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ISO Implementation & Survey for Automobile Industry

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To assure the quality, one has to ensure the quality. To ensure the quality it is important to make systematic control at each and every stage and also to take critical review of efforts and achievement of the company with respect to quality of product. For making systematic controls, co-ordination of every employee is needed, since quality on every person working within the organization. Every employee's involvement is utmost important in understanding the problems, finding solution and implementing them, all these action would lead to maintain and improve quality of the product and reliability. The manufacturer can assure the quality of its product and can guarantee its performance with full confidence, sound quality assurance system thus helps to maintain/improve the quality in the products and hence the reputation of the firm and better customer relations. Poor assurance quality system results in a production of products that are poor in and reliability system

Meaning of Quality: The integration of these three aspects of a product can be achieved through a sound quality control system. The meaning of "Quality" is

- a) To satisfy customers expectations.
- b) A relatives term and is generally used with references to the end use the products.
- c) The degree to which requirements are fulfilled by a set of inherent characteristics.

EVOLUTION OF ISO:9000 STANDARDS

The ISO 9000 standard has been continually revised by advisory groups and technical committees who regularly receive feedback from the professionals who implement the standards.

ISO 9000 include five International Standards for the assurance of Quality.

ISO 9000 provides guidelines for the four other standards.

ISO 9001 is intended for the suppliers who do a lot in design and customization.

ISO 9002 include standards for production and installation.

ISO 9003 provide guidelines for the final test and inspection.

ISO 9004 is designed for the managers to develop a substantial system of quality.

The ISO 9000 standards can't be considered as rules but merely a set of guidelines to organize the processes and make them more cost effective.

Brown and Van der Wiele (1995) identified similar reasons for seeking ISO 9000 certification in a survey of 160 Western Australian companies. These reasons include customer requirements, marketing, to improve customer service, internal efficiency and as a basis for a quality push. These findings indicate that the pressure on suppliers from their customers is the only reason that compels them to look for ISO certification to standards.

Acc. to Ken R. Beattie (1999) ISO 9000 is about giving confidence that the supplier can meet consistently the customer's requirements. This is

seen to be the major benefit of ISO 9000 certification from the customer's point of view. Firms recognize this move to certification either to defend their market position or as a market share strategy. Governments see ISO 9000 certification as a means of increasing the efficiency of the organizations, which will eventually allow business to gain overseas markets and improve the balance of trade. In the analysis this fact is supported by 20% of the firms that have improved communications with their own suppliers as a result of implementation of the ISO system.

Acc. to Fethi Calisir , Cahit A. Bayraktar and Berna Beskese (2001) Past researches on ISO 9000 have focused primarily on defining motivation of the companies for the implementation of ISO 9000, evaluating their experiences with the implementation of ISO 9000 and analyzing the impact of the operating characteristics associated with small and large organizations on the benefits from ISO 9000. The purpose of this study was to explore the effect of various factors on large companies' satisfaction with ISO 9000 implementation. Focus was placed on comparing the impact of improvements generated after implementing ISO 9000 with the impact of difficulties experienced in ISO 9000 implementation process. A regression model predicting large companies' satisfaction with ISO was developed. From a practical perspective, the model reveals that placing emphasis on generating operational improvements may lead to higher satisfaction with ISO 9000.

PRESENT STATUS OF ISO 9000 IN INDIAN AUTOMOBILE INDUSTRIES

This chapter includes the current status of ISO 9000 in Indian automobile industry. It includes ISO 9000, reason for use, back ground, global adaptation, and certification, auditing, industry specific interpretation, effectiveness and advantages.

ISO 9000

The ISO 9000 family of standards is concerned with the quality management systems and

designed to help and ensure the organizations that they meet the needs of customers and other stakeholders while meeting regulatory and statutory requirements related to the product. The standards are published by ISO (the International Organization for standardization) and available through National bodies of standards. ISO 9000 deals with the fundamentals of the quality management system along with the eight principles of management on which the family of standards is based. ISO 9001 deals with the requirements that organizations have to fulfill to meet the standard.

