

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME**

**THE EFFECT OF ISO PRACTICES ON
ORGANIZATIONAL PERFORMANCE OF
AYEYAR HINTHAR TRADING COMPANY LIMITED**

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EMBA II – 14

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AYEYAR HINTHAR TRADING COMPANY LIMITED
ACADEMIC YEAR (2018-2022)

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A Thesis submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA)

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ACCEPTANCE

This is to certify that the thesis entitled “**The Effect of ISO Practices on Organizational Performance of Ayeyar Hinthar Trading Company Limited**” has been accepted by the Examination Board for awarding Master of Business Administration (MBA) degree

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ABSTRACT

This study is to analyze the effects of ISO practices on organizational performance of Ayeyar Hinthar Trading Company Limited and examine the moderating effects of organizational policies and market dynamics on relationship between ISO practices and organizational performance. The study uses both descriptive and analytical methods. The respondents are selected by using simple random sampling method. For primary data, structured questionnaire (5- point Likert scale) is used to collect data from 116 respondents who are all the executives and above level from management teams. Secondary data were collected from the report of respective functional departments of the company and reference paper from the internet and texts. The study found that handling and storage has the significant effect on all organizational performance variables including organizational productivity, quality of product, and cost of product. Senior management commitment has the significant effect on quality of product and cost of product. The factor of internal and external audits is highlighting to improve organizational productivity and cost of product. Supplier vetting is influencing factor for quality of product. For the analysis of the study on the moderating effect of organizational policies relationship between ISO practices on organizational performance, it is found that organizational policies have a positive partial moderating effect on relationship between supplier vetting and organizational productivity. However, organizational policies have a negative partial moderating effect on relationship between internal and external audits and organizational productivity. Moreover, organizational policies have a partial effect on relationship between senior management commitment and quality of product. However, Organizational policies have no moderating effect on relationship between ISO practices and cost of product. As the results of analysis on the moderating effect of market dynamics relationship between ISO practices on organizational performance, market dynamic has a positive partial moderating effect on relationship between supplier vetting and organizational productivity. Market dynamic has a negative partial moderating effect on relationship between internal and external audits and organizational productivity. However, there is no significant moderating effect of market dynamics relationship between ISO practices and quality of product and also relationship between ISO practices and cost of product.

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LIST OF ABBREVIATIONS

ANTRAM	Portuguese Association of Transportation Companies
BODs	Board of Directors
H & S	Handling and Storage
I & E A	Internal and External Audits
ISO	the International Organization for Standardization
MD	Market Dynamic
MMK	Myanmar Kyat
MT	Metric Ton
OP	Organizational Polices
PESTLE	Political, Economic, Social, Technology, Legal, Environmental
QMS	Quality Management System
RBD	Refined, Bleached and Deodorized
SMC	Senior Management Commitment
SPSS	Statistical Package for the Social Sciences
SV	Supplier Vetting
SWOT	Strengths, Weaknesses, Opportunities and Threat
TQM	Total Quality Management
VIF	Variance Inflation Factor

CHAPTER 1

INTRODUCTION

A crucial thing for every organization to survive in the local and global competition that continues to keep in line with the development of business in the current era of globalization is improving the quality of products or services. All levels of government and public organizations around the world are facing unprecedented changes, challenges and complexity which affect their ability to function (KPMG, 2011). The public sector is encountering the problem of how to provide quality products and services to its customers in an efficient and effective way that has called for the adoption of quality management systems. These challenges are forcing service providers from public sector to improve their operations concerning with product and process quality in the sector to high levels (Box, 1999). Thus, organizations worldwide try to find various ways of enhancing their organizational performance although the ways vary from one organization to another depending on the actual functions of each organization. There is increasing pressure on firms to continually innovate in new products and to upgrade the quality of existing goods and services in the current business environment. The major interest of a company should be the customer satisfaction and it should observe their needs and demands to maintain a competitive edge and survive in the market.

It requires organizational initiatives and motivation to change the strategy by improving the quality management of products and services to survive in today's challenging environment. Providing quality products and services that are adapted to the expectations and demands of consumers will have an effect on the success and attaining organizational goals (Chumba et al., 2019). Therefore, the standard of quality assurance is required by the company before supplying products and services to customers. The ISO 9001 quality standard issued by the International Organization for Standardization (ISO) is one kind of such standard. Most of the firms in both developed and developing countries have practiced ISO certification. ISO itself is not a certifying frame but rather provider of standards against which organizations can assess their processes and systems. This is a means through which organizations can benchmark themselves to others globally and see where they stand in comparison to similar organizations. Standards are meant to improve efficiencies in an organization that improve performance.

The ISO 9001 standards are quality management standards that embrace principles of TQM and integrate organizational concerns with customer satisfaction, shareholder satisfaction, process efficiency, and employee wellbeing (Lakhal, 2014). ISO 9001 includes organizational practices across sectors with its application being relevant to organizations regardless of the business they are in.

Many organizations in Myanmar and across the world are adopting ISO 9001:2015 in an endeavor to improve their processes and process quality. Process quality plays a vital role in the performance and survival of organizations in the current competitive world. Process-centered quality improvement techniques such as TQM, and ISO 9001:2015 that are popular in the manufacturing sector are being applied to help improve process and service quality in the public sector. Ayeyar Hinthar Trading Company Limited is one of the organizations competing in the rapidly domestic market of this country which has embraced ISO certification to improve production processes and the acceptable quality levels of products and services.

Organizational performance involves analyzing a company's performance against its objectives and goals. In other words, organizational performance comprises real results or outputs compared with intended outputs. There are three main areas of organizational performance which are financial performance, market performance and shareholder value. Financial performance refers to measuring a company's operations and policies in monetary terms (in terms of value in dollars, pounds, euros, etc.). Market performance measures how well a company or product performs in the marketplace whether a product's market share has risen if product upgrades helped boost sales, etc. Shareholder value performance looks at how much a company enriches its shareholders.

Many organizations around the world receive ISO certification in various sectors if they meet the requirements of ISO standards in the performance of their organizations. Therefore, there are various kinds of research on organizational performance of different organizations in numerous sectors. The real key issue is assessing the impact of ISO 9001 standard on companies' performance, which can clarify whether ISO 9001 can have any benefit for the organizations or not. Thus, this paper used existing empirical studies that analyzed the influences of ISO 9001 standard on different perspectives of performance in order to achieve the objective of the study, and determined what exactly the relationship between this standard and performance was in the organization.

1.1 Rationale of the Study

The term quality carries a significant implication to both manufacturing organizations and customers. Manufacturing organizations imply that their survival depends exceedingly on producing high quality products and services. Whereas, customers imply that quality is the one which satisfy or exceed their expectations at the minimum possible cost. Therefore, manufacturing organizations are persistently struggling hard to enhance their product quality at every stage and accomplish the expectations of the customers. But the biggest challenge before this sector is maintaining high quality standards to meet changing needs and expectations of the customers. Therefore, manufacturing organizations these days started showing interest in implementing ISO 9001 standards. Numerous manufacturing organizations are attracted towards ISO 9001 standard based on the belief that ISO 9001 standard is a solution for various quality issues (Ahmed, 2017). Organizations try to get ISO 9001 certification for various reasons, namely, customer requests, as a quality management tool, promoting tool. Therefore, the main motive behind ISO 9001 standard is to enhance overall organizational performance.

One of Myanmar's leading exporters of rice, Ayeyar Hinthar possesses a large, modern warehouse including three rice mills in west Yangon and smaller storage and processing facilities in other parts of the country. The Group also owns a packaged rice goods company running in the domestic market under the "Ayeyar" brand that is a market leader in Myanmar. Ayeyar Hinthar Group is also Myanmar's leading palm oil importer and has been active in the sector for many years. It imports palm oil from Malaysia and Indonesia. Edible vegetable oil from the group is put on sale in consumer and bulk packs to the domestic market with the brand name of "Hinthar Oil". To achieve food security and ensuring uninterrupted access to competitive markets, the group practices ISO 9001:2015 standards which help to increase the quality of rice reaching international standards. This study focused on the practices of ISO 9001 quality management standards of Ayeyar Hinthar Trading Company Limited which tries to improve the quality of rice and oil like in most countries entering into international as well as regional trade agreements and thereby opening its market to the outside world.

1.2 Objectives of the Study

The objectives of the study are as follows:

- (1) To analyze the effects of ISO practices on organizational performance of Ayeyar Hinthar Trading Company Limited;
- (2) To examine the moderating effects of organizational policies and market dynamics on relationship between ISO practices and organizational performance.

1.3 Scope and Method of the Study

This study analyzed the effects of ISO practices on organizational productivity, quality of product and cost of product of Ayeyar Hinthar Trading Company Limited. Analytical method was used in this study. To conduct the study, both types of primary and secondary data were used. The study used simple random sampling method to select the 116 respondents who are all the executives and above level from 163 management staffs of Ayeyar Hinthar Trading Company Limited applying ISO practices. Primary data were collected from employees with structured questionnaire including 5 points Likert scale questions related to ISO practices. Survey period was started in December 2021 and took around 1 month. Secondary data were collected from the report of respective functional departments of the company and paper from the internet and texts.

1.4 Organization of Study

This thesis is organized into five chapters. Chapter (1) is introduction including rationale of the study, objectives of the study, methodology and sources of data, scope and limitation of the study and organization of the paper. Chapter (2) is literature review providing theoretical background the study. Chapter (3) presents history of quality management principles of ISO 9001 and its revision and ISO practices in Ayeyar Hinthar Trading Company Limited. Chapter (4) factors influencing ISO practices on organizational performance of Ayeyar Hinthar Trading Company Limited are analyzed. Chapter (5) entails conclusion which includes findings and discussions, suggestion and recommendations drawn from the findings and the need for further study.

