

INTERNATIONAL JOURNAL OF RESEARCH IN COMMERCE, IT & MANAGEMENT

I
J
R
C
M



A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

Indexed & Listed at:

Ulrich's Periodicals Directory ©, ProQuest, U.S.A., EBSCO Publishing, U.S.A., Index Copernicus Publishers Panel, Poland,

Open J-Gate, India [link of the same is duly available at Infibnet of University Grants Commission (U.G.C.)]

as well as in Cabell's Directories of Publishing Opportunities, U.S.A.

Circulated all over the world & Google has verified that scholars of more than Hundred & Twenty One countries/territories are visiting our journal on regular basis.

Ground Floor, Building No. 1041-C-1, Devi Bhawan Bazar, JAGADHRI – 135 003, Yamunanagar, Haryana, INDIA

www.ijrcm.org.in

CONTENTS

Sr. No.	TITLE & NAME OF THE AUTHOR (S)	Page No.
1.	THE INTERMEDIATE COMMUNITY: A BEHAVIORAL/BARGAINING APPROACH FOR CONFLICT RESOLUTION AT THE LOCAL LEVEL/BAYESIAN ANALYSIS <i>DR. LEONIDAS A. PAKONSTANTINIDIS</i>	1
2.	IMPACT OF NEW REFORM ON PRODUCTIVITY OF ETHIOPIAN COTTON TEXTILE INDUSTRY <i>DR. BREHANU BORJI AYALEW</i>	7
3.	SIGNIFICANCE OF TOTAL QUALITY MANAGEMENT IN ORGANIZATIONAL PERFORMANCE: AN EMPIRICAL ANALYSIS FROM SMES SECTOR <i>FAROOQ ANWAR, IRFAN SALEEM & AYESHA ZAHID</i>	13
4.	INDEPENDENCE AND IMPARTIALITY OF AUDITORS FROM THE VIEWPOINTS OF INDEPENDENT AUDITORS AND INVESTMENT COMPANIES <i>MOHAMADREZA ABDOLI</i>	17
5.	COMPARATIVE ANALYSIS OF SELECTED HOUSING FINANCE COMPANIES IN INDIA <i>DR. D. GURUSWAMY</i>	20
6.	MUNICIPAL SERVICE QUALITY IN SOUTHERN THAILAND: AN EMPIRICAL INVESTIGATION OF CUSTOMER PERCEPTIONS <i>SAFIEK MOKHLIS</i>	30
7.	THE IMPERATIVES OF LEADERSHIP QUESTION IN MEDIA MANAGEMENT <i>BELLO SEMIU & KASALI TAOFEK</i>	36
8.	PERCEIVED PURCHASE RISK IN THE TECHNOLOGICAL GOODS PURCHASE CONTEXT: AN INSTRUMENT DEVELOPMENT AND VALIDATION <i>IMAM SALEHUDIN</i>	41
9.	STUDY ON TRADITIONAL VERSUS CONTINUOUS ACCREDITATION PROCESS & EXPLORING LEADERSHIP DISPARITY <i>HARINI METHUKU & HATIM R HUSSEIN</i>	49
10.	VOLATILITY OF AGGREGATE MARKET INDICES <i>NALINA K B & B SHIVARAJ</i>	56
11.	STUDENT FEED BACK: A TOOL TO ENHANCE QUALITY IN ENGINEERING EDUCATION <i>VEERANNA.D.K & DR. ANAND.K.JOSHI</i>	63
12.	JOB SCHEDULING OF NURSE STAFFING: A DYNAMIC PROGRAMMING APPROACH <i>KAVITHA KOPPULA & DR. LEWLYN L. RAJ RODRIGUES</i>	66
13.	INFLUENCE OF PERSONAL FACTORS ON ORGANISATIONAL CLIMATE IN IT COMPANIES <i>R. DARWIN JOSEPH & DR. N. PANCHANATHAN</i>	70
14.	ANALYSIS OF CUSTOMER SATISFACTION OF THE HOTEL INDUSTRY IN INDIA USING KANO MODEL & QFD <i>PARUL GUPTA & R. K. SRIVASTAVA</i>	74
15.	BEHAVIOUR OF STOCK MARKET VOLATILITY IN DEVELOPING COUNTRIES <i>DR. S. S. CHAHAL & SUMAN</i>	82
16.	FINANCIAL DERIVATIVES IN INDIA: DEVELOPMENT PATTERN AND TRADING IMPACT ON THE VOLATILITY OF NSE <i>E.V.P.A.S.PALLAVI & DR. P. S. RAVINDRA</i>	89
17.	CHANGING FACE OF CAR MARKET: A REVIEW OF MARKET GROWTH AND CHANGING SALES TRENDS IN INDIAN PASSENGER CAR MARKET <i>DEEPTHI SANKAR & DR. ZAKKARIYA K.A.</i>	94
18.	PERFORMANCE APPRAISAL: ALIGNING PERSONAL ASPIRATIONS TO ORGANIZATIONAL GOALS (A SPECIAL REFERENCE TO DAIRY SECTOR IN RAJASTHAN) <i>DR. SHWETA TIWARI (MISHRA)</i>	99
19.	INDIA'S BANKING SECTOR REFORMS FROM THE PERSPECTIVE OF BANKING SYSTEM <i>RAJESH GARG & ASHOK KUMAR</i>	103
20.	INFORMATION TECHNOLOGY AND COMMUNICATION IN BUSINESS <i>C. ARUL VENKADESH</i>	108
21.	IMPACT OF ORGANIZED RETAIL ON UNORGANIZED SECTOR: A STUDY IN JAMMU REGION <i>URVASHI GUPTA</i>	112
22.	ISLAMIC BANKING IN INDIA: RELIGIOUS AND SOCIO-ECONOMIC PERSPECTIVES AFFECTING MUSLIM INVESTORS OF AHMEDABAD DISTRICT IN GUJARAT <i>URVI AMIN</i>	116
23.	ICT DEVELOPMENT IN INDIA: A CASE STUDY OF INFOSYS LTD. <i>MUNISH KUMAR TIWARI</i>	122
24.	DATA WAREHOUSING AND TESTING <i>VENKATESH RAMASAMY & ABINAYA MURUGANANDHAN</i>	130
25.	POLITICAL IMPACT OF MICRO FINANCE ON RURAL POOR IN ANDHRA PRADESH <i>DR. NANU LUNAVATH</i>	135
	REQUEST FOR FEEDBACK	151