Third party certification bodies provide independent confirmation that the organizations meet the requirements of ISO 9001. More than a million of organizations worldwide have been certified independently making ISO 9001 one of the most widely used management tools in the world today. Despite worldwide use however the process of ISO certification has been criticized as being waste and not being useful for all the organizations.

REASONS FOR USE

The worldwide adoption of ISO 9001 standards may be attributable to many factors. Most of the purchasers want that their suppliers must hold ISO 9001 certification. In addition to the benefits of several stockholders, many studies have identified the significant financial benefits for organizations which are certified to ISO 9001, with a survey (2011) from the British Assessment Bureau showing 44% of their certified clients had won the new business. Corbett et al. showed that certified organizations have achieved superior return on the assets as compared to the similar organizations which are not certified. Heras et al. (2002) found similarly superior performance and concluded that this was statistically significant and not a function of the size of the organization. Naveha and Marcus (2005) found that implementing ISO 9001 led to superior operational performance in the US motor carrier industry. Sharma (2007) identified similar improvements in operating performance

and linked this to superior financial performance. Chow-Chua et al. (2007) showed that better overall financial performance was achieved for companies in Denmark. Raj and Tamimi (2003) concluded that ISO 9001 certification resulted in superior stock market performance and suggested that shareholders were richly rewarded for the investment in an ISO 9001 system. While the connection between superior financial performance and ISO 9001 may be seen from the examples cited, there remains no proof of direct causation though longitudinal studies such as those of Corbett et al. (2005) may suggest it. Other writers, such as Heras et al. (2002), have suggested that while there is some evidence of this the improvement is partly driven by the fact that there is a tendency for better performing companies to seek ISO 9001 certification.

The mechanism for the improvement of results has also been the subject of research. Lo et al. (2007) identified operational improvements (reduction in cycle time and reductions of inventory etc.) as following from certification. Internal improvements of the processes in organizations lead to externally observable improvements in the results. The benefits of increased trade in international and domestic market share in addition to the internal benefits such as customer satisfaction, work processes, interdepartmental communications and customer/supplier partnerships derived far exceeds any and all the initial investments.

RESULTS

After study the all factors of ISO 9001:2000 implemented in industry a sharp result comes out that industry is continuous improvement of quality of products, process and services. We saw that the rejection rate, rework of the industry is decrease and the Quality standard, Sale & Production of product in the industry increase year by year continuously. After implementing ISO 9001:2000 in Dan Block Brakes industry, some changes comes in industry in the last five years.

- a) Production increase 8.13% to 19.38%.
- b) Sale increase 94.52% to 97.86%.
- c) Rejection rate decrease 8.47% to 3.76%.
- d) Rework rate decrease 3.42% to 0.71%.

SCOPE FOR FUTURE WORK

International organization for Standardization (ISO) can play a vital role to bring a quality revolution in Indian industries owing to its ability to comprise the advanced and sophisticated quality improvement in systematic manner used by different organizations. This approach may be helpful to find out the ways and means to improve the present situation in Indian by developing the specific time bound quality improvement action plans.

Moreover, ISO seems to generate awareness about the quality in every sector of Indian industries. But its effectiveness depend upon interpersonal behavior of Indian work force in work situation, people's socialization behavior pattern, personality traits, attitude and values as told by quality manager. In general, there is need to use concept of ISO more and more to reap its maximum benefits. More and more cases must be critically examined.

Yearly Production Increase Rate (%)

Year	Production (set)	Growth Rate
2011	7679154	8.13%
2012	8379154	9.12%
2013	9290485	10.88%
2014	10357611	11.49%
2015	12365115	19.38%