CHAPTER 2

LITERATURE REVIEW

This chapter presents TQM, Deming Theory, ISO practices, organizational performance, moderating factors, review on previous studies and conceptual framework of the study.

2.1 TQM Concept

TQM means total quality management; it consists of several parts and is generally thought to be a “management philosophy and mindset”. It is perceived to develop organizations into world-class companies. TQM is said to help organizations that want to improve customer satisfaction, reliability, productivity and market share (Sharma & Gadenne, 2008). In the 1950s, Deming introduced the TQM quality philosophy adopted by the Japanese, which enabled Japanese manufacturers to make better progress in quality-related matters (Fotopoulos & Psomas, 2008). The use of TQM received widespread attention, and by the late 1980s it had been implemented by numerous large corporations (Powell, 1995; Ahire et al., 1996). In contrast to certification, no common principles have been agreed upon for the implementation of TQM, and available guidance is quite vague (Gotzamani & Tsiotras, 2002).

2.2 Deming Theory

The theoretical essence of the Deming approach to TQM concerns the creation of an organizational system that fosters cooperation and learning for facilitating the implementation of process management practices, which, in turn, leads to continuous improvement of processes, products, and services as well as to employee fulfillment, both of which are critical to customer satisfaction, and ultimately, to firm survival (Anderson et al., 1994a). Deming (1986) stressed the responsibilities of top management to take the lead in changing processes and systems. Leadership plays in ensuring the success of quality management, because it is the top management’s responsibility to create and communicate a vision to move the firm toward continuous improvement. Top management is responsible

for most quality problems; it should give employees clear standards for what is considered acceptable work, and provide the methods to achieve it. These methods include an appropriate working environment and climate for work-free of faultfinding, blame or fear.

Deming (1986) also emphasized the importance of identification and measurement of customer requirements, creation of supplier partnership, use of functional teams to identify and solve quality problems, enhancement of employee skills, participation of employees, and pursuit of continuous improvement. Anderson et al. (1994a) developed a theory of quality management underlying the Deming management method. They proposed that: The effectiveness of the Deming management method arises from leadership efforts toward the simultaneous creation of a cooperative and learning organization to facilitate the implementation of process-management practices, which, when implemented, support customer satisfaction and organizational survival through sustained employee fulfillment and continuous improvement of processes, products, and services.

The means to improve quality lie in the ability to control and manage systems and processes properly, and in the role of management responsibilities in achieving this. Deming (1986) advocated methodological practices, including the use of specific tools and statistical methods in the design, management, and improvement of process, which aim to reduce the inevitable variation that occurs from “common causes” and “special causes” in production. “Common causes” of variations are systemic and are shared by many operators, machines, or products. They include poor product design, non-conforming incoming materials, and poor working conditions. These are the responsibilities of management. “Special causes” relate to the lack of knowledge or skill, or poor performance. These are the responsibilities of employees. Deming proposed 14 points as the principles of TQM, which are listed below:

(1) Create constancy of purpose toward improvement of product and service, with the aim to become competitive and to stay in business, and to provide jobs.

(2) Adopt the new philosophy. We are in a new economic age. Western management must awaken to the challenge, must learn their responsibilities, and take on leadership for change.

(3) Cease dependence on mass inspection to quality. Eliminate the need for inspection on a mass basis by building quality into the product in the first place.

(4) End the practice of awarding business on the basis of price tag. Instead, minimize total cost. Move toward a single supplier for any one item, on a long-term relationship of loyalty and trust.

(5) Improve constantly and forever the system of production and service, to improve quality and productivity, and thus constantly decrease costs.

(6) Institute training on the job.

(7) Institute leadership. The aim of supervision should be to help people and machines and gadgets to do a better job. Supervision of management is in need of overhaul, as well as supervision of production workers.

(8) Drive out fear, so that people may work effectively for the company.

(9) Break down barriers between departments. People in research, design, sales, and production must work as a team, to foresee problems of production and in use that may be encountered with the product or service.

(10) Eliminate slogans, exhortations, and targets for the workforce asking for zero defects and new levels of productivity. Such exhortations only create adversarial relationships, as the bulk of the causes of low quality and low productivity belong to the system and thus lie beyond the power of the workforce.

(11) (a) Eliminate work standards (quotas) on the factory floor. Substitute leadership.

(b) Eliminate management by objective. Eliminate management by numbers, numerical goals. Substitute leadership.

(12) (a) Remove barriers that rob the hourly worker of his right to pride of workmanship. The responsibility of supervisors must be changed from sheer numbers to quality.

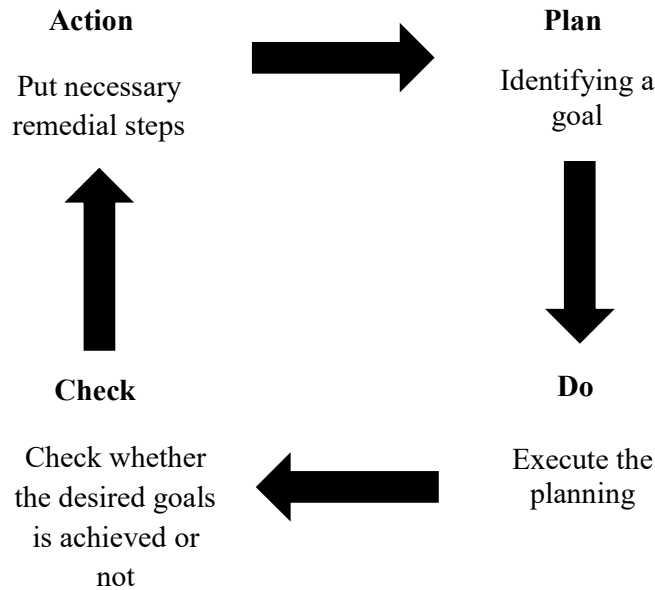
(b) Remove barriers that rob people in management and in engineering of their right to pride of workmanship. This means, inter alia, abolishment of the annual or merit rating and of management by objective.

(13) Institute a vigorous program of education and self-improvement.

(14) Put everybody in the company to work to accomplish the transformation. The transformation is everybody's job.

Another important philosophy is PDCA Cycle or known as the Deming Cycle, and it emerges in the Deming criteria application process. As shown in Figure (2.1), the Plan-Do-Check-Action is a systematic way of managing quality and provides steps for obtaining knowledge and essential learning for the continuous improvement of product development or process.

Figure (2.1) PDCA Cycle



Source: Alauddin & Yamada (2019)

It starts by identifying a goal or finding a problem, formulating the theory, and planning it into actions (Plan). The next step is to execute the planning and implement it as decided before (Do). After that, to continue the evaluation of whether the desired goals have been achieved or not (Check), and then determine what the necessary remedial steps are to achieve their goals (Action). These are the four steps that will be repeated all over again as part of a continuous improvement in every process.

2.3 ISO Practices

ISO certification certifies that a management system, manufacturing process, service, or documentation procedure has all the requirements for standardization and quality assurance. ISO (International Organization for Standardization) is an independent, non-governmental, international organization that develops standards to ensure the quality,

safety, and efficiency of products, services, and systems. ISO certifications exist in many areas of industry, from energy management and social responsibility to medical devices and energy management.

2.3.1 Evolution of International Organization for Standardization

International Organization for Standardization (ISO) is an organization that is independent and nongovernmental. Its members are 163 national standards bodies that conduct the drafting of ISO 9001 and various other international standards. ISO makes experts gather to share their knowledge and develop more relevant International Standards that support innovative solutions to global challenges through its 163 member organizations. While the delegates from 25 countries met at the Institute of Civil Engineers in London, they decided to create a new international organization to form the international coordination and unification of business standards easy since 1946. International Standards of 21,780 and related documents encompassing the aspects of technology and every sector of manufacturing including food safety had been issued. According to iso.org, ISO 9001 could be a standard that sets out the necessities for a high-quality management system. Businesses and organizations are more efficient and improve customer satisfaction of their business and organizations by practicing ISO 9001.

BS 5750 was the UK's very first quality management standard. This standard specified the management of manufacturing process rather than looking at what was manufactured. BSI adopted BS 5750 as an international standard like ISO in 1987. ISO 9001 with variants was developed to cover different types of business. Despite ISO 9001:1987 based on BS 5750's structure, there were three quality management systems. The first model highlighted quality assurance in design, development, production, installation and servicing for companies creating new products. The second model focused on the production, installation and service as the third covered final inspection and testing with no concern for how the product was made.

Instead of checking the final product, a particular emphasis is placed on product assurance using preventive actions in ISO 9001:1994. The previous versions of ISO changed radically pertaining to quality and process management and became the core of ISO 9001:2000. The aim was to first understand the client's requirements before designing processes. The standard was to look at how to continuously improve processes and track

customer satisfaction. ISO 9001:2000 was built on quality management whereas previous versions focused on quality control. The existing requirements of the 2000 version specification were made clearer in ISO 9001:2008. Some changes are incorporated to make it more compatible with ISO 9001:2004, the environmental management system standard. To promote a sustainable business approach ISO 9004 was revised later in 2009. This version concentrated on all stakeholders and not just customers and social conditions.

All ISO standards are reviewed every five years to make sure they are still current and relevant in the marketplace. That is why ISO 9001 is currently under review– at Committee Draft stage – and an updated version is due towards the end of 2015. The Committee Draft stage is the first consultation in the development of an ISO standard where members who have chosen to take part in the revision, will form a national position on the draft and comment on it. This normally takes between two to four months.