CHIEF PATRON

PROF. K. K. AGGARWAL

Chancellor, Lingaya's University, Delhi
Founder Vice-Chancellor, Guru Gobind Singh Indraprastha University, Delhi
Ex. Pro Vice-Chancellor, Guru Jambheshwar University, Hisar

PATRON

SH. RAM BHAJAN AGGARWAL

Ex. State Minister for Home & Tourism, Government of Haryana
Vice-President, Dadri Education Society, Charkhi Dadri
President, Chinar Syntex Ltd. (Textile Mills), Bhiwani

CO-ORDINATOR

AMITA

Faculty, Government M. S., Mohali

ADVISORS

DR. PRIYA RANJAN TRIVEDI

Chancellor, The Global Open University, Nagaland

PROF. M. S. SENAM RAJU

Director A. C. D., School of Management Studies, I.G.N.O.U., New Delhi

PROF. M. N. SHARMA

Chairman, M.B.A., Haryana College of Technology & Management, Kaithal

PROF. S. L. MAHANDRU

Principal (Retd.), Maharaja Agrasen College, Jagadhri

EDITOR

PROF. R. K. SHARMA

Professor, Bharti Vidyapeeth University Institute of Management & Research, New Delhi

CO-EDITOR

DR. BHAVET

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

EDITORIAL ADVISORY BOARD

DR. RAJESH MODI

Faculty, Yanbu Industrial College, Kingdom of Saudi Arabia

PROF. SANJIV MITTAL

University School of Management Studies, Guru Gobind Singh I. P. University, Delhi

PROF. ANIL K. SAINI

Chairperson (CRC), Guru Gobind Singh I. P. University, Delhi

DR. SAMBHAVNA

Faculty, I.I.T.M., Delhi

DR. MOHENDER KUMAR GUPTA

Associate Professor, P. J. L. N. Government College, Faridabad

DR. SHIVAKUMAR DEENE

Asst. Professor, Government F. G. College Chitguppa, Bidar, Karnataka

MOHITA

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

ASSOCIATE EDITORS

PROF. NAWAB ALI KHAN

Department of Commerce, Aligarh Muslim University, Aligarh, U.P.

PROF. ABHAY BANSAL

Head, Department of Information Technology, Amity School of Engineering & Technology, Amity University, Noida

PROF. A. SURYANARAYANA

Department of Business Management, Osmania University, Hyderabad

DR. ASHOK KUMAR

Head, Department of Electronics, D. A. V. College (Lahore), Ambala City

DR. SAMBHAV GARG

Faculty, M. M. Institute of Management, Maharishi Markandeshwar University, Mullana, Ambala, Haryana

DR. V. SELVAM

Divisional Leader – Commerce SSL, VIT University, Vellore

DR. PARDEEP AHLAWAT

Reader, Institute of Management Studies & Research, Maharshi Dayanand University, Rohtak

S. TABASSUM SULTANA

Asst. Professor, Department of Business Management, Matrusri Institute of P.G. Studies, Hyderabad

SURJEET SINGH

Asst. Professor, Department of Computer Science, G. M. N. (P.G.) College, Ambala Cantt.

TECHNICAL ADVISOR

AMITA

Faculty, Government H. S., Mohali

MOHITA

Faculty, Yamuna Institute of Engineering & Technology, Village Gadholi, P. O. Gadholi, Yamunanagar

FINANCIAL ADVISORS

DICKIN GOYAL

Advocate & Tax Adviser, Panchkula

NEENA

Investment Consultant, Chambaghat, Solan, Himachal Pradesh

LEGAL ADVISORS

JITENDER S. CHAHAL

Advocate, Punjab & Haryana High Court, Chandigarh U.T.