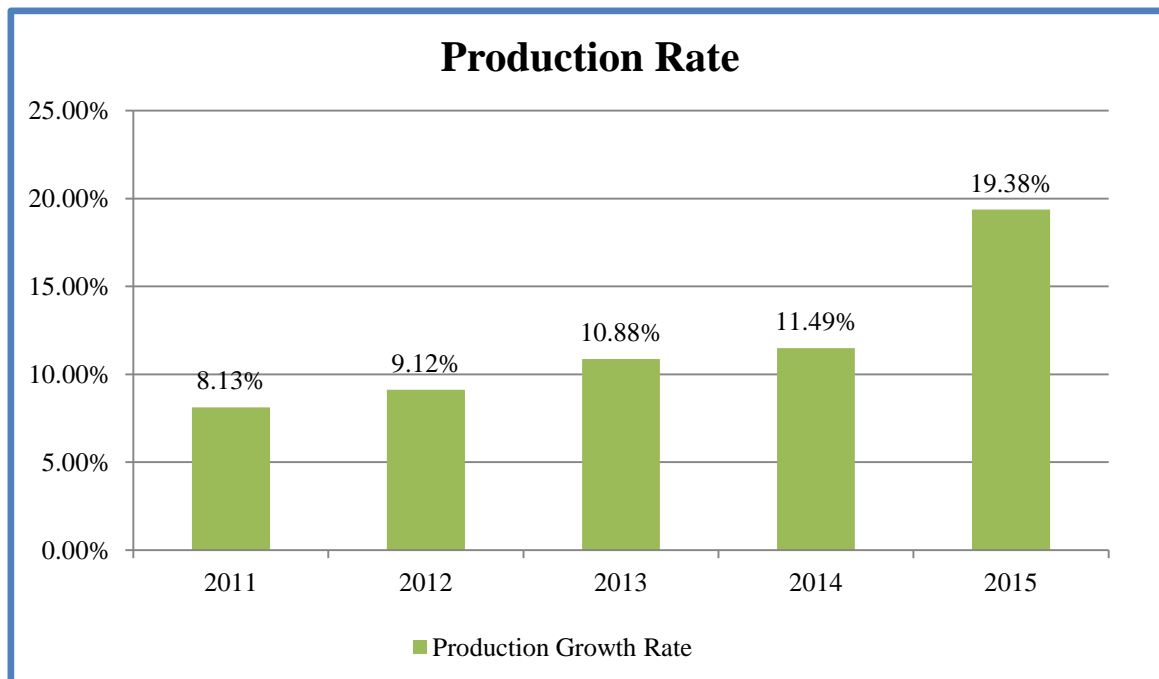


Fig. No 1– Graph b/w Production Increase Rate (%) and Time (Year)

**Dan Block Brakes India Pvt. Ltd.
Yearly Sales Increase Rate (%)**

Year	Sales (set)	Growth Rate
2011	7,258,132	94.52%
2012	7,963,043	95.03%
2013	8,958,788	96.43%
2014	9,998,995	96.54%
2015	12,100,098	97.86%