Once the national positions have been submitted, experts – all nominated by the ISO members of the participating countries – meet regularly to discuss issues or answer questions that have been raised. These meetings will continue until a Draft International Standard is published and goes out for public comment. This will happen during the second quarter of 2014. Once the new draft has been finalized and accepted, it is published with a new date following the standard’s number. In this case, the revised ISO 9001 standard will be published next year as ISO 9001:2015.

2.3.2 Structure of ISO

All ISO management systems share common elements. But despite this, these systems come in many different shapes and structures which can lead to confusion and difficulties when they are implemented. ISO has already completed some initial work to provide an identical structure, text and common terms and definitions for all management system standards of the future. This means that both future and revised management system standards will be consistent and simpler to integrate. The revised structure will also make the standards easier to read – leading to a better understanding for those tasked with implementing them.

This new high-level structure is sometimes referred to as Annex SL and all ISO technical committees who develop management system standards in future will use this as their blueprint. The high level structure is designed to align format, text, terms and

definitions, while still giving standards developers all the flexibility they need to integrate their technical topics and requirements. ISO 9001:2015 will adopt the new high level structure and will have the following outline:

Clauses 0 to 3: Introduction, Scope, References, Terms and Definitions

Clause 4: Context of the organization

Clause 5: Leadership and commitment

Clause 6: Planning for the QMS

Clause 7: Support and resource management

Clause 8: Operational planning and control

Clause 9: Performance evaluation

Clause 10: Improvement actions

Clause 4 refers to the context of the organization. This is a brand-new requirement and highlights the need for senior managers to understand the expectations of all relevant parties. They need to know how internal and external challenges could affect their ability to meet these. This clause is closely linked to leadership which means management systems can no longer be held at arm's length, but should form part of the strategic direction of the business. Context also ensures the QMS works in conjunction with the business's strategic direction. The contextual changes over time shall also be tracked to be the QMS is always in-sync with the changes in the internal and external context. With the introduction of this new clause in ISO 9001:2015 version, ISO has bridged the gap and ensured that business context and QMS operate together and are always synchronized. Context can be determined using formal methods like PESTLE (political, economic, social, technological, legal, environmental), SWOT (strengths, weaknesses, opportunities and threats) or can just be discussed in a management meeting and recorded for the purpose of strategic planning or risk tracking.

Clause 5 is about leadership. This requirement has been set in place to ensure quality policies are aligned with strategic direction. This will help organizations to identify, assess and manage all risks that could stand in the way of meeting product requirements. ISO certification requires that Top Management is required to emphasize the importance of conforming to the ISO 9001 requirements. Additionally, leadership must also ensure that the QMS is achieving its intended results, and that continual improvement is driven within

the organization. Senior management staffs prepare to constructively challenge Top Management's commitment to quality management principles and show their commitment in ISO. If it is evident that the Top Management is not involved with the quality system and ISO standards, a major non-conformance is likely. During certification audits, auditors look for evidence that Top Management has a 'hands-on' approach to the management of their QMS during interviews and auditing other requirements e.g. Context of the organization, policies and objectives, management review minutes, Resources etc.

There are significant changes in Clause 6. This section will now replace the need for preventive action and focus on risk and opportunities that relate to product conformity and customer satisfaction. Clause 6 also sets out better requirements to help organizations manage change in a systematic manner.

Clause 7 looks at how to manage changes to resources more effectively. It also includes a new requirement to determine, present and maintain knowledge to continuously meet customer needs and improve their overall satisfaction. The third change to Clause 7 refers to the competence requirements that relate to every process or set of processes within organizations.

Supplier evaluation is ruled in the new ISO 9001:2015, under clause 8 "Externally Provided Processes, Products and Services". The ISO 9001:2015 standard requires that all decisive suppliers should be evaluated. To do so, the first step will be to classify and select suppliers depending on the weight in the production chain for the company. To have an efficient process, it will also need to have a clear internal task distribution and determine who or which department will be in charge of the evaluation and how often it should be done. Evaluations are executed on a yearly basis by the purchasing and quality management departments.

Clause 9 includes stronger monitoring and measurement requirements and also introduces how this works in relation to risk and the effectiveness of an organization's quality management system. Organizations are required by ISO 9001:2015 to conduct internal audits at planned intervals to confirm that the management system conforms to both the organizations own requirements and the requirements of the standard, also ensure that the system is effectively implemented and maintained.

Clause 10 sets out a more structured approach for Continual Improvement Internal Audits.

All certified organizations must also start making senior management aware of the coming changes and ensure a transition plan is in place. When the draft becomes available for public comment in 2014, organizations can buy it to become familiar with the changes before the official publication in 2015. Organizations that are still considering getting ISO 9001:2008 certified, should not delay implementation – the business benefits are significant. It takes between six to 12 months from starting a project to getting certified, so there is still enough time to achieve this and then take advantage of the transition period. BSI and other certification bodies will continue to issue existing certificates up until September 2015. Once certified, these companies have until September 2018 to make the necessary changes and get ISO 9001:2015 certified.

Many organizations apply the following ISO practices in implementing their operation to get good quality of their product and services:

(a) Senior Management Commitment

The organization must try to show that senior management is fully committed to implementing and maintaining the relevant quality control procedures in order to get ISO accreditation. The business would not carry out the regular audits and checks that meet ISO 9001 requirements without that accreditation. In order to reveal the commitment, the senior management team should verify that one of its members inspect the implementation and maintenance of ISO 9001 procedures.

(b) Supplier Vetting

The organization must assure that all new suppliers undertake an extensive and thorough vetting process complying with ISO 9001 procedures to have good references and adequate resources for the supplier to meet demand and uses materials with the highest quality. This is a crucial part of ISO 9001, and it sets up the basis for long-lasting and mutually beneficial relationships.

(c) Handling and Storage

Companies need to handle and store products in a safe and careful manner under ISO 9001 procedures to avoid from the damage of products or exposure to disrepair. The

processes for procedures such as loading transport vehicles should be built up in the company and the employees from the company should be communicated. The products could be stored away from the floor not to be damaged from frost and water.

(d) Internal and external Audits

An organization that has implemented ISO 9001 must accomplish regular audit checks to ensure whether procedures are being adhered to at all times and that they are being updated regularly to bring into line with the company's demands. The board of management must assess the audit results and correct any defects or faults within a given time frame.

2.4 Organizational Performance

Performance is a tool that can be used to measure the level of achievement or policy groups and individuals. Performance is a translation of performance that is often interpreted as "appearance, demonstration or achievement" (Keban, 2004). It also agrees with Mangkunegara (2008) that the term performance comes from the word job performance or actual performance that is the performance or achievement to be achieved.

The meaning of organizational performance is as a description of the level of achievement of the implementation of an organization's tasks in an effort to realize the goals, mission and vision of the organization (Bastian, 2001). Then another definition of organizational performance proposed by Pasolong (2007) is the work achieved by employees or group of employees within an organization, in accordance with the authority and responsibility of each in an effort to achieve the objectives of the relevant organization legally. The resources in question can be physical such as human and non-physical resources such as regulations, information, and policies, to better understand the factors that can affect an organization's performance. The concept of organizational performance also illustrates that every public organization provides services to the public and can be measured performance by using existing performance indicators to see whether the organization has done a good job and also to determine whether the established goals have been achieved or not.

According to Stout (1993), "Performance measurement is the process of recording and measuring the achievement of activities in the direction of mission accomplishment through the results of products, services or processes." Furthermore, Yuwono (2002) stated that performance measurement is a measure performed on various activities within the value chain contained within the company or organization. Thus the measurement of the performance of the public sector is a process of assessing the progress of work against pre-determined goals and targets, including information on the efficiency of use of resources in the production of goods and services, the quality of goods and services, the results of activities compared to the intended purpose, and the effectiveness of actions in achieving the goals, vision and mission of the organization.

If performance measurement is done continuously, it can motivate employees in achieving organizational goals by complying with predefined standards of behavior and will ultimately produce results as desired. Measuring the performance of public organizations is quite difficult because it is multidimensional because stakeholder has different interests according to the needs of each. Some indicators that are usually used to measure the performance of public sectors according to Dwiyan (2008) are:

(1) Productivity. The concept of productivity measures the level of efficiency and also the effectiveness of the service. Productivity is generally understood as the ratio between input and output.

(2) Quality of Service. Service quality tends to become increasingly important in explaining the performance of public service organizations. Community satisfaction can be a parameter for assessing the performance of public organizations. The main advantage of using community satisfaction as a performance indicator is information about community satisfaction often available easily and inexpensively which can be obtained from the mass media as well as public discussion.

(3) Responsiveness. Responsiveness is the ability of the organization to recognize the needs of the community in setting the agenda and priorities of service and developing public service programs in accordance with the needs and aspirations of the community.

(4) Responsibility. Responsibility describes whether the implementation of the activities of the public organization is carried out in accordance with the principles of administration that are true or in accordance with the policy of the organization, both explicit and implicit.

(5) Accountability. Public accountability shows how many the policies and activities of public organizations are subject to the government officials elected by the people, the assumption being that these officials are elected by the people, in itself will always represent the interests of the people.

The effective evaluation on ability of an organization to design produce, and deliver quality products and services consistently has been well achieved by the manufacturing organizations through adoption of ISO 9001. The standard provides guideline for organizations for establishing of their quality management systems by focusing on procedures, control, and documentation. ISO 9001's strongest point is its relationship to TQM. To properly implement a strong TQM system, one must first know everything that is happening within the company. ISO 9001 provides a tried and tested framework for taking a systematic approach to managing business practices to consistently turn out quality products. ISO 9001 Certification can serve as a key marketing tool. Certification is deemed as an official acknowledgment of a company's compliance to and its implementation quality management system. Since ISO 9001 is recognized globally, obtaining a certification imply that the company is also moving towards globalization. Its main goal is to harmonize standards around the world, which, as widely claimed, promotes trade and therefore global welfare more efficiently.