CHANDER BHUSHAN SHARMA

Advocate & Consultant, District Courts, Yamunanagar at Jagadhri

SUPERINTENDENT

SURENDER KUMAR POONIA

CALL FOR MANUSCRIPTS

We invite unpublished novel, original, empirical and high quality research work pertaining to recent developments & practices in the area of Computer, Business, Finance, Marketing, Human Resource Management, General Management, Banking, Insurance, Corporate Governance and emerging paradigms in allied subjects like Accounting Education; Accounting Information Systems; Accounting Theory & Practice; Auditing; Behavioral Accounting; Behavioral Economics; Corporate Finance; Cost Accounting; Econometrics; Economic Development; Economic History; Financial Institutions & Markets; Financial Services; Fiscal Policy; Government & Non Profit Accounting; Industrial Organization; International Economics & Trade; International Finance; Macro Economics; Micro Economics; Monetary Policy; Portfolio & Security Analysis; Public Policy Economics; Real Estate; Regional Economics; Tax Accounting; Advertising & Promotion Management; Business Education; Business Information Systems (MIS); Business Law, Public Responsibility & Ethics; Communication; Direct Marketing; E-Commerce; Global Business; Health Care Administration; Labor Relations & Human Resource Management; Marketing Research; Marketing Theory & Applications; Non-Profit Organizations; Office Administration/Management; Operations Research/Statistics; Organizational Behavior & Theory; Organizational Development; Production/Operations; Public Administration; Purchasing/Materials Management; Retailing; Sales/Selling; Services; Small Business Entrepreneurship; Strategic Management Policy; Technology/Innovation; Tourism, Hospitality & Leisure; Transportation/Physical Distribution; Algorithms; Artificial Intelligence; Compilers & Translation; Computer Aided Design (CAD); Computer Aided Manufacturing; Computer Graphics; Computer Organization & Architecture; Database Structures & Systems; Digital Logic; Discrete Structures; Internet; Management Information Systems; Modeling & Simulation; Multimedia; Neural Systems/Neural Networks; Numerical Analysis/Scientific Computing; Object Oriented Programming; Operating Systems; Programming Languages; Robotics; Symbolic & Formal Logic and Web Design. The above mentioned tracks are only indicative, and not exhaustive.

Anybody can submit the soft copy of his/her manuscript **anytime** in M.S. Word format after preparing the same as per our submission guidelines duly available on our website under the heading guidelines for submission, at the email addresses: infoijrcm@gmail.com or info@ijrcm.org.in.

GUIDELINES FOR SUBMISSION OF MANUSCRIPT

1. COVERING LETTER FOR SUBMISSION:

DATED: _____

THE EDITOR
IJRCM

Subject: SUBMISSION OF MANUSCRIPT IN THE AREA OF _____.

(e.g. Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, **please specify**)

DEAR SIR/MADAM

Please find my submission of manuscript entitled ' _____ ' for possible publication in your journals.

I hereby affirm that the contents of this manuscript are original. Furthermore, it has neither been published elsewhere in any language fully or partly, nor is it under review for publication elsewhere.

I affirm that all the author (s) have seen and agreed to the submitted version of the manuscript and their inclusion of name (s) as co-author (s).

Also, if my/our manuscript is accepted, I/We agree to comply with the formalities as given on the website of the journal & you are free to publish our contribution in any of your journals.

NAME OF CORRESPONDING AUTHOR:

Designation:

Affiliation with full address, contact numbers & Pin Code:

Residential address with Pin Code:

Mobile Number (s):

Landline Number (s):

E-mail Address:

Alternate E-mail Address:

NOTES:

- a) The whole manuscript is required to be in **ONE MS WORD FILE** only (pdf. version is liable to be rejected without any consideration), which will start from the covering letter, inside the manuscript.
- b) The sender is required to mention the following in the **SUBJECT COLUMN** of the mail:
New Manuscript for Review in the area of (Finance/Marketing/HRM/General Management/Economics/Psychology/Law/Computer/IT/Engineering/Mathematics/other, please specify)
- c) There is no need to give any text in the body of mail, except the cases where the author wishes to give any specific message w.r.t. to the manuscript.
- d) The total size of the file containing the manuscript is required to be below **500 KB**.
- e) Abstract alone will not be considered for review, and the author is required to submit the complete manuscript in the first instance.
- f) The journal gives acknowledgement w.r.t. the receipt of every email and in case of non-receipt of acknowledgment from the journal, w.r.t. the submission of manuscript, within two days of submission, the corresponding author is required to demand for the same by sending separate mail to the journal.

2. **MANUSCRIPT TITLE:** The title of the paper should be in a 12 point Calibri Font. It should be bold typed, centered and fully capitalised.

3. **AUTHOR NAME (S) & AFFILIATIONS:** The author (s) **full name, designation, affiliation (s), address, mobile/landline numbers**, and **email/alternate email address** should be in italic & 11-point Calibri Font. It must be centered underneath the title.

4. **ABSTRACT:** Abstract should be in fully italicized text, not exceeding 250 words. The abstract must be informative and explain the background, aims, methods, results & conclusion in a single para. Abbreviations must be mentioned in full.

5. **KEYWORDS:** Abstract must be followed by a list of keywords, subject to the maximum of five. These should be arranged in alphabetic order separated by commas and full stops at the end.
6. **MANUSCRIPT:** Manuscript must be in **BRITISH ENGLISH** prepared on a standard A4 size **PORTRAIT SETTING PAPER**. It must be prepared on a single space and single column with 1" margin set for top, bottom, left and right. It should be typed in 8 point Calibri Font with page numbers at the bottom and centre of every page. It should be free from grammatical, spelling and punctuation errors and must be thoroughly edited.
7. **HEADINGS:** All the headings should be in a 10 point Calibri Font. These must be bold-faced, aligned left and fully capitalised. Leave a blank line before each heading.
8. **SUB-HEADINGS:** All the sub-headings should be in a 8 point Calibri Font. These must be bold-faced, aligned left and fully capitalised.
9. **MAIN TEXT:** The main text should follow the following sequence:

INTRODUCTION**REVIEW OF LITERATURE****NEED/IMPORTANCE OF THE STUDY****STATEMENT OF THE PROBLEM****OBJECTIVES****HYPOTHESES****RESEARCH METHODOLOGY****RESULTS & DISCUSSION****FINDINGS****RECOMMENDATIONS/SUGGESTIONS****CONCLUSIONS****SCOPE FOR FURTHER RESEARCH****ACKNOWLEDGMENTS****REFERENCES****APPENDIX/ANNEXURE**

It should be in a 8 point Calibri Font, single spaced and justified. The manuscript should preferably not exceed **5000 WORDS**.