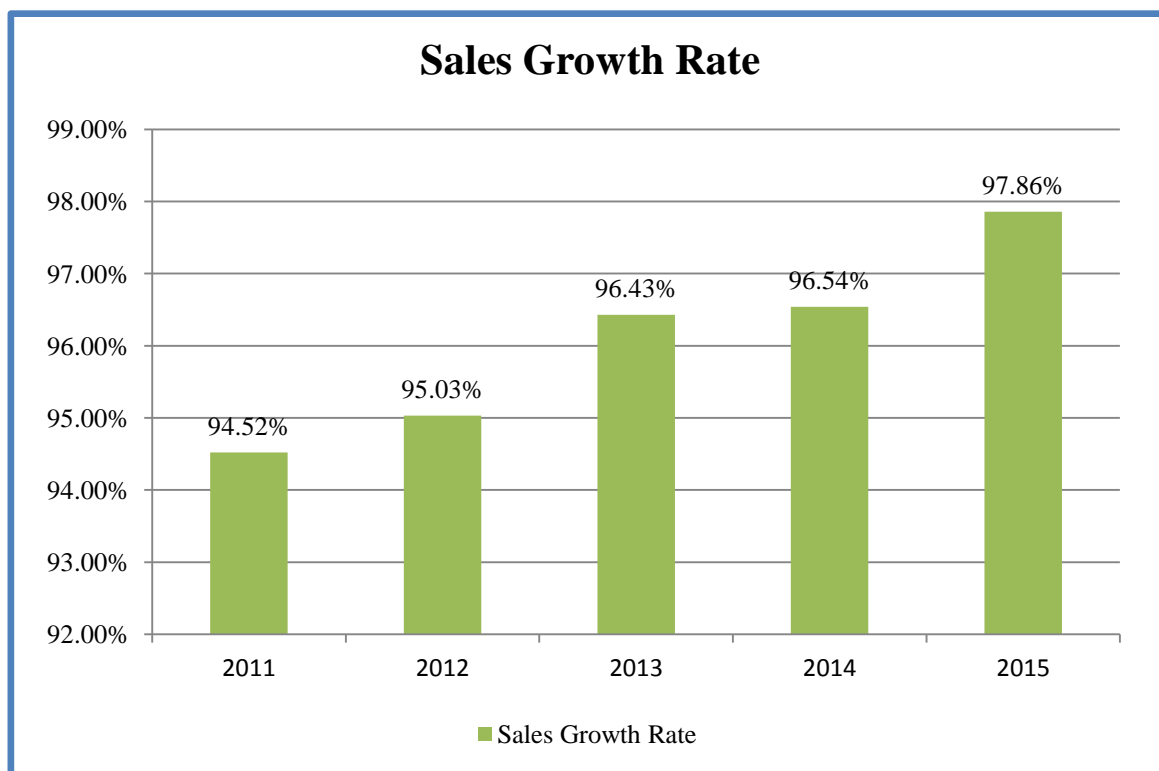


Fig. No. 2 Graph b/w Sales Increase Rate (%) and Time (Year)

Dan Block Brakes India Pvt. Ltd.
Yearly Rejection Decrease Rate (%)

Year	Rejection (set)	Rejection Rate
2011	650,726	8.47%
2012	535,092	6.39%
2013	525,017	5.65%
2014	501,347	4.84%
2015	464,465	3.76%