In this study organizational performance of an organization is measure in terms of these factors as organizational productivity, quality of product and cost of product using moderating factors as organizational policies and market dynamics based on ISO practices that are senior management commitment, supplier vetting, handling and storage and internal and external audits.

(a) Organizational Productivity

Organizational productivity through achieving and sustaining outstanding levels of performance that meet or exceed the expectations of all their stakeholders is upgraded in ISO 9001 certification. It permits the management level staff and its employees to understand the cause and effect relationships between what their organization does and the results it achieves. Organizational productivity is seen within the organization through.

(b) Quality of Product

The quality of product means to incorporate features that have a capacity to meet consumer needs (wants) and gives customer satisfaction by improving products (goods) and making them free from any deficiencies or defects. Company must find out the needs of the consumers. These needs must be included in the product design specifications. The company must design its product as per the needs of the consumers. Company must have quality control at all stages of the production process. There must have quality control for raw materials, plant and machinery, selection and training of manpower, finished products, packaging of products, etc. The finished-product must conform to the product-design specifications in all aspects, especially quality. The company must fix a high-quality standard for its product and see that the product is manufactured exactly as per the quality standard of ISO 9001 certification. It must try to make zero defect products.

(c) Cost of Product

Quality is only a drive that increases profits while lowering costs. Deming suggests that quality comes from process improvement and not from inspection. Practically, the cost of quality is also the cost that derives from creating a quality product or service. The cost of quality product is comprised of internal and external failure costs that result from not meeting the requirements. In addition, cost of quality product identifies two other cost areas and they include prevention which result from preventing non-conformance to requirements, and appraisal costs which include measuring, evaluating or auditing to check whether products and services were performed in accordance with set standards. Managing quality usually means having a lower cost of quality, which is why many organizations engage in the process of continual improvement to secure their future. Organizations keep their customers satisfied and reduce the risk and cost of defective products through quality initiatives. ISO 9001 certification has an effect on the cost of product whereby, the product offered by the trading are of affordable rates to the customers, the rates are cheaper as compared to other industries.

2.5 Moderating Factors

The moderating factors are factors that occur outside the organization but which can cause internal changes and are, for the most part, beyond the company's control. There

are common external factors that influence the organization such as political, economic, social, technological, environmental, legal etc. Even if the external environment occurs outside an organization, it can have a significant influence on its current operations, growth and long-term sustainability. Ignoring external forces can be a damaging mistake. Thus, it is necessary for managers to monitor continuously and adapt to the external environment. Therefore, the following two factors are considered in this study.

(a) Organizational Policies

The successful implementation of the ISO certification standards depends on whether or not the organizational policies provide an enabling environment for such implementation. The trading must set up internal policies that ensure customer satisfaction and provision of quality service to complement the intended standards by the organization.

(b) Market Dynamics

The market dynamics also plays an essential part in influencing the extent to which ISO certification affects the performance of an organization. The constant revision of organizational strategies for an effective implementation of the ISO standards has been conducted due to the constantly changes of macro and micro environment pertaining to the organization.

2.6 Previous Studies

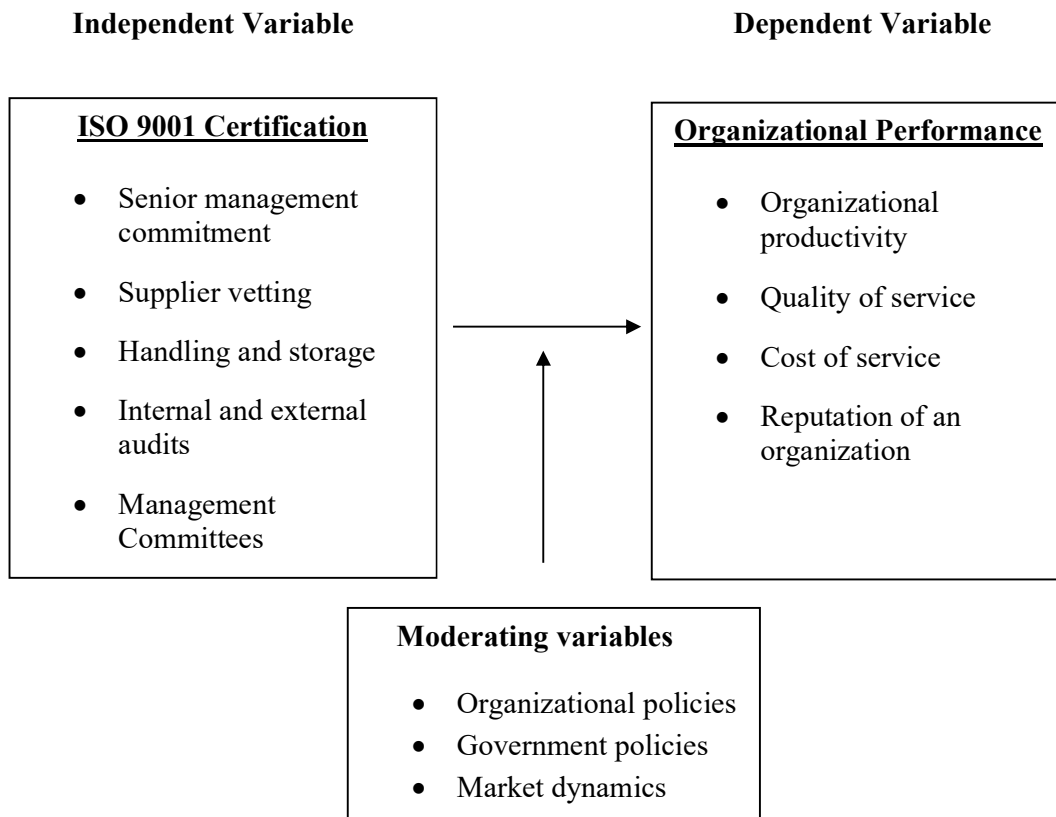
Luis Lourenco, Lara Fonseca, Luis Mendes (2012) conducted a research “ISO 9001 Certification: Motivations, Benefits and Impact on Organizational Performance” from Business and Economics Department, University of Beira Interior, Portugal. This study was to analyze the most important motivations for ISO 9001 certification of an organization Quality Management System (QMS) and the major benefits of certification. Results were obtained through an internet base questionnaire. Invitations to answer this questionnaire were sent, by e-mail to a sample of transport companies associated with ANTRAM (Portuguese Association of Transportation Companies). The questionnaire was sent to the leaders of 35 companies certified between 2001 and 2009. To analyze the results the statistical package SPSS19.0 was used. Simple descriptive statistical measures were used

to describe data. To assess the reliability of the dimensions Cronbach's alpha was used, assuming a minimum value of 0.7.

The correlation between the constructs was assessed using Pearson product moment correlation coefficient. Differences between companies of different size for the variable's motivation, benefits and satisfaction with certification were analyzed through Kruskal Wallis Test. It was found that motivations and the benefits of ISO 9000 certification can be categorized into internal and external. Motivations, both internal and external, are related with external benefits. The most important motivations that lead companies to certify their QMS were to improve the image of the company and to overcome pressures from competitors / strategic partners / customers while it is meeting the legal requirements. The most important benefits from ISO 9001 were customer satisfaction, the improvement of company image and the improvement of the relationship and communication with the client. Medium-sized enterprises displayed higher levels of external benefits, while large companies had higher levels of internal benefits. There is a positive relationship between the implementation and certification of quality management system and organizational performance. Specifically, there is a positive relationship between certification benefits and performance.

Another study investigated by Kennedy Otieno Odongo from Faculty of Commerce, Kisii University, Kenya 2014 was "An Assessment of the Effect ISO 9001:2008 Certification on Organizational Performance: A Case of Moi Teaching and Referral Hospital". The study sought to address the effect of ISO 9001:2008 certification in improving organizational performance and it was guided by the following objectives; to assess the effects of ISO 9001 certification on organizational productivity, to establish the effects of ISO 9001 certification on quality of service, to examine the effects of ISO 9001 certification on cost of service and to determine the effects of ISO 9001 certification on reputation of an organization. A quantitative study was completed utilizing a sample of 300 ISO 9001ensured service industries. Data were collected from the quality experts, process architects, software engineers and project managers of the organizations through an organized questionnaire.

Figure (2.2) Conceptual Framework of Odongo



Source: Odongo (2014)

Odongo (2014) analyzed the ISO practices influencing organizational performance of Moi Teaching and Referral Hospital using the moderating variables of organizational policies, government policies and market dynamics between independent and dependent variables as shown in Figure (2.2).