10. **FIGURES & TABLES:** These should be simple, centered, separately numbered & self explained, and **titles must be above the table/figure**. Sources of data should be mentioned below the table/figure. It should be ensured that the tables/figures are referred to from the main text.
11. **EQUATIONS:** These should be consecutively numbered in parentheses, horizontally centered with equation number placed at the right.
12. **REFERENCES:** The list of all references should be alphabetically arranged. The author (s) should mention only the actually utilised references in the preparation of manuscript and they are supposed to follow **Harvard Style of Referencing**. The author (s) are supposed to follow the references as per the following:
 - All works cited in the text (including sources for tables and figures) should be listed alphabetically.
 - Use (ed.) for one editor, and (ed.s) for multiple editors.
 - When listing two or more works by one author, use --- (20xx), such as after Kohl (1997), use --- (2001), etc, in chronologically ascending order.
 - Indicate (opening and closing) page numbers for articles in journals and for chapters in books.
 - The title of books and journals should be in italics. Double quotation marks are used for titles of journal articles, book chapters, dissertations, reports, working papers, unpublished material, etc.
 - For titles in a language other than English, provide an English translation in parentheses.
 - The location of endnotes within the text should be indicated by superscript numbers.

PLEASE USE THE FOLLOWING FOR STYLE AND PUNCTUATION IN REFERENCES:**BOOKS**

- Bowersox, Donald J., Closs, David J., (1996), "Logistical Management." Tata McGraw, Hill, New Delhi.
- Hunker, H.L. and A.J. Wright (1963), "Factors of Industrial Location in Ohio" Ohio State University, Nigeria.

CONTRIBUTIONS TO BOOKS

- Sharma T., Kwatra, G. (2008) Effectiveness of Social Advertising: A Study of Selected Campaigns, Corporate Social Responsibility, Edited by David Crowther & Nicholas Capaldi, Ashgate Research Companion to Corporate Social Responsibility, Chapter 15, pp 287-303.

JOURNAL AND OTHER ARTICLES

- Schemenner, R.W., Huber, J.C. and Cook, R.L. (1987), "Geographic Differences and the Location of New Manufacturing Facilities," Journal of Urban Economics, Vol. 21, No. 1, pp. 83-104.

CONFERENCE PAPERS

- Garg, Sambhav (2011): "Business Ethics" Paper presented at the Annual International Conference for the All India Management Association, New Delhi, India, 19-22 June.

UNPUBLISHED DISSERTATIONS AND THESES

- Kumar S. (2011): "Customer Value: A Comparative Study of Rural and Urban Customers," Thesis, Kurukshetra University, Kurukshetra.

ONLINE RESOURCES

- Always indicate the date that the source was accessed, as online resources are frequently updated or removed.

WEBSITE

- Garg, Bhavet (2011): Towards a New Natural Gas Policy, Political Weekly, Viewed on January 01, 2012 <http://epw.in/user/viewabstract.jsp>

SIGNIFICANCE OF TOTAL QUALITY MANAGEMENT IN ORGANIZATIONAL PERFORMANCE: AN EMPIRICAL ANALYSIS FROM SMES SECTOR

FAROOQ ANWAR
ASST. PROFESSOR
CENTRE FOR RESEARCH & DEVELOPMENT
SUPERIOR UNIVERSITY
LAHORE, PAKISTAN

IRFAN SALEEM
LECTURER
FACULTY OF MANAGEMENT SCIENCES
UNIVERSITY OF CENTRAL PUNJAB
LAHORE, PAKISTAN

AYESHA ZAHID
ASST. DIRECTOR (RESEARCH PROGRAM)
SUPERIOR UNIVERSITY
LAHORE, PAKISTAN

ABSTRACT

Significance of TQM in SME Sector of Pakistan as being catalyst for economic development is undeniable, nevertheless this is unfortunate that despite these implications, little research is undertaken to comprehend the complex nature of SME. Focus of this research is to access the significance of TQM on Organizational Performance (OP). The effects of five dimensions of TQM were individually examined on the OP. Findings of research show significant positive relationship of TQM with OP.

KEYWORDS

Total Quality Management (TQM), Small and Medium Enterprises (SMEs), Organizational Performance (OP) and Quality Management System.