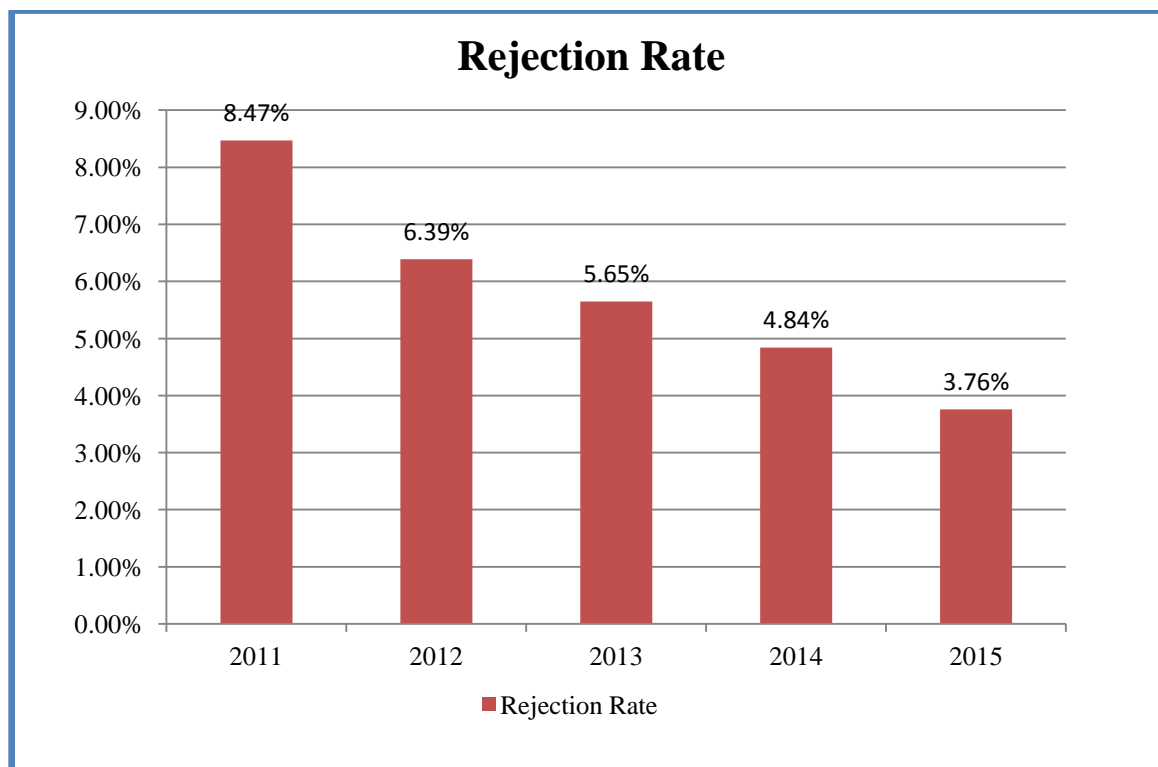


Fig. No. – 3 Graph b/w Rejection Rate Decrease (%) and Time (Year)

Dan Block Brakes India Pvt. Ltd.
Yearly Rework Decrease Rate (%)

Year	Rework (set)	Rework Rate
2011	262,450	3.42%
2012	192,244	2.29%
2013	142,575	1.53%
2014	110,899	1.07%
2015	87,769	0.71%

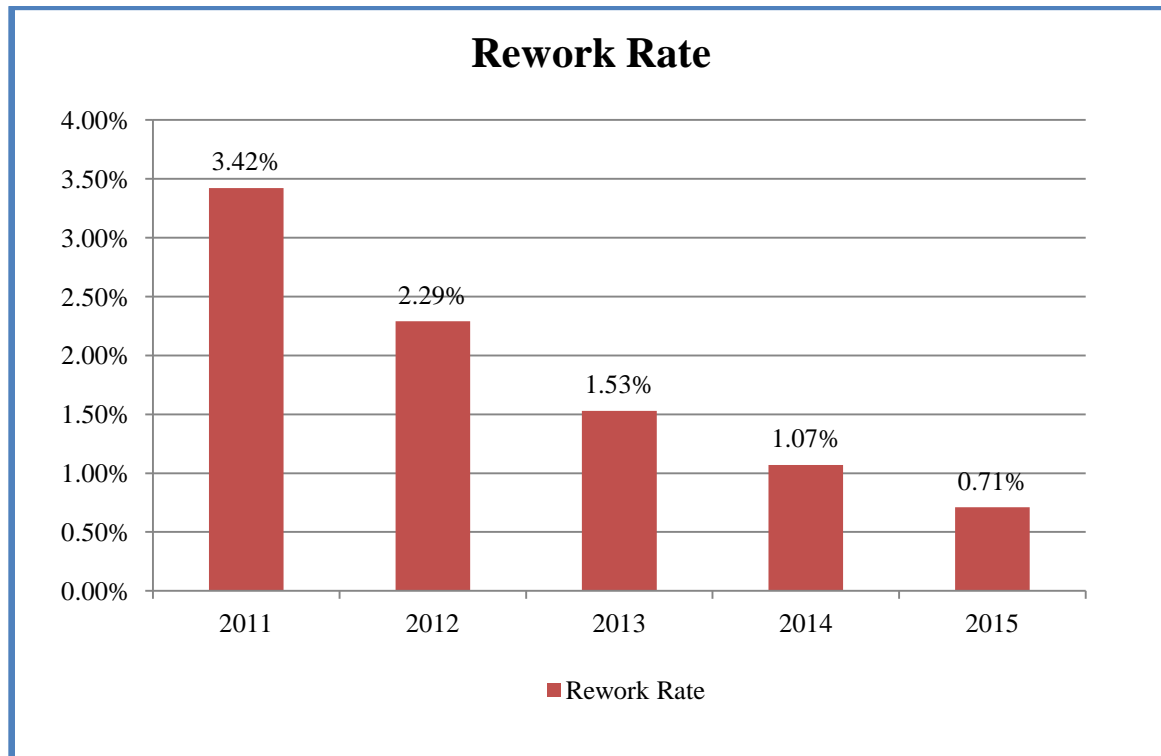


Fig. No. – 4 Graph b/w Rework Rate Decrease (%) and Time (Year)

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