



Impact of implementation of Quality Management System on the improvement of bottom line management in certified black tea factories in Sri-Lanka: Reference to I.S.O 9001, 2000

By

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Abstract

Tea industry in Sri-Lanka reached maturity some time ago and now is in critical period when fundamental changes are taken in the competitive environment. The challenge for Sri Lanka's tea industry is to minimize the impact of price swings on its profit margins. Overall, the industry has been slow to innovate, upgrade, add value, and move closer to consumers needs. The Sri Lankan tea industry has tremendous potential for future growth and employment generation with an industry strategy aimed at enhancing productivity and quality at the factory level to be price competitive

With the introduction of I.S.O 9001 2000 Quality Management System Standard buyers demand the applications of standard in tea industry too as other industries. Tea factories in Sri-Lanka have implemented and maintain I.S.O 9001 2000 quality management system with the aim of two perspectives one as marketing tool whilst other as system improvement tool. Hence problem arises whether the tea factories have really gained any improvement in their management system leading to bottom line improvement. Therefore objective of this study to investigate the impact of I.S.O 9001 2000 Quality Management System after the implementation in Sri-Lankan Tea factories.

The 15 no's of I.S.O Certified black tea factories in Sri-Lanka were included in the research study out of 25 certified factories. Using structured questionnaire developed by the researcher in line with the concept of process approach in the standard, forty five respondents from the category of superintends, factory officers and operators were interviewed. The data collected were analyzed using the sign test and two tail hypothesis test to test statistics.

In conclusion findings of the study reveal that there are significant improvements to the bottom line management of the black tea factories in Sri-Lanka as results of the implementation of the I.S.O 9001 2000 Standard. In this new theoretical paradigm shift in the factories ensures the effective management operation which results to be competitive in this new emerging era

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