INTRODUCTION

In Pakistani economy, SMEs represented almost 90% of all the enterprises in Pakistan employing 78% of industrial labour force and out of which more than half are involved in business of trade, wholesale, retail, restaurants employing less than 5 persons (Rohra et al, 2009). Based on these facts it is required to conduct a research in this unexplored and undocumented economy of Pakistan contributing lot. For achieving customer satisfaction and competitive edge in today's fierce competitive world, quality is vital to all organizations. Quality has become a vital element because the variety of products and services are available in the market place and to get successful business the survival of an organization heavily depends on quality of products being delivered and services being provided. For achieving customer satisfaction and competitive edge in today's fierce competitive world quality is vital to all organisations. Quality has become a vital element because the variety of products and services are available in the market place therefore; the survival of an organization heavily depends on quality. There is significant need to identify relationships among the quality practices which in turn will enhance the organization's performance (Talib, Raman and Qureshi, 2011). Concept of quality has grown rapidly Last three decades, starting with the descriptions of the quality management gurus Crosby, Deming, Juran, Feigenbaum, Taguchi, Ishikawa, Grocock, and others; nonetheless, the discipline of Total Quality Management has witnessed significant contributions in terms of theory development from many researchers (Al-Swidi and Mahmood, 2011). There is also an increasing recognition of the potential contribution of Small and Medium Enterprises (SMEs) towards employment and economic growth in Pakistan (Bhutta et al, 2009). SMEs are a vital, innovative, dynamic life-force and breathing apparatus of Pakistan's economic Growth (Seth, 2010). Dasanayaka (2008) study shows that there is no universally acceptable official definition for SMEs in Pakistan like any other developing nation and all the existing definitions depend on convenience and objectivity of studying SMEs. Thus Most of these organizations used various terms for SMEs such as Micro Enterprises, Rural Enterprises, Small and Medium Scale Activities, Cottage and Small Scale Industry, Informal Sector Activities and Micro and Small Scale Activities. Other studies shows that SME in Pakistan is defined as an enterprise with a maximum number of 250 employees, a paid up capital of up to Rs. 25 Million with annual sales amounting not more than Rs. 250 Million (Kureshi et al, 2009; Kureshi et al 2010).

LITERATURE REVIEW

SMEs due to their distinct and under cover nature to large organizations, was not addressed widely in literature and its dearth of literature specifically from definition to implementation issues were always highlighted (Romano & Ratnatunga, 1995). Though there was no standard SME definition around the globe but countries who show concern for SMEs have framed some variables for its categorization. The sector was so untapped in Pakistan that even there was no clear definition to distinguish SMEs with large enterprises (Dasanayaka, 2008). Pakistan SMEs are participating in almost all the sectors of the economy i.e. from agriculture to manufacturing and from services to trade. This parallax nature of SMEs did not allow anyone to frame its one common acceptable definition. It was defined by different authors, researchers and authorities differently and even addressed it with different names (Dasanayaka, 2008). After sixty years of independence in 2007, SMEDA took an initiative to propose the first ever definition with defined variables (SME policy 2007). A large number of enterprises always exist under the SMEs whichever the country is and whatever the definition being used. According to the Small and Medium Development Authority Pakistan (SMEDA) the small and medium enterprises constitute 90% of the total 3.2 million enterprises in Pakistan and contribute 30% of the GDP. Mostly SMEs in Pakistan are owned and run by their owners with support from their family members, relatives or friends (Dasanayaka, 2008). SMEs do not only vary in size but also in resources. They are facing many problems like access to credit, the high compliance cost of fiscal and non fiscal regulations, cost of unskilled human resource, high market transaction cost which results in low quality intermediary products and low quality raw material (Bari, Cheema and Hauque 2005). Also lacking physical, organizational and reputational resources, access to the required market information, non attention of government, lack of governmental support, (Berry 1998) and unhealthy competition with large organizations, still the SME sector is surviving and contributing in the underdeveloped economies. Whereas the policy support of many countries like Pakistan are far along (Berry 1998). Taking the data of sector contribution in the GDP, the manufacturing sector contributes 23% in the country's GDP growth which was 30% in 2004-05 that shows a decline. While analyzing the small scale manufacturing share in GDP, it is on the growth since 2005-06. (Economic Survey of Pakistan 2009-10). Bari et al. (2005) argued that those sectors have shown dynamic gains through

learning which were dominated by SMEs because strong competition in SME sector innovate faster and easy entry allows greater experimentation which develops organizational and technological traits. While taking SMEs which are working as B2B firms, are even different and having much sense of maturity with respect to business principles and are playing very important role in creating a value for their customers while doing any job in value chain. In case of B2B the SMEs are serving to a small number of customers, sometimes it may be the only one customer. The level of strategy differences can also be seen in small, medium and large scale enterprises. Analoui and Karami (2003) also focus towards the large scale enterprises restrictive nature for innovative entrepreneurs and contrary to this is SME's friendly and flexible environment where all structures are not mature and not rigid as well. Some large organizations are very much quality conscious and as they have developed their brands so they need brand names to be protected by their quality products whereas SMEs also lack in quality products. Either they sell directly to consumers or the raw material which they want to be value added. The results of a study by Bayati and Taghavi (2007) conducted on 81 TQM certified SMEs in Tehran showed that Total Quality Management improves the performance of small and medium enterprises. A research conducted on 75 SMEs in Pakistan by Malik et al (2010) gives clear-cut evidence that ISO certified SMEs are performing better as compared to non certified SMEs. A survey of 20 companies undertaken by Sharma (2005) analyzed that TQM has an association with the financial performance of the organization. TQM enhances the competitiveness which also enhances customer satisfaction when customer satisfaction and competitiveness increases ultimately business performance increases. Lafuente et al (2009) found that TQM has positive impact on firm performance with respect to Return on Asset and labour productivity and this certification enhances the competition. A research conducted by Calisir et al. (2005) on the Turkish textile companies with a sample of 43 companies showed that the companies are satisfied with TQM. A research conducted by Capistrano (2008) in Philippine on 49 companies reported that TQM is not impacting company's financial performance in Philippines positively. Martínez-Costa and Martínez-Lorente (2007) analyzed impact of TQM on companies' performance by using a sample of 713 companies. The results of the study depict that the companies' performance has worsened after ISO certification. Sousa-Posa et al (2009) revealed that TQM only tells about the existence of the quality management system but does not guarantee its functionality. In order to improve the quality the organizations have developed some standard processes in which everyone from employees to customers would be able to participate to improve the quality (Okey and Semiz 2010). Total Quality Management standards are widely used by many firms and are perceived by many customers as synonymous of quality (Pina and Selle's, 2008).

