.1	The Process	214
7.3.2	Areas of Concern	218

7.3.3	Strategic Action Plan to drive improvement	21
7.3.4	Managerial Implications	22
7.4	Conclusion	22
<b>8.</b>	<b>Implementation Strategies at National Level</b>	<b>22</b>
8.1	Introduction	22
8.2	Issues in Implementation strategy at National Level	22
8.3	Indian Quality Mission / Vision	22
8.4	Nation - Wide Implementation Strategies	22
8.5	Quality Grid for Developed Countries	22
8.6	Mapping of Indian Quality initiative in Quality Grid	23
8.7	Indian Organisations as learning communities	23
8.8	Suggestive Implementation organisation structure	23
8.9	Conclusion	23
<b>9.</b>	<b>Summary and Conclusions</b>	<b>23</b>
9.1	Summary of Work Done	236
9.2	Major Contributions	237
9.3	Possible Modes of Application	238
9.4	Limitations of the Present Study	239
9.5	Scope for Future Work	240
9.6	Conclusion	243
	<b>References</b>	<b>244</b>
	<b>Appendix-A</b>	<b>284</b>
	<b>List of Publications from Research</b>	<b>297</b>
	<b>Biographical Profile of Researcher</b>	<b>298</b>