

**THE INFLUENCE OF QUALITY MANAGEMENT  
INITIATIVES ON HUMAN RESOURCE PRACTICES:  
An Empirical Investigation of Sri Lankan Apparel  
Manufacturing Organizations**

By

**W.N.D. Fernando  
(GS/MC/1851/2001)**

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## Author's Declaration

The work described in this thesis was carried out by me under the supervision of Dr Vathsala Wickramasinghe and a report on this has not been submitted in whole or in part to any university or any other institution for another degree/diploma



.....

W.N.D. Fernando  
(GS/MC/1851/2001)

Author

## Certification

I hereby recommend that the thesis was prepared under my supervision by W.N.D. Fernando (GS/MC/1851/2001) entitled “The influence of quality management initiatives on Human resource practices: An empirical investigation on Sri Lankan apparel manufacturing organizations” be accepted in partial fulfillment of the requirements for the degree of Master of Science in Management

  
.....  
Dr Vathsala Wickramasinghe

Thesis Adviser

Approved by the Examining Committee: .....

.....

MSc. (Management) Program  
Faculty of Graduate Studies  
University of Sri Jayawardenepura  
Sri Lanka

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## ABSTRACT

The purpose of this study is to find out the influence of quality management initiatives on human resource practices in the apparel manufacturing organizations. The specific objectives of the study were to investigate the nature of quality management practices adapted by Sri Lankan apparel manufacturing organizations, to investigate the way in which quality management initiatives influenced the organizations, to investigate the involvement of the HR departments in quality initiatives, to investigate changes occurred in managing human resource due to quality initiatives and to investigate whether quality initiatives influenced the work systems, employee learning and motivation and employee well being and satisfaction. The global apparel industry is facing many challenges with the phasing out of the Multi-Fibre Agreement (MFA) and with the entry of low cost producers such as China, India and Bangladesh to the Global Apparel market. The removal of the quota system enabled buyers to procure from the most efficient producers posing a threat to those manufacturers competing solely on price. This scenario also created an opportunity to manufacturers who have been competing on quality and supplying garments to the higher end of the market to enhance their export volumes. As apparel industry is highly labour incentive improving the quality of their human resource will be a competitive advantage.

The Human Resource Management and Development category of Malcolm Baldrige Quality Award (MBNQA) and the four levels in the evaluation of Total Quality Management model by Dale and Plunkett (1990) served in conceptualizing and operationalizing variables of the study. In this study three questionnaires were distributed. 30 HR managers, 30

production managers and 87 machine operators respondent to the questionnaire from 30 organization. The data gathered were analyzed using SPSS 11.0 software package.

The findings of the study revealed that majority of the organizations have not moved beyond quality assurance level. Only organizations with over 1000 employees have obtained quality standards and awards. This empirical investigation revealed that the main changes occurred after implementation of quality are reduction in scrap levels and rework levels and the main result of introducing a quality management system was giving greater emphasis on on-the job training. With the implementation of quality many organisations have set up a separate HR department but unfortunately most of these HR departments do not get fully involved in quality initiatives. Study revealed that compensation is the HR activity mostly influenced by quality management initiatives as employees are paid incentives on higher efficiency, salary encashment on their attendance and salaries based on experience and education.

The study also revealed that work activities of the companies are well organized and methodical making it easy to implement Quality Management techniques. The study provides insight to quality initiatives currently being practiced in the industry, where both Academics and Managers of the different Organizations can make use of these findings. This study also reveals the drawbacks and areas where future improvement can be made, where by making this study a useful one for the development of the Apparel Industry.