RESEARCH METHODOLOGY

This section of the study will cover the research methodology of the research including the theoretical framework and followed by the discussion, conclusion and the suggestions for the future researchers. Theoretical framework was built on the basis of the reviewed previous literature. The independent variable which is based on the clauses of ISO 9000 standard. The dependent variables are partially based on the study of Feng et al (2008).

The questionnaire consisted of 43 items adopted from ISO 9000 official document has been designed using the clauses of Total Quality Management standard and the literature reviewed having a five point Likert Scale. Cronbach's Alpha is used to measure the internal consistency of the Questionnaire. The results of Cronbach's Alpha as shown in Table 1 reveal that management responsibility, documentation requirements of quality management system, resource management, product realization, measurement analysis and improvement, operational performance and business performance are reliable as they fall above the acceptable value of 0.70.

TABLE 1 CRONBACH'S ALPHA

Variables	Cronbach's Alpha
Management Responsibility	0.823
Documentation Requirements of Quality Management System	0.784
Resource Management	0.786
Product Realization	0.805
Measurement Analysis and Improvement	0.726
Operational Performance	0.863
Business Performance	0.721

RESEARCH VARIABLES

Organizations from can be expected to yield better performance from their quality activities given greater involvement of all in the organization and a commitment to the principles of quality (Prajogo and Brown, 2006). Organizational Performance often dependent on managers' skill of converting knowledge into action, nevertheless, Knowledge and information are obviously crucial to performance (Pfeffer and Sutton, 2000). The dependent variable is Organizational Performance which is further divided into two sub variables including Business Performance and Operational Performance. Productivity is one of the measure business performances (Belay, 2011). The independent variable is Adoption of TQM which is further divided into sub variables including Management Responsibility, Documentation requirements of Quality Management System, Resource Management, Product Realization and Measurement Analysis & Improvement. The driving force behind the quality strategy developed is management improvement (Pina and Selle's, 2008).

Past researches have explained the relationship of Total Quality Management with the operational and business performance. Briscoe et al. (2005) in a survey of 3671 companies examined a positive impact of Total Quality Management on operational and market performance. Research analysis suggests on recent study shows that education, generation setting up the business, owner habits (watching television, reading newspapers and using computers for office work) and number of partners have a significant relationship with the health of SMEs i.e. Organizational Performance (Khurram et al, 2008). A study was conducted by Feng et al. (2008) in Australia and New Zealand of 3000 Total Quality Management organizations revealed that there is a positive relationship of TQM with operational performance while a weak relation of TQM with business performance. There exists a direct relationship between Total Quality Management and company's business performance improvement (Belay et al, 2011). A Turkish study by Semiz and Okey (2010) found that there is reduction in cost and increase in competition, level of achieving objectives and satisfaction level of managers after acquiring the TQM. A research conducted on 32 ISO 9000 certified Spanish companies by Pina and Trigueros (2008) showed that reason behind the implementation of ISO 9000 Quality Management System is the customer satisfaction and management improvement. Competition is also a reason but most companies did not bother it. Study by Cagnazzo et al (2010) in Italy with the sample of 366 companies explained that impact of TQM on internal operations is more than the impact on external operations that leads to another fact that companies obtain TQM mostly for the improvement in their internal processes. A research conducted by Han et al (2007) showed that TQM do not directly affected Business Performance but only affected TQM and competitiveness directly. The case study of eight small firms in Pakistan was conducted which concluded that the firms were not marketing oriented and need to understand marketing (Mian, 2008). Following Proposition and sub-propositions have been developed.

Proposition: There is significant relationship of TQM with Organizational Performance (OP).

P1: There is significant relationship between management responsibility and OP.

P2: There is significant relationship between documentation requirements of quality management system and OP.

P3: There is significant relationship between resource management and OP.

P4: There is significant relationship between product realization and OP

P5: There is significant relationship between measurement analysis & improvement and OP.

DATA COLLECTION METHOD

A survey methodology was employed for data gathering. The survey tool used was questionnaire. On the basis of convenient sampling 250 organizations were sent questionnaire through mail at various cities of Pakistan including Lahore, Sialkot and Multan. Finally 50 SMEs correctly filled questionnaires were selected from a variety of industries comprising manufacturers and exporters with response rate of 25%. The demographics of the respondents are given in Table 2.

TABLE 2: DEMOGRAPHICS OF RESPONDENTS

Management position of persons filled-out questionnaire	Top Managers	52%
	Middle Managers	36%
	Supervisors	06%
Size of sample SMEs	1-50 Employees	22%
	51-100 Employees	32%
	101-150 Employees	26%
	151-200 Employees	08%
	201-250 Employees	12%

FINDINGS

The results from previous section indicate positive and significant relationship of TQM (management responsibility, documentation requirements of quality management system, resource management, product realization and measurement analysis & improvement with Organizational Performance. Correlation is used to measure the strength and direction of relationship between independent and dependent variables. The results of correlation analysis are shown in Table 3. The correlation of TQM with OP is also positive which shows that with the implementation of TQM improves OP (0.519) which is significant at 99% confidence level. In depth analysis Results of Table 3 depicts that there is significant positive correlation between the variables because the correlation for all variables fall in the range $0.3 < r < 1.0$. The correlation values of management responsibility (0.405), documentation requirements of quality management system (0.307), resource management (0.374), product realization (0.389), measurement analysis and improvement (0.502) with OP are positive and significant.