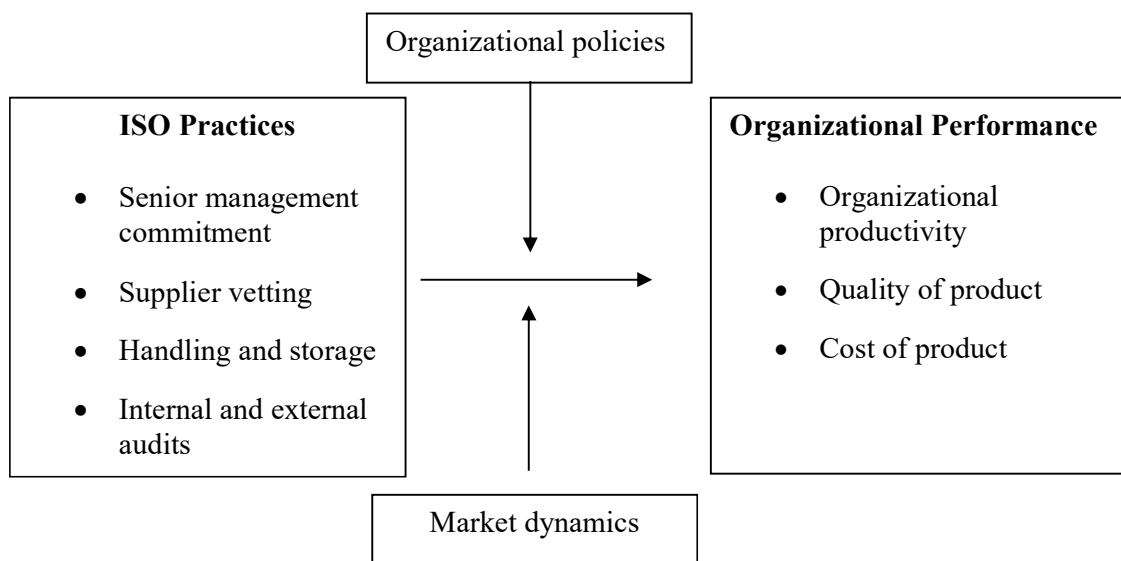
The gathered information was then analyzed utilizing descriptive statistics. Regression was also utilized in testing the impact of ISO 9001 accreditation on performance of an organization. Analysis was done utilizing SPSS 21, statistical package, by encoding replies from the questionnaires. To determine the effectiveness of ISO 9001 and its impact on the performance dimensions of service company multiple linear regression analyses was run. The outcomes of the study affirmed that the dimensionality of the ISO 9001 viability (assessed by the level of accomplishment of the standard's destinations, in particular risk identification, continuous improvement, prevention of nonconformities, and customer satisfaction) and uncovered its huge commitment to influence the service industries/organization performance. The operational performance and product/service

quality of the service industries were specifically and essentially impacted by effectiveness of ISO 9001.

2.7 Conceptual Framework of the Study

The conceptual framework Figure (2.3) of this present study is developed based on the above previous study of Odongo (2014). It is designed to analyze the effect of ISO practices on organizational performance of Ayeyar Hinthar Trading Company Limited.

Figure (2.3) Conceptual Framework of the Study



Source: Adapted from Odongo (2014)

ISO practices are used to measure the quality of product and services of the organizations. And it is widely assumed that these practices enhance the improvement of organizational performance.

The ISO practices of senior management commitment, supplier vetting, handling and storage and internal and external audits are considered as independent variables. Organizational productivity, quality of product and cost of product are used as dependent variables to measure organizational performance. External environment may cause some effect on organizational performance of an organization. Organizational policies and market dynamics are considered as external environment factors to analyze the moderating effect between ISO practices and organizational performance of Ayeyar Hinthar.

CHAPTER 3

ISO 9001 PRACTICES IN AYEYAR HINTHAR TRADING COMPANY LIMITED

In this chapter, the profile of Ayeyar Hinthar Trading Company Limited, the ISO practices that influence on organizational performance of the company, the demographic profile of respondents and reliability test are presented.

3.1 Profile of Ayeyar Hinthar Trading Company Limited

Ayeyar Hinthar Holdings Company Limited is a private holdings company limited as well as a Myanmar conglomerate focusing on important industries in the rapidly developing domestic market. The Group uncovers a traditional family business that is based in the heart of the Ayeyarwaddy Delta region where its current headquarters are located at a few-hour-drive west of Yangon. U Zaw Win Shein, the Chairman of the Group, has established a successful agribusiness, exploiting the Delta's unique agricultural resource base and extensive business networks.

To be in conformity with Myanmar's dramatic economics, Ayeyar Hinthar's business interests have been extended by U Zaw Win Shein within the Ayeyarwaddy Delta region. The group team has also expanded its business as new sectors including healthcare, financial services, real estate and telecommunications in Yangon. At the same time the company makes collaboration with leading international companies from Japan, Singapore and Thailand in some cases.

To exploit many new opportunities in Myanmar, the Group has modified a traditional family business as a modern Asian conglomerate, investing in its people, building up governance and leadership, and developing appropriate systems, controls and processes, while still staying closely associated with its customers and partners. Agricultural and Trading Division is the subsidiary of Ayeyar Hinthar Holdings Co. Ltd as well as top player of rice trading business in Myanmar. The agri-businesses include rice, beans and pulses, contract farming, rubber production to support the supply chain services from farmers to the consumers. Ayeyar Hinthar Trading also has provided enough capacity and capability in exporting Myanmar White Rice. Ayeyar Hinthar Trading has exported an

average of about 180,000 MT Myanmar White Rice every year since 2006. Ayeyar Hinthar Trading stands as the Global Supplier of Food Demands and has guaranteed to continuously supply the global demand of white rice efficiently and at a reasonable price. Top quality rice in the name of “Ayeyar Rice” is carefully milled by modern re-milling processing machineries. It is freshly packed with different size of bags and various types of rice. The company performs contract farming with the local farmers to support the country’s rice production and processing, distributing the nationwide rice supply, exporting to worldwide rice-consuming countries to meet all the market needs. Ayeyar Hinthar Trading has imported the RBD Palm Olein mainly from Malaysia and Indonesia since 2011. It has become one of the leading importers and distributors in Myanmar with more than 10 years of experiences.

The vision of Ayeyar Hinthar Trading Company Limited is to be the innovative and dynamic organization embracing highest standards of business practices to deliver positive outcomes and to create sustainable growth opportunities for all stakeholders. The missions are as follows:

- To endeavor continuous efforts to provide prudent directions for business units in strategic sectors and pivotal commercial areas to turn sustainable profits and growth for all stakeholders.
- To set good corporate governance and transparency as the bedrock of all of our management policies and implementations in order to achieve all of our vision.
- To foster the balanced culture of competence and compassion in workplace for our employees to be fully engaged and motivated to be able to overcome challenges of fourth industrial revolution.

3.2 ISO 9001 Practices in Ayeyar Hinthar Trading Company Limited

Ayeyar Hinthar Trading Company Limited had got the ISO 9001:2008 certification on 12th July 2010. The company had run its trading in that certification before the company got the new version of ISO 9001:2015 on 12th June 2018 again. The company has run its business sectors which are eligible to get ISO accreditation in that certification of ISO 9001:2015 until present. Ayeyar Hinthar Trading Company Limited has established, documented, implemented, maintained and continually improved a quality of management in accordance to with requirement of ISO 9001:2015. The company has to determine and

understand external and internal issues that are relevant to the purpose of organization and strategic direction which can affect to organization's ability to achieve the intended results of its quality management system. The identification of the needs and expectations of relevant interested parties, to ensure that the organization's ability to provide services that meet requirements.

(a) Top Management

Top management demonstrates leadership and commitment with respect to the quality management system by taking accountability for the effectiveness of the quality management system; ensuring that the quality policy and quality objectiveness are established for the quality management system and are compatible with the context and strategic direction of Ayeyar Hinthar; ensuring the integration of the quality management system requirements into Ayeyar Hinthar's business process; promoting the use of the process approach and risk-based thinking; ensuring that the resources needed for the quality management system are available; communicating the importance of effective quality management and of conforming to the quality management system requirements; ensuring that the quality management system achieves its intended results; engaging, directing and supporting persons to contribute to the effectiveness of the quality management system; promoting improvement; and supporting other relevant management roles to demonstrate their leadership as it applies to their areas of responsibility.

(b) Supplier Vetting

Ayeyar Hinthar ensures that externally provided processes, products, and services conform to requirements. Ayeyar Hinthar determines the control applied to externally provided processes, products, and services when products and services from suppliers are intended for incorporation into Ayeyar Hinthar's own products and services. Ayeyar Hinthar determines and applies criteria for the evaluation, selection, monitoring of performance, and re-evaluation of suppliers, based on their ability to provide processes or products and services in accordance with requirements. The company retains documented information of these activities and any necessary actions arising from the evaluations.

(c) Handling and Storage

Ayeyar Hinthar determines and provides the resources needed to ensure valid and reliable results when monitoring or measuring is used to verify the conformity of products and services to requirements. Ayeyar Hinthar ensures whether the resources provided are suitable for the specific type of monitoring and measurement activities being undertaken and are maintained to ensure their continuing fitness for their purpose relating to handling and storage. Ayeyar Hinthar has enough space to store its stock piles. Ayeyar Hinthar retains appropriate documented information as evidence of fitness for purpose of the monitoring and measurement resources.

(d) Audits

Ayeyar Hinthar conducts internal audits at planned intervals to provide information on whether the quality management system conforms to Ayeyar Hinthar's own requirements for its quality management system and the requirements of ISO 9001:2015 and its effectively implemented and maintained. Top management reviews Ayeyar Hinthar's quality management system, at planned intervals, to ensure its continuing suitability, adequacy, effectiveness and alignment with the strategic direction of Ayeyar Hinthar.

Ayeyar Hinthar determines and selects opportunities for improvement and implements any necessary actions to meet customer requirements and enhance customer satisfaction. These include: improving products and services to meet requirements as well as to address future needs and expectations; correcting, preventing or reducing undesired effects; and improving the performance and effectiveness of the quality management system. When the nonconformity including any arising from complaints occurs, Ayeyar Hinthar: reacts to the nonconformity by taking action to control and correct it and by dealing with the consequences; and evaluates the need for action to eliminate the cause(s) of the nonconformity by reviewing and analyzing the nonconformity, determining the causes of the nonconformity and determining if similar nonconformities exist, or could potentially occur; implements any action needed; reviews the effectiveness of any corrective action taken; updates risks and opportunities determined during planning, if necessary; and makes changes to the quality management system, if necessary. Ayeyar Hinthar continually improves the suitability, adequacy and effectiveness of the quality

management system. Ayeyar Hinthar considers the results of analysis and evaluations, and the outputs from the management review, to determine if there are needs or opportunities that are addressed as part of the continual improvement.

