

## The Study About Significance of Motivation on Performance of Quality Circle Members In Manufacturing Companies

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**Abstract:** In order to succeed in globalized market an effective technique is crucial for manufacturing companies. This can be achieved through adopting participative management and it can be accomplished through quality circle. The purpose of this study is to investigate the impact of employee motivation and quality circle activities on quality of product. To serve this idea, standard questionnaire was designed and data collected from members of quality circle in eighteen manufacturing companies'. The data were analyzed through Pearson correlation and regression analysis. Results emerging from the analysis show that motivation and quality circle activities are having significant and positive relationship with quality of product. Finally the article gives some suggestions to enhance employee motivation, quality circle activities and quality of product.

**Keywords:** Participative management, motivation, Quality circle, quality of product and Manufacturing companies

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### I. Introduction

The business sector is becoming more significant for a countries economy growth. They have to establish themselves to universal competitors and customers. This is applicable to both Indian and global business sectors. The employees are essential factor which lead to ups and downs of the company. Therefore, it is the responsibility of the Employer to retain their competent existing staff by satisfying their needs through various means such as Right allocation of job, healthy environment, empower, transparency, Fair Salary etc. Team work of both human and technology is indispensable to accomplish this economical era. There are numerous systems to operate technology, but the issue is effective utilization of human resources and it is also considered as valuable asset in business to attain competition. Human resources can be effectively utilized through participative management and this could be achieved by implementing quality circle in organisation. Practicing quality circle concept helps the people to acquire knowledge in problem solving process and continually improve their skill for their self and mutual development. It gives opportunity to show employees capability, hidden talent and creative thinking.

Quality Circle generally recommends solutions for quality and services which may be implemented by the management. Thus Quality Circle is not merely a suggestion system or a quality control group but extends beyond that because its activities are more comprehensive. Furthermore, it is not a taskforce because it can be made a permanent feature of the organization or a department. The perception of Quality Circles today is 'Appropriateness for use' and the tactic implemented is to avert imperfections in services rather than verification and elimination. Hence the attitudes of employees influence the quality. It encourages employee participation as well as promotes teamwork. Thus it motivates people to contribute towards organizational effectiveness through group processes. This philosophy is, if we focus on the development of individual, individuals so developed will develop the organization. That is why Japanese say "Before developing the product, we develop the people". Many Industries are practising the concept for development of people who can produce quality products, services and job. The quality circle can be practiced successfully in organization through motivating employees. So the researchers have studied the relationship between employee motivation and quality circle and its impact on quality of product.

### II. Literatures Review

Before scrutinizing the relationship between employee motivation, quality circles and quality of product, a concise review related to employee motivation, quality circles and quality of product were arranged in order.

#### Employee motivation

**Tosi, Mero and Rizzo (2000)** have revealed that motivation has both psychological and managerial meaning. The psychological meaning of motivation refers to the internal mental state of a person that relates to the

initiation, direction, persistence, intensity and termination of behaviour. The managerial meaning of motivation on the other hand deals with the activity of managers and leaders to induce others in order to produce results desired or outlined by the organization or by the manager which conforms to a relationship between motivation, ability and performance.

**Budhwar (2008)** stated that there is a strong positive relationship between customer satisfaction and the profitability of the firm. Customer loyalty is also influential factor for financial performance for a firm. They also describe the fact that the roots of customer loyalty are settled on base of employee's motivational level and customer satisfaction. They said that employee's motivation and personal engagement with its job is the prime factor for the calculation of employee's motivation especially in service industry. They noted that it is the employee motivation which decide employees high moral, work ethics, organizational loyalty and delivery of quality customer services with esteem. The major outcome of motivated and committed employee is that they keep on improving their quality of work which ultimately results in improvement of service quality. Employee satisfaction has a millstone importance for the financial growth a firm.

**Muogbo U.S. (2013)** the study investigates the Impact of Employee Motivation on Organisational Performance of selected manufacturing firms in Anambra State. 103 respondents selected from 17 manufacturing firms across the three senatorial zones of Anambra State. The result obtained from the analysis showed that there existed relationship between employee motivation and the organizational performance. The study reveals that extrinsic motivation given to workers in an organization has a significant influence on the workers performance.