TABLE 3: CORRELATION BETWEEN TQM & OP

Variables	Organizational Performance (OP)
Total Quality Management (Overall)	0.519**
Management Responsibility	0.405**
Documentation Requirements of Quality Management System	0.307*
Resource Management	0.374**
Product Realization	0.389**
Measurement Analysis and Improvement	0.502**

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

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

DISCUSSION

The results prove that there is a positive relationship of Total Quality Management with business and operational performance. Study findings are consistent with the research findings of Briscoe et al (2005) showing a positive relationship between TQM and market performance. The study carried out by Cognazzo et al (2010) explains the impact of TQM on the Organizational Performance. Study by Feng et al (2008) studied the impact of ISO 9000 on OP findings are consistent with our findings. A study by Han et al (2007) measure the effect of ISO 9000 on business performance by studying two performance measures; profit and market share. Though the performance measures used by the study differ from this work the conclusion is the same that there is a positive relation between ISO 9000 and business performance. However our findings are inconsistent with Martinez-Costa and Martinez-Lorente (2007) showing that operational costs increased and the sales did not compensate the increased costs due to which company's operational performance worsened after TQM.

CONCLUSION

This study is like an addition of a drop of water to the ocean but if we talk only of the works done in Pakistan, it is one of very few works done to assess the impact of Total Quality Management on small and medium enterprise's performance. This study could also be used to shed light on the importance of acquiring the certification and developing a quality culture. If a significant percentage of small and medium enterprises that are not currently using a quality management system is enlightened by this study, the overall image of Pakistani products in international markets would increase. Hence this work could become a major contributor towards the economic growth and prosperity of Pakistan as the facts and statistical figures show that 93% of businesses run in Pakistan are small and medium enterprises.

Future studies can be conducted in Pakistan to assess the impact of ISO 9000 on operational and business performance using different performance measures such as total productivity, cost of quality and customer satisfaction. Another issue that need to be addressed is whether total quality management should be implemented first followed by TQM or should it be other way around due to the fact there is confusion across the globe regarding this issue. A lay man would think total quality management is a prerequisite for TQM but studies supporting this argument are insufficient. Furthermore the researchers can conduct researches to analyze the impact of Total Quality Management on financial and market performance.

This research has work accesses the impact of Total Quality Management on the operational and business performance of the SMEs in Pakistan showing that the TQM being a clear guideline of quality management system for any organization. TQM plays a vital role in boosting the performance of any organization if implemented properly. The SME sector is the backbone of the Pakistani economy so the proper implementation of Total Quality Management could give some tremendous results by enhancing the performance of the organizations contributing in the economy of the country.

REFERENCES

- Al-Swidi AK and Mahmud R (2011). Fostering the Performance of Banks through Total Quality Management (TQM) Practices: A Bank Branches Perspective", *European Journal of Social Sciences*. 19(2): 268-285.
- Analoui F and Karami A (2003). *Strategic Management in Small and Medium Enterprises*, First Edition, Chapter 7, (pp -197) Publisher: Thomson Learning.
- Bari F, Cheema A. and Ehasan-ul-Haque. (2005). SMEs Development in Pakistan: Analyzing the constraint to growth. Pakistan Resident Mission Working Paper No. 03. Islamabad: Asian Development Bank.
- Bayati A & Taghavi A (2007). The impacts of acquiring ISO 9000 certification on the performance of SMEs in Tehran. *The TQM Magazine*. 19(2): 140-149.
- Berry A (1998). The Potential Role of the SME Sector in Pakistan in a World of Increasing International Trade. *The Pakistan Development Review*. 37: 4 Part 1, pp 25-49.
- Bhutta MKS, Khan JH, Omar A and Asad U (2009). An exploratory study of the characteristics affecting the success of SMEs in Pakistan", *International Journal of Entrepreneurship and Small Business*. 7(1): 107 - 122.
- Belay AM, Helo P and Takala J (2011). Effects of Quality Management Practices and Concurrent Engineering in Business Performance. *International Journal of Business and Management*. 6(3): 45-62
- Briscoe JA, Fawcett SE & Todd RH (2005). The implementation and impact of ISO 9000 among small manufacturing enterprises. *Journal of Small Business Management*. 43(3): 309-330.
- Cagnazzo L, Taticchi P & Fuiano F (2010). Benefits, barriers and pitfalls coming from the ISO 9000 implementation: the impact on business performances. *Wseas Transactions on Business and Economics*. 7(4): 311-321.
- Calisir F, Kulak O & Dogan I (2005). Factors influencing Turkish textile companies' satisfaction with ISO 9000. *Total Quality Management & Business Excellence*. 16(10): 1193-1204.
- Capistrano EPS (2008). ISO 9000 certification and business performance of selected Philippine companies. *Philippine Management Review*. 15: 15-36.