3.3 Demographic Profile of Respondents

In this part, it is described that demographic profiles of respondents who are the executive level of Ayeyar Hinthar Trading Company Limited. Questionnaires are distributed to male and female staffs who are the main senior management members. Detail demographic information is demonstrated in Table (3.1). It includes gender, job category, age, educational level, monthly salary and employment service year in this company.

According to Table (3.1), 66% of the respondents are male showing that male is in leading role in job. Pertaining to the job category, there are 42% of executives who are management staffs representing that the company employs necessary strength in management level. Regarding the age group, 50% of respondents are the most between 21 and 30 years of adults. This point indicated that the company chooses and recruits the youth who are the most potential and active in their age. The level of education of the respondents is 67% Bachelor's degree are the highest percentage stating that the company has used educated staff in its operation of trading. Monthly salary of the respondents is 51% of 250,000 - 500,000 Ks. describing the highest since the company has appointed many executives. The service years of respondents is between 1 and 5 year is 53% that is the highest representing that the executives who work for the company are within 1 to 5 years in their respective field.

Table (3.1) Demographic Profile of Respondents

Particular	Number of Respondents	Percentage
Total	116	100
Gender - Male	77	66
-Female	39	34
Job Category -Junior Executives	24	21
-Executives	49	42
-Senior Executives	14	12
-Deputy Manager	10	9
-Manager	10	9
-Deputy General Manager	4	3
-General Manager	5	4
Education Level -High school graduate,	34	29
-Bachelor's degree	77	67
-Master's degree	5	4
Monthly Salary (MMK) -150,000 - 250,000	35	30
-250,001 - 500,000	59	51
-500,001 - 750,000	12	10
-750,001 - 1,000,000	3	3
-> 1,000,001	7	6
Employment (Service years) -< 1	12	10
-1 – 5	61	53
-6 – 10	30	26
-11 – 15	12	10
->15 year	1	1

Source: Survey data (2021)

3.4 Reliability Test

This study also used 5 points Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Neither Disagree nor Agree, 4 = Agree, 5 = Strongly Agree). The Likert scale is a scale

that is commonly used for questionnaires and it is mostly used in surveys. According to Robson (1993), the advantage of using the Likert scale is that the Likert scale can create interest among respondents as well as the respondents enjoy to completing such a question type. Reliability analysis was undertaken in order to test the internal consistency of the variables in the questionnaire.

Table (3.2) Reliability Test

Sr. No.	Items	N	Cronbach's Alpha
1	Senior Management Commitment	5	0.917
2	Supplier Vetting	5	0.871
3	Handling and Storage	5	0.899
4	Internal and External Audits	5	0.890
5	Organizational Productivity	5	0.882
6	Quality of Product	5	0.919
7	Cost of Product	5	0.904
8	Organizational Policies	5	0.903
9	Market Dynamics	5	0.948

Source: SPSS data, 2021

Question items consistency is tested by reliability analysis of Cronbach's Alpha. The results are shown in Table (3.2). All Cronbach's Alpha values are greater than 0.8 shown in Table (3.2), and thus the value of reflection is good reliability. Meanwhile, the maximum expected value is 0.90. Above this value is perceived as redundancy. Thus, it can be concluded that the data collected are valid to proceed for further analysis.

CHAPTER 4

ANALYSIS ON ISO PRACTICES AND ORGANIZATIONAL PERFORMANCE OF AYERHINTHAR TRADING COMPANY LIMITED

In this chapter, the effect of ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) on organizational performance is analyzed through multiple linear regression. Organizational performance is measured with its three dimensions such as organizational productivity, quality of product and cost of product. The descriptive analysis on these dimensions is also conducted. The final part is an analysis on the moderating effect of organizational policies and market dynamics on the relationship between ISO practices and organizational performance of Ayeyar Hinthar Trading Company Limited. To identify the effect of ISO practices on organizational performance the study conducted the questionnaire survey to the respondents for which the questionnaire is designed with 5-point Likert scales. The 5-point Likert scale has a value range 1 to 5 with “1 = strongly disagree” and “5= strongly agree” for each question. The mean score from 1 to 1.80 indicates “strongly disagree”, from 1.81 to 2.60 “do not agree”, from 2.61 to 3.40 “true to some extent”, from 3.41 to 4.20 “agree” and from 4.21 to 5.00 “strongly agree” respectively.

4.1 ISO Practices of Ayeyar Hinthar Trading Company Limited

There are four ISO practices such as senior management commitment, supplier vetting, handling and storage and internal and external audits. The perception of respondents on each of the ISO practices is described in the mean tables. Senior management commitment is one of the ISO practices that improve organizational performance. Table (4.1) shows the perception of respondents on the senior management commitment of Ayeyar Hinthar Trading.

As shown in Table (4.1), most of the respondents have positive perception on senior management commitment of quality performance of Ayeyar Hinthar Trading Company Limited. Ayeyar Hinthar has quality management system and also values quality of products and services.

According to survey results, the overall mean value for product is 3.95 which shows agreement. It shows to positive perception of respondents on senior management commitment. The highest mean value 4.05 means that perception on senior management evaluation of quality performance regularly is the best one. The second highest mean value 3.97 means that senior management is the leading practice in implementing quality management system. The lowest mean value 3.88 means that perception on senior management commitment concerning with providing sufficient resources is fair in implementing quality management system.

Table (4.1) Senior Management Commitment

No.	Descriptions	Mean	Standard Deviation
1	Leading to implement the quality management system	3.97	.558
2	Valuing quality of products and services	3.94	.623
3	Providing sufficient resources to implement quality management system	3.88	.562
4	Providing enough resources to manage quality of products and services	3.95	.541
5	Evaluating on quality performance regularly	4.05	.602
Overall Mean		3.95	

Source: Survey data (2021)

According to Table (4.2), most of the respondents have positive perception on supplier vetting of Ayeyar Hinthar Trading Company Limited. Ayeyar Hinthar has chosen right suppliers properly and has good relationship with them.

The overall mean value for product is 3.95 which is between 3 and 4 shown in survey results. Thus, it reveals positive perception of respondents on supplier vetting. The highest mean value 4 describes that the company selects right supplier properly having good relationship with them valuing the importance of them. The second highest mean value 3.92 means that the company gives regular feedbacks to the suppliers for quality of

products and services. The lowest mean value 3.84 is that perception on supplier vetting is fair in evaluating the performance of suppliers periodically.

Table (4.2) Supplier Vetting

No.	Descriptions	Mean	Standard Deviation
1	Valuing the importance of right suppliers	4.00	.560
2	Selecting the right suppliers properly	4.00	.590
3	Having good relationship with its suppliers	4.00	.604
4	Evaluating the performance of the suppliers periodically	3.84	.654
5	Providing regular feedbacks to the suppliers for quality of products and services	3.92	.635
	Overall Mean	3.95	

Source: Survey data (2021)

Table (4.3) describes that most of the respondents have positive perception on handling and storage of goods of Ayeyar Hinthar Trading Company Limited. Ayeyar Hinthar has sufficient space for the storage of goods.

The overall mean value for product is 3.92 which is between 3 and 4 according to the survey results. Thus, it shows positive perception of respondents on handling and storage. The highest mean value 4.02 means that the company has sufficient storage space for goods. The second highest mean value 3.94 expresses that the company has proper system of storing goods. The lowest mean value 3.83 is that perception on handling and storage is fair in insuring to avoid damage.

Table (4.3) Handling and Storage

No.	Descriptions	Mean	Standard Deviation
1	Using proper tools and equipment to handle goods	3.91	.568
2	Having skillful people to use the handling tools and equipment	3.88	.513
3	Having proper storage system for goods	3.94	.548
4	Having sufficient storage space for goods	4.02	.559
5	Having insurance to avoid damage	3.83	.542
	Overall Mean	3.92	

Source: Survey data (2021)

Most of the respondents have positive perception on internal and external audits of Ayeyar Hinthar Trading Company Limited as shown in Table (4.4). Ayeyar Hinthar has made internal and external audits regularly.

Table (4.4) Internal and External Audits

No.	Descriptions	Mean	Standard Deviation
1	Ensuring compliance with the organizational policies and procedures at all times	3.84	.574
2	Developing internal and external audit department to carry out regular audit check	3.93	.555
3	Using internal control system	3.88	.577
4	Developing and it plans for the audit objectives	3.93	.539
5	Reviewing internal and external audit report regularly	3.83	.542
	Overall Mean	3.92	

Source: Survey data (2021)

Pertaining to the survey results, the overall mean value for product is 3.92 which is between 3 and 4 according to the survey results. Thus, it shows positive perception of respondents on internal and external audits. The highest mean value 3.98 explains that the company has reviewed internal and external audit report regularly. The second highest mean value 3.93 means that the company has developed appropriately audit departments for audits and regular audit check. The lowest mean value 3.84 reveals that perception on internal and external audits is fair in applying with organizational policies and procedures.

4.2 Organizational Performance at Ayeyar Hinthar Trading Company Limited

There are three main factors to improve the organizational performance of the company. The factors are organizational productivity, quality of product and cost of product. The following tables show the perception of the respondents on organizational performance of Ayeyar Hinthar Trading Company Limited.

(a) Organizational Productivity

Organizational productivity is the capacity of an organization, institution, or business to produce desired results with a minimum expenditure of energy, time, money, personnel, materiel, etc. The following table displays the organizational productivity of Ayeyar Hinthar.

As shown in Table (4.5), most of the respondents have positive perception on organizational productivity of Ayeyar Hinthar. They believed that the company produced its product in full quantity and quality.

The survey results represent the overall mean score for each question regarding organizational productivity is 3.83 which is between 3 and 4. Thus, it shows that organizational productivity makes progress on organizational performance.