#### **Quality circle**

**Basu (2004)** have revealed that quality circles encourage workers to become involved in making decisions that increase the quality of their work. The supervisors also believed that quality circles enhance group work. They worked together, sharing ideas and experiences cooperatively, to identify the main problems they face in the field

**Dilip Aher (2012)** have revealed in his study that competitive market demand for higher quality products are currently the major task in front of management and management search for greater efficiency. In manufacturing unit high cost, decreasing profit margins, inconsistency of quality of products and delivery of such products in the competitive market. These factors have encouraged many organizations to focus on ways to increase the contribution of employees to improvements in quality and productivity. Quality Circle is one of the employee participation methods which imply the development of skills, capabilities, confidence and creativity of the people through cumulative process of education, training, work experience and participation .It is a people building philosophy, providing self – motivation and happiness in improving environment without any compulsion or monetary benefits.

#### **Quality of Product**

**Charles Saye Gono (2001)** in his study on impact of participatory management on productivity, quality, and employees' morale in the United States manufacturing industry has revealed that productivity increase by 89 percent and quality of product significantly improved by 81 percent after implementation of participatory management concept in the United States manufacturing industry.

**Rajiv D. Banker et.al., (2001)** the study examines the sustainability of manufacturing quality improvements following the implementation of work teams on production lines. Results of the empirical analysis support the sustainability of quality improvements associated with work team implementation. However, variations in the manufacturing quality trajectories reflect the characteristics of the work team and the production line on which each the team is instituted. From the standpoint of practice, this study highlights the importance of work-team design and implementation decisions, especially the need to be proactive in identifying and resolving initial implementation difficulties.

### **III. Research Methodology**

#### **Objectives of the study**

- To determine the relationship between motivation and quality circle activities in manufacturing companies.
- To study the influence motivation and quality circle activities on the quality of product in manufacturing companies.

#### **Hypothesis of the study**

- There is no positive relationship between motivation and quality circle activities.
- Motivation and quality circle activities have no significant effect on quality of product

**Sampling technique:** The researcher has chosen convenience sampling technique, since it is easiest technique to reach the population.

**Sampling size:** Two hundred and ten members of quality circle from eighteen manufacturing companies have chosen for this study.

**Data collection:** The data are collected from both primary and secondary sources. Primary data are collected through standard questionnaire and the secondary data is collected from books, magazines, and websites etc.

**Research instrument:** The researcher has used three variable motivation, quality circle activities and quality of product. To measure motivation researcher have used questionnaire framed by De Beers (1987). To measure quality circles activities questionnaire framed of Lee I.Shaw (1988) were used. To measure quality of product questionnaire of Rogers, Miles and Biggs (1980) were used.

**Statistical tools:** Multiple Regression analysis and correlations have been used to test the raised hypothesis.

#### IV. Result And Discussion

This section will highlight and discuss about the results and finding of the study. The intention of this study is to determine the impact of quality circle activities among members of QCs in manufacturing companies. Results emerging from analysis show that there is significant influence motivation and QC activities on quality of product. The following table and its result will reveal the relationship between selected variables.

##### Demographic variables

For this study data were collected from members of quality circles in manufacturing companies, initially in this data analysis, 80.5 percent of the population are male and 25.7 percent of members are in the age group of 26 to 35years.41.4 percent members are graduates and 34.8 percent members are working as managers. 46.2 percent members are from production department and 33.8 percent members are having more than 15 years of experience.

**Table-1: Descriptive statistics for motivation, QC activities and quality of product**

Variable	Low level		Moderate level		High level		Mean	S.D
	N	%	N	%	N	%		
Motivation	0	0	80	38	130	62	64.405	7.20
Quality circle activities	5	11.9	156	74.3	29	13.8	26.17	3.28
Quality of product	-	-	40	19	170	81	9.87	1.69

From the table result it is exposed that 74.3 percent of the members accept that moderate level quality circle activities is practised in their organisation. Since performance of quality circle and management support are moderate quality activities of organisation is also moderate. When there is improvement in performance and management support for quality circle, the activities of quality circle will be improved consistently. Many research have Revealed that first top-management support is the biggest single factor in helping to ensure the success of quality circles. Second education and training in quality-circle techniques are also important. Third point to remember is Creating awareness among management and employees of the organizational is considered importance of quality circles to success. The previous research also reveals that quality circles can boost employees' sense of self-worth. Which is important in describes the successful adoption and implementation of quality circles in a manufacturing firm. From the table it is also clear that 62 percent agree that there is high level of motivation toward work content of the organisation. 81 percent members say that qualities in production have increased highly with mean 9.87 and S.D 1.69 values respectively.