- Dasanayaka S (2008). SMEs in Globalized World: A Brief Note on Basic Profiles of Pakistan's Small and Medium Scale Enterprises and Possible Research Directions. *Business Review*. 3(1): 69-77.
- Dasanayaka SWSB (2008). SMEs in Globalized World: A Brief Note on Basic Profiles of Pakistan's Small and Medium Scale Enterprises and Possible Research Directions. *Business Review*. 3(1): 69-77.
- Feng M, Terziovsk IM & Samson D (2008). Relationship of ISO 9001:2000 quality system certification with operational and business performance. *Journal of Manufacturing Technology Management*. 19(1): 22-37.
- Han SB, Chan SK & Ebrahimpour M (2007). The impact of ISO 9000 on TQM and business performance. *Journal of Business and Economic Studies*. 13(2): 1-23.
- Khurram M, Bhutta S, Rana A and Usman A (2008), Owner characteristics and health of SMEs in Pakistan, *Journal of Small Business and Enterprise Development*. 15(1): 130-149
- Kureshi N, Mann R, Khan M and Qureshi F (2009). Quality management practices of SMEs in developing countries: a survey of manufacturing SMEs in Pakistan. *Journal of Quality and Technology Management*. 5(2): 63-89.
- Kureshi N, Qureshi F and Sajid A (2010). Current health of quality management practices in service sector SME: A case study of Pakistan. *The TQM Journal*. 22 (3): 317 - 329.
- Lafuente E, Bayo-Moriones A & Garcí-a-Cestona M (2009). ISO-9000 certification and ownership structure: effects upon firm performance. *British Journal of Management*. 21(2): 649-665.
- Malik, SA, Iqbal, MZ, Shaukat R & Yong J (2010). TQM practices & organizational performance: evidence from Pakistani SMEs. *International Journal of Engineering & Technology IJET-IJENS*. 10(4): 26-31.
- Martí'nez-Costa M & Martí'nez-Lorente AR (2007). A triple analysis of ISO 9000 effects on company performance, *International Journal of Productivity and Performance Management*. 56(5/6): 484-499.
- Mian E (2008). Pilot Study of eight (8) SMEs in Pakistan: Ejaz Ahmed Mian. *Business Review*. 3(1): 165-194.
- Okay S & Semiz S (2010). The effects of ISO 9000 quality management system implementation in small and medium-sized textile enterprises: Turkish experience. *African Journal of Business Management*. 4(14): 2921-2933.
- Pfeffer J and Sutton RI (2000). *The Knowing-Doing Gap: How Smart Companies Turn Knowledge into Action*. Harvard Business School Press, Boston, MA, pp.243.
- Prajogo DI & Brown A. (2006). Approaches to Adopting Quality in SMEs and the Impact on Quality Management Practices and Performance. *Total Quality Management*. 17(5): 555-566.
- Pina, JAT & Selles MES (2008). Management and measurement of quality in ISO 9000 organization: an empirical study in Spain. *Total Quality Management*. 19(5): 481-492.
- Rohra CI, Junejo M.A, and Kanasro HA (2009). Analyzing the Stylized facts for Developing SME's Business Opportunities in Pakistan. *Australian Journal of Basic and Applied Sciences*. 3(3): 2315-2321.
- Romano C and Ratnatunga J. (1995). The Role of Marketing: Its Impact on Small Enterprise Research. *European Journal of Marketing*. 29(7): 9-30.
- Seth SJS (2010). SME Development in Pakistan and its growth contribution to Economic Development. *SMEDA Research Journal*. 1(1): 63-92.
- Sharma DS (2005). The association between ISO 9000 certification and financial performance. *The International Journal of Accounting*. 40 (2): 151-172.
- SME Policy 2007. *SME Led Economic Growth – Creating Jobs and Reducing Poverty*, Ministry of Industries, Production & Special Initiatives. Published by Small and Medium Enterprise Development Authority Pakistan. <http://www.smeda.org/downloads/smepolicy2007.pdf> (Last Accessed on April 19, 2011)
- Sousa-Poza A, Altinkilinc M & Searcy C (2009). Implementing a functional ISO 9001 quality management system in small and medium-sized enterprises. *International Journal of Engineering*. 3(3): 220-228.
- Talib F, Rahman Z and Qureshi MN (2011). An interpretive structural modelling approach for modelling the practices of total quality management in service sector. *International Journal of Modelling in Operations Management*. (3): 223 - 250.

REQUEST FOR FEEDBACK

Dear Readers

At the very outset, International Journal of Research in Commerce, IT and Management (IJRCM) acknowledges & appreciates your efforts in showing interest in our present issue under your kind perusal.

I would like to request you to supply your critical comments and suggestions about the material published in this issue as well as on the journal as a whole, on our E-mails i.e. **infoijrcm@gmail.com** or **info@ijrcm.org.in** for further improvements in the interest of research.

If you have any queries please feel free to contact us on our E-mail **infoijrcm@gmail.com**.

I am sure that your feedback and deliberations would make future issues better – a result of our joint effort.

Looking forward an appropriate consideration.

With sincere regards

Thanking you profoundly

Academically yours

Sd/-

Co-ordinator

ABOUT THE JOURNAL

In this age of Commerce, Economics, Computer, I.T. & Management and cut throat competition, a group of intellectuals felt the need to have some platform, where young and budding managers and academicians could express their views and discuss the problems among their peers. This journal was conceived with this noble intention in view. This journal has been introduced to give an opportunity for expressing refined and innovative ideas in this field. It is our humble endeavour to provide a springboard to the upcoming specialists and give a chance to know about the latest in the sphere of research and knowledge. We have taken a small step and we hope that with the active co-operation of like-minded scholars, we shall be able to serve the society with our humble efforts.

Our Other Journals