The highest mean value 4.02 means that respondents feel satisfied about the quantity and quality of the company's products. The second highest mean value 3.91 conveys that the company has ability to produce its products in time. The lowest mean value 3.62 illustrates that the resources are used in minimum.

Table (4.5) Organizational Productivity

No.	Descriptions	Mean	Standard Deviation
1	Producing its products in full quantity and quality	4.02	.646
2	Producing its products in time	3.91	.618
3	Using its resources at minimum	3.62	.628
4	Achieving its production targets	3.86	.671
5	Minimizing reworks or rejected works	3.76	.554
Overall Mean		3.83	

Source: Survey data (2021)

(b) Quality of Product

With regard to quality of product, the perception of the respondents on organizational performance describing their mean value on each Likert statements, are shown in Table (4.6). The overall mean of the quality of product indicates that the respondents are liable to agree with the statements regarding the quality of product of Ayeyar Hinthar Trading Company Limited.

In the Table (4.6) most of the respondents have positive attitude on quality of product concerning to organizational performance of Ayeyar Hinthar Trading Company Limited. They feel that the company has used quality management system to improve its product's quality.

The overall mean score for each question about quality of product is 3.91 that is between 3 and 4 as representing in survey results. Thus, it demonstrates that the quality of product has made the company improve its organizational performance.

The highest mean value 3.97 means that the company employs skillful labors to produce its products. The second highest mean value 3.96 states that the problems about the quality in manufacturing can be solved properly as Ayeyar Hinthar Trading. The lowest mean value 3.81 is that the company has used latest technology in producing its products.

Table (4.6) Quality of Product

No.	Descriptions	Mean	Standard Deviation
1	Resolving quality problems properly	3.96	.550
2	helping product quality	3.93	.586
3	Producing the products with upgrade machines	3.91	.493
4	Producing the products with skillful labors	3.97	.558
5	Producing the products with latest technology	3.81	.658
Overall Mean		3.91	

Source: Survey data (2021)

(c) Cost of Product

Regarding cost of product, there are total five statements with Likert scale questions to get the perception of the respondents. The mean values of the statements are presented in Table (4.7). The overall mean shows that the respondents appear to agree with the statements.

Most of the respondents have good review on cost of product pertaining to organizational performance of Ayeyar Hinthar Trading Company Limited as shown in the Table (4.7). The company has managed to reduce defective rate in production to meet cost effective.

According to survey results, the overall mean score for each question in the matter of cost of product is 3.83 which is between 3 and 4. Thus, it points out that the cost of product helps the company enhance its organizational performance.

The highest mean value 3.93 indicates that the company produces the products in effective cost efficiently. The second highest mean value 3.91 displays that the operations in manufacturing are managed systematically as Ayeyar Hinthar Trading to attain cost effective. The lowest mean value 3.73 exemplifies that the company has produced the products in lower costs among the competitors.

Table (4.7) Cost of Product

No.	Descriptions	Mean	Standard Deviation
1	Producing products cost effectively and efficiently	3.93	.656
2	Managing its operations systematically	3.91	.604
3	Reducing defective rate	3.77	.533
4	Offering the customers affordable price, the company monitors the production costs	3.84	.589
5	Producing its products at lower costs among the competitors	3.73	.664
Overall Mean		3.83	

Source: Survey data (2021)

4.3 Moderating Factors

There are many factors that impact the organizational performance of the company as moderating factors. Organizational policies and market dynamics are considered as moderating factors in this study.

(a) Organizational Policies

Organizational policies are rules and regulations employees must follow to keep business running smoothly. Some are intended to provide guidance and be helpful to employees. Others aim to protect the business from legal risk and warn employees not to do certain things. Table (4.8) shows the perception of the respondents on organizational policies of Ayeyar Hinthar Trading Company Limited.

In the Table (4.8) most of the respondents have positive perception on organizational policies of Ayeyar Hinthar Trading Company Limited. They feel that the company has laid down effective policies to perform its functions.

The overall mean score for each question about organizational polices is 3.93 that is between 3 and 4 as illustrating in survey results. Thus, it expresses that the organizational policies have impact on organizational performance of the company.

Table (4.8) Organizational Policies

No.	Descriptions	Mean	Standard Deviation
1	Setting policies that are related ISO practices	3.97	.618
2	Displaying the organizational policies visibly	3.88	.546
3	Being adequate practices of ISO standard	3.97	.501
4	Being fully informed of the organizational policies	3.89	.489
5	Following the organizational policies	3.97	.551
Overall Mean		3.93	

Source: Survey data (2021)

The highest mean value 3.97 indicates that the company has laid down organizational policies that are followed by employees in accordance with to ISO standards. The second highest mean value 3.89 reveals that the company fully informs the employees the organizational policies. The lowest mean value 3.88 shows that the organizational policies are displayed visibly within the company.

(b) Market Dynamics

Another factor that impact organizational performance is market dynamics that are forces that will create pricing signals which result from the fluctuation of supply and demand for a given product or service. The following (4.9) is about the mean values of it. The overall mean shows that the respondents to agree with the statements.

The above Table (4.9) describes that most of the respondents have good feedback on market dynamics. The overall mean score for each question about market dynamics 3.87 that is between 3 and 4 shown in survey results. Thus, it signifies that the market dynamics has impact on organizational performance of the company.

Table (4.9) Market Dynamics

No.	Descriptions	Mean	Standard Deviation
1	Knowing the important role of market dynamics	3.95	.557
2	Being aware of changing macro environment of the organization	3.82	.468
3	Being aware of changing micro environment of the organization	3.80	.479
4	Reviewing the effects of market changing factors	3.90	.550
5	Monitoring the strategies which make an effective implementation of the ISO standard	3.92	.606
Overall Mean		3.87	

Source: Survey data (2021)

The highest mean value 3.95 represents that the company is aware of the fact that the role of market dynamics is important. The second highest mean value 3.92 states that the company always observes whether the strategies are effective or not in implementing ISO standards. The lowest mean value 3.80 displays that the company is always alert about the environmental change within the organization even in micro extent.

4.4 Analysis on the Effect of ISO Practices on Organizational Performance of Ayeyar Hinthar Trading Company Limited

In this section, the regression analysis between four ISO practices and each of the factors of organizational performance are described.

4.4.1 The Effect of ISO Practices on Organizational Productivity

To analyze the effect of ISO practices on organizational productivity, the mean value of organizational productivity is regressed with the mean value of senior management commitment, supplier vetting, handling and storage and internal and external audits.

Table (4.10) Effect of ISO Practices on Organizational Productivity

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	.617	.319		1.936	0.55	
S M C	-.036	.094	-.036	-3.88	.698	1.974
S V	.148	.155	.142	1.282	.202	2.792
H & S	.200*	.120	.181	1.675	.097	2.676
I & E A	.509***	.101	.493	5.055	.000	2.182
R	.718 ^a					
R Square	.515					
Adjusted R Square	.498					
Durbin Watson	1.711					
F Value	29.521***					

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Table (4.10) describes the results of the multiple regression analysis regarding the influencing factors on organizational productivity. In the analysis, four variables of the ISO practices are taken as independent variables and the organizational productivity as dependent variable.

According to Table (4.10), since the value of adjusted R square is 0.498, it can be understood that the model with its senior management commitment, supplier vetting, handling and storage and internal and external predicts 49.8 percent variance of organizational productivity. The value of F-test, the overall significance of the model, is highly significant at 1 percent level, and thus the validity of the model is assured. Furthermore, the Durbin-Watson value is 1.711, which is within 0 to 4.

The coefficient of internal and external audit is significant at 1 percent level and that of handling and storage is significant at 10 percent level respectively. The variance

inflation factors (VIF) are less than 5 (acceptable limit), and this indicates clearance of multi-collinearity problem.

The standardized coefficient (beta) of internal and external audits (0.493) is greater than that of handling and storage (0.181). This fact points out that internal and external audits more strongly contribute towards the increase in organizational productivity when the variance explained by handling and storage is controlled for.

Overall, the multiple regression model is purpose-fit, and the analysis shows that 51.5 percent of the variance in the organizational productivity is well predicted by the model having produced the expected signs and significant coefficients for the variables. Since internal and external audits are the stronger contributor to the variance, its positive change by 1 percent will cause a positive change by 0.509 percent of the organizational productivity.

The survey result shows that internal and external audits and handling and storage of ISO practices have a significant on organizational productivity of Ayeyar Hinthar. It requires good procedures in handling and storage to improve organizational productivity. Ayeyar Hinthar has good procedures in handling and storage of goods and the company always monitors handling and storage procedures making internal and external audits.

4.4.2 The Effect of ISO Practices on Quality of Product

To analyze the effect of ISO practices on quality of product, the mean value of quality of product is regressed with the mean value of senior management commitment, supplier vetting, handling and storage and internal and external audits.

Table (4.11) states the results of the multiple regression analysis regarding the influencing factors on quality of product. In the analysis, four variables of the ISO practices are taken as independent variables and the quality of product as dependent variable.

According to Table (4.11), since the value of adjusted R square is 0.649, it can be understood that the model with its senior management commitment, supplier vetting, handling and storage and internal and external predicts 64.9 percent variance of quality of product. The value of F-test, the overall significance of the model, is highly significant at 1 percent level, and thus the validity of the model is assured. Furthermore, the Durbin-Watson value is 1.537, which is within 0 to 4.