**Table – 2: Pearson Correlation among motivation, quality circle activities and quality of product**

Variables	Quality of product
Motivation	.312**
Quality circle activities	.152*

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

\* Correlation is significant at the 0.05level (2-tailed)

Table 2 reveals that there is significant positive relationship exist between motivation and quality of product. The r value 0.312 at 1% level of significance shows that if motivation increases the quality of product will also increase. The collaboration between manager and employee affects employee motivation. Managers have to be open and nonjudgmental to encourage employees to participate. Allowing employees to participate makes them feel like their ideas and opinions are important and valued which will increase their motivation to

improve the organization. The result also consistent with study of Aggarwal Raj(2001) ,have revealed that when members were allowed to participate in decision making they become personally and meaningfully involved with the organization beyond just doing their assigned tasks, which increases their motivation and production.

The table shows that there is positive relationship between QC activities and quality of product. The r value .152 with 5% level of significance reveals that when QC activities increase quality of product will also increase. The result also coincident with study of sandeepsoni (2015) that QC is a helpful tool in achieving improvement in process, product and quality for manufacturing industries. It also coincident with Chitra Sharma (2013) had given enough evidence as case studies has been reported till date on the usage of QC in many manufacturing organization for drawing cost saving or quality improvement argues that the concept encourages employee participation as well as promotes teamwork and motivates people to contribute towards organizational effectiveness through group processes.

**Table – 3: Multiplication regression analysis for Motivation, quality circle activities and quality**

S.No	Variables	Quality
	Constant	5.223
1.	Motivation	.073
2.	Quality circle activities	-0.001
R <sup>2</sup>		.312

Dependent variable: Quality

Multiple regressions have been applied to predict the quality of product in manufacturing companies for two variables quality circle activities and motivation. Though correlation coefficient reveal positive relationship between selected variables, the regression analysis reveals that among two variables the most significant variable which influences quality of product is motivation and second variable is quality circle activities. The overall R<sup>2</sup> found to be .312 that is 31 percent of variation in quality is has been explained by these two variables. The result also relevant with the study of Budhwar (2008) they noted that it is the employee motivation which decide employees high moral, work ethics, organizational loyalty and delivery of quality customer services with esteem. The major outcome of motivated and committed employee is that they keep on improving their quality of work which ultimately results in improvement of service quality. Employee satisfaction has a millstone importance for the financial growth a firm. The result also consistent with study of Poonam Likhitkar (2014) her study has revealed that presence of human workforce is every essential for every organization whether it is a sole proprietor, firm, a company – small sized or large sized. Employees are the real pillars and base of the organization. It is therefore very important to motivate them either monetary or nonmonetary form; for the purpose of retaining the existing competent workforce and encouraging competent manpower from outside to join the group. The result also reliable with Chitra Sharma (2013) who revealed 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.

## V. Conclusion

The finding of this study implies that motivation and quality circle activities have positive and significant influence on quality of product. If management motivates continuous improvement of quality circle activities by implementing suggestion taken by circle and providing recognition for their contribution, members will get the feel of satisfaction in the work they perform. This will insist members to take part in quality circle activities and finally organizational performance were also improved through quality circle involvement. The study of Rajesh Choudhary and Lalit Yadav (2012) also 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. – Hence it has been concluded that Quality circle is also way of retaining the workforce and enhances their motivation, morale & desire to work for the organization. It also enhances the goodwill of the organization. QC also increases the satisfaction level of the employee by which employer can gain trust & commitment from the employees. Results of T. R. Abo-Alhol, M. Y. Ismail, S. M. Sapanam & M. M. Hamdan (2006) showed that QCs develop positive attitudes among employees who derive job satisfaction when they feel that their companies area good place to work and consequently more willing to extend their efforts for the companies. Peter Ebong Ajang (2006) 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. The major outcome of

motivated and committed employee is that they keep on improving their quality of work which ultimately results in improvement of service quality. Employee satisfaction has a millstone importance for the financial growth a firm. Finally the result shows that if quality circle activities increases product quality will also increase.

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