

**QUALITY MANAGEMENT AND ORGANIZATIONAL  
PERFORMANCE OF GARMENT INDUSTRY IN SRI LANKA**



**PERIYASAMY RAJAN NIROSHA**

**REG NO: EU/IS/2013/COM/41**

**INDEX NO: COM 1691**



**A project report submitted to the Faculty of Commerce and Management, Eastern University, Sri Lanka, as a partial fulfilment of the requirement for the Degree of Bachelor of Commerce Honours.**

**DEPARTMENT OF COMMERCE  
FACULTY OF COMMERCE AND MANAGEMENT  
EASTERN UNIVERSITY  
SRI LANKA**

**2019**

**PROCESSED  
MAIN LIBRARY, EU SL**

## Abstract

The main purpose of this study is to identify whether the quality management practices impact on organizational performance of the garment industry in Sri Lanka. Hence, this study examines the influence of three dimensions of Quality Management, namely Top Management Commitment, Continuous Improvement. The study is mainly considering the primary data. The primary data were collected through closed structure questionnaire from 150 respondents from Garment Industry in Sri Lanka and used univariate, bivariate and multivariate analysis techniques in order to analyse data and find the results of study objectives. The findings of this study revealed that Quality Management (Top Management Commitment, Customer Focus and Continuous Improvement) have positive impact on Organizational Performance. Further, the practices of Quality Management have high level of contribution to determine the Organizational Performance of the Garment Industry in Sri Lanka. The findings of this study have various managerial implications for other manufacturing firms and other industries.

**Keywords:** Quality Management, Top Management Commitment, Customer Focus, Continuous Improvement, Organizational Performance.

## Table of Contents

Acknowledgement.....	i
Abstract.....	ii
Table of Contents.....	iii
List of Table.....	vi
List of Figures.....	ix
Abbreviations and Acronyms.....	x
<b>Chapter-1- INTRODUCTION.....</b>	<b>1</b>
1.1 Background of the Study.....	1
1.2 Research Problem/Gap.....	4
1.3 Research Questions.....	5
1.4 Research Objectives.....	5
1.5 Significance of the Study.....	5
1.6 Scope of the Study.....	6
1.7 Assumption of the study.....	6
1.8 Limitation of the study.....	7
1.9 Chapter Summary.....	7
<b>Chapter-2-LITERATURE REVIEW .....</b>	<b>8</b>
2.1 Introduction.....	8
2.2 Theoretical Literature.....	8
2.3 Quality Management Practices.....	11
2.4 Organizational Performance.....	13
2.5 Quality Management and Organizational Performance.....	15

2.6 Derive the Conceptual Model.....	16
2.7 Research Gap.....	17
2.8 Chapter Summary.....	20
<b>Chapter-3-CONCEPTUALIZATION AND OPERATIONALIZATION .....</b>	<b>21</b>
3.1 Introduction.....	21
3.2 Conceptualization.....	22
3.3 Quality Management.....	23
3.4 Organizational Performance.....	24
3.5 Operationalization.....	25
3.6 Chapter Summary.....	27
<b>Chapter-4-RESEARCH METHODOLOGY.....</b>	<b>28</b>
4.1 Introduction.....	28
4.2 Research Philosophy.....	28
4.3 Research Approach.....	28
4.4 Research Strategy.....	29
4.5 Time Horizon.....	29
4.6 Type of Study.....	29
4.7 Population & Sample Size .....	29
4.8 Data Collection.....	31
4.9 Methods of Data Analysis.....	31
4.10 Chapter Summary.....	37

<b>Chapter-5- DATA PRESENTATION AND ANALYSIS.....</b>	<b>38</b>
5.1 Introduction.....	38
5.2 Data Presentation for Personal Information.....	38
5.3 Reliability Analysis.....	42
5.4 Data analysis for Research Information.....	43
5.5 Chapter Summary.....	57
<b>Chapter-6- FINDINGS AND DISCUSSION.....</b>	<b>58</b>
6.1 Introduction.....	58
6.2 Discussion of Research Information.....	58
6.3 Discussion of research objective.....	61
6.4 Chapter Summary.....	61
<b>Chapter-7- CONCLUSION AND RECOMMENDATIONS.....</b>	<b>62</b>
7.1 Introduction.....	62
7.2 Conclusion.....	62
7.3 Recommendations .....	64
7.4 Implication for the Future Research.....	64
<b>List of Reference.....</b>	<b>65</b>
<b>Appendix .....</b>	<b>71</b>

## List of Tables

### Chapter-3

Table 3.1: Summary of Operationalization.....	25
---	----

### Chapter-4

Table: 4.1 Sampling.....	30
--------------------------	----

Table 4.2: Decision Reliability Analysis.....	32
---	----

Table 4.3: Decision Rule for Univariate Analysis.....	33
---	----

Table 4.4: Decision Rule for Correlation Analysis.....	34
--	----

### Chapter-5

Table 5.1: Frequency Distribution of Job Position.....	38
--	----

Table 5.2: Frequency Distribution of Gender.....	39
--	----

Table 5.3: Frequency Distribution of Age.....	39
---	----

Table 5.4: Frequency Distribution of Education Level.....	40
---	----

Table 5.5: Frequency Distribution of Working Experience.....	40
--	----

Table 5.6: Frequency Distribution of employee status.....	41
---	----

Table 5.7: Frequency Distribution of market region .....	41
--	----

Table 5.8: Frequency Distribution of organization standardization .....	41
---	----

Table 5.9: Frequency Distribution of employees.....	42
---	----

Table 5.10: Reliability Analysis for Over All Variables.....	42
--	----

Table 5.11: Reliability Analysis for Overall Dimensions .....	43
---	----

Table 5.12: Overall Value for Quality Management Practices .....	44
--	----

Table 5.13: Overall Frequency Level of Quality Management Practices.....	44
--	----

Table 5.14: Mean and Standard Deviation of Top Management Commitment.....	45
---	----

Table 5.15: Frequency Level of Top Management Commitment.....	45
Table 5.16: Mean and Standard Deviation of customer focus.....	46
Table 5.17: Frequency Level of customer focus .....	46
Table 5.18: Mean and Standard Deviation of Continuous Improvement.....	47
Table 5.19: Frequency Level of Continuous Improvement .....	47
Table 5.20: Overall Values of Organizational Performance.....	48
Table 5.21: Overall Frequency Level of Organizational Performance.....	49
Table 5.22: Correlation between Top Management Commitment and Organizational Performance .....	49
Table 5.23: Correlation between customer focus and Organizational Performance .....	50
Table 5.24 Correlation between Continuous Improvement and Organizational Performance .....	51
Table 5.25 Model Summary of Simple Linear Regression for Top Management Commitment and Organizational Performance.....	52
Table 5.26 Coefficient of Simple Linear Regression between Top Management Commitment and Organizational Performance.....	52
Table 5.27 Model Summary of Simple Linear Regression for Customer Focus Involvement and Organizational Performance .....	53
Table 5.28 Coefficient of Simple Linear Regression between Customer Focus and Organizational Performance .....	53
Table 5.29 Model Summary of Simple Linear Regression for Continuous Improvement and Organizational Performance .....	54
Table 5.30 Coefficient of Simple Linear Regression between Continuous Improvement and Organizational Performance.....	54

Table 5.31 Model Summary of Stepwise Multiple Linear Regression for Quality Management and Organizational Performance .....55

Table 5.32 Coefficient of Multiple Linear Regression between Quality Management Practices and Organizational Performance.....56