Table (4.11) Effect of ISO Practices on Quality of Product

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	.093	.261		.357	.722	
S M C	.239**	.077	.240	3.100	.002	1.974
S V	.190*	.094	.186	2.013	.047	2.792
H & S	.418***	.098	.384	4.257	.000	2.676
I & E A	.124	.083	.122	1.501	.136	2.182
R	.813 ^a					
R Square	.662					
Adjusted R Square	.649					
Durbin Watson	1.537					
F Value	54.275***					

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

The coefficient of handling and storage is significant at 1 percent level and that of senior management commitment and supplier vetting is significant at 5 percent and 10 percent level respectively. The variance inflation factors (VIF) are less than 5 (acceptable limit), and this indicates about clearance of multi-collinearity problem.

The standardized coefficient (beta) of handling and storage (0.384) is greater than that of senior commitment management (0.240) and supplier vetting (0.186) indicating that handling and storage more strongly contribute towards the increase in quality of product when the variance explained by other variables is controlled.

Overall, the multiple regression model is purpose-fit, and the analysis shows that 66.2 percent of the variance in the quality of product is well predicted by the model having produced the expected signs and significant coefficients for the variables. Since handling

and storage is the stronger contributor to the variance, its positive change by 1 percent will cause a positive change by 0.418 percent of the quality of product.

The survey result shows that handling and storage, senior management commitment and supplier vetting of ISO practices are significant to quality of product. To improve quality of product it is needed to select right suppliers and to make regular check to the suppliers to get good quality raw materials. Besides, it is necessary to use proper procedures in handling and storage of goods in good management. Ayeyar Hinthar has sufficient storage space for goods, makes senior management evaluation of quality performance regularly and selects right supplier properly having good relationship with them valuing the importance of them.

4.4.3 The Effect of ISO Practices on Cost of Product

To analyze the effect of ISO practices on cost of product, the mean value of cost of product is regressed with the mean value of senior management commitment, supplier vetting, handling and storage and internal and external audits.

Table (4.12) represents the results of the multiple regression analysis regarding the influencing factors on cost of product. In the analysis, four variables of the ISO practices are taken as independent variables and the cost of product as dependent variable.

According to Table (4.12), since the value of adjusted R square is 0.540, it can be understood that the model with its senior management commitment, supplier vetting, handling and storage and internal and external predicts 54.0 percent variance of cost of product. The value of F-test, the overall significance of the model, is highly significant at 1 percent level, and thus the validity of the model is assured. Furthermore, the Durbin-Watson value is 1.817, which is within 0 to 4.

The coefficient of handling and storage is significant at 1 percent level and that of internal and external audits and senior management commitment is significant at 5 percent level respectively. The variance inflation factors (VIF) are less than 5 (acceptable limit), and this indicates about clearance of multi-collinearity problem.

The standardized coefficient (beta) of handling and storage (0.477) is greater than that of internal and external audits (0.255) and senior management commitment (0.196) indicating that handling and storage more strongly contribute towards the increase in quality of product when the variance explained by other variables is controlled.

Table (4.12) Effect of ISO Practices on Cost of Product

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	VIF
	B	Std. Error	Beta			
(Constant)	.278	.311		.893	.374	
S M C	.202**	.092	.196	2.208	.029	1.974
S V	-.101	.112	-.095	-.900	.370	2.792
H & S	.538***	.117	.477	4.610	.000	2.676
I & E A	.268**	.098	.255	2.726	.007	2.182
R	.745 ^a					
R Square	.556					
Adjusted R Square	.540					
Durbin Watson	1.817					
F Value	34.699***					

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Overall, the multiple regression model is purpose-fit, and the analysis shows that 55.6 percent of the variance in the cost of product is well predicted by the model having produced the expected signs and significant coefficients for the variables. Since handling and storage is the stronger contributor to the variance, its positive change by 1 percent will cause a positive change by 0.538 percent of the cost of product.

The survey result shows that handling and storage, internal and external audits and senior management commitment of ISO practices have a significant on cost of product of Ayeyar Hinthar. It is vital to handle and store goods and product properly with good management to make cost of product effective. It is also needed to make internal and external audit whether the organization follow these procedures. Ayeyar Hinthar has sufficient storage space for goods and handles goods and product properly, reviewing

internal and external audit report regularly and makes senior management evaluation of quality performance regularly.

4.5 Moderating Effects of Organizational Policies on the Relationship between ISO Practices and Organizational Performance

In this part, the regression analysis on the moderating effect of organizational policies on the relationship between ISO practices and organizational performance factors are described.

4.5.1 Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Organizational Productivity

Table (4.13) shows the effect of moderating variable (organizational policies) on the relationship between independent variable (senior management commitment, supplier vetting, handling and storage, internal and external audits) and dependent variable (organizational productivity).

The Table (4.13) results confirm that organizational policies have a partially significant moderating on the relationship between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and organizational productivity. The reason is that the addition of organizational policies resulted in change delta R Square value of 0.064 which mean overall 6.4% moderating effect of organizational policies.

According to multiple regression results in Model 2, among 4 factors studied here, there is a partially significant moderating effect of organizational policies between two ISO practices (supplier vetting and internal and external audits) and organizational productivity.

A positive moderating effect is observed where organizational policies strengthen the positive relationship between supplier vetting and organizational productivity indicating partial moderating effect. For each 1 unit increased in the factor of supplier vetting will strengthen further of the relationship with organizational productivity by 1.117 when organizational policies have introduced into the mix as a moderating factor.

Table (4.13) Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Organizational Productivity

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
Constant	.456	.317		.153	.307	1.888		.490
S M C	-.072	.093	-.071	.440	.902	.696	.892	.198
S V	.158	.112	.151	.163	-.936**	1.164	-3.773	.001
H & S	.070	.127	.063	.582	.514	1.346	.464	.704
I & E A	.390***	.109	.379	.000	2.888**	.981	2.800	.004
O P	.313**	.122	.283	.012	.012	.514	.011	.981
S M C * O P					-.284	.181	-1.931	.121
S V * O P					1.117***	.309	7.358	.000
H & S * O P					-.086	.355	-.568	.810
I & E A * O P					-.680**	.255	-4.697	.009
ΔR Square	0.064							
R Square	.543				.607			
Adjusted R Square	.522				.573			
Durbin Watson	1.588				1.588			
F Value	26.106***				18.154***			

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Based on the results, organizational policies have a partial moderating effect on relationship between supplier vetting and organizational productivity. However,

organizational policies have a negative partial moderating effect on relationship between internal and external audits and organizational productivity. A negative moderating effect is observed where organizational policies weaken the positive relationship between internal and external audits and organizational productivity representing partial moderating effect. Hence it can be stated that organizational policies reduce the positive relationship between internal and external audits and organizational productivity by weakening organizational productivity by 0.680 units for each increase in internal and external audits by 1 unit.

The most interesting finding here and expected result is that respondents see internal and external audits of ISO practices cannot make organizational productivity improve regardless of organizational policies whereas supplier vetting helps organizational productivity of Ayeyar Hinthar Trading Company Limited. Though the company follows ISO practices in its procedures, there may be some restraints in the performance of employees if the company lays down strict policies. Supplier vetting has negative partial effect on organizational productivity but the company can fix proper organizational policies concerning with supplier vetting to improve productivity.

4.5.2 Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Quality of Product

Table (4.14) represents the effect of moderating variable (organizational policies) on the relationship between independent variable (senior management commitment, supplier vetting, handling and storage, internal and external audits) and dependent variable (quality of product).

The Table (4.14) results demonstrate that organizational policies have a significant moderating on the relationship between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and quality of product. The reason is that the addition of organizational policies resulted in change delta R Square value of 0.027 which mean overall 2.7% moderating effect of organizational policies.

According to multiple regression results in Model 2, among 4 factors studied here, there is a significant moderating effect of organizational policies between 1 ISO practices (senior management commitment) and quality of product.

Table (4.14) Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Quality of Product

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
Constant	.016	.265		.952	.712	1.63		.663
S M C	.222**	.077	.223	.005	1.298**	.601	-1.308	.033
S V	.195**	.094	.190	.040	-1.108	1.005	-1.081	.273
H & S	.355**	.106	.327	.001	1.607	1.163	1.479	.170
I & E A	.067	.091	.066	.462	1.458*	.847	1.439	.088
O P	.151	.102	.139	.144	.043	.444	0.039	.924
S M C * O P					.384**	.157	2.661	.016
S V * O P					.353	.267	2.366	.189
H & S * O P					-.352	.306	-2.378	.253
I & E A * O P					-.356	.22	-2.502	.109
ΔR Square	0.027							
R Square	.668				.696			
Adjusted R Square	.653				.670			
Durbin Watson	1.639							
F Value	44.307***				26.908***			

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As per Table, organizational policies have a partial effect on relationship between senior management commitment and quality of product. A positive moderating effect is observed where organizational policies strengthen the positive relationship between senior management commitment and quality of product. Each 1 unit increased in the factor of senior management commitment will strengthen further of the relationship with quality of product by 0.384 when organizational policies have introduced into the mix as a moderating factor.

The most interesting finding here and expected result is that respondents think that organizational policies reinforce ISO practice of senior management commitment making quality of product of Ayeyar Hinthar improve. The nature of senior management is to control the quality of product. If there is a slightly default in senior management, there may be weakness in quality of product. But proper organizational policies maintain not to decrease in quality of product since the figure of senior management commitment becomes positive when organizational policies are added as moderating effect.

4.5.3 Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Cost of Product

Table (4.15) represents the effect of moderating variable (organizational policies) on the relationship between independent variable (senior management commitment, supplier vetting, handling and storage, internal and external audits) and dependent variable (cost of product).

The Table (4.15) results demonstrate that organizational policies have no significant moderating effect on the relationship between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and cost of product. The reason is that the addition of organizational policies resulted in change delta R Square value of 0.018 which mean overall 1.8% moderating effect of organizational policies.

According to multiple regression results in Model 2, among 4 factors studied here, there is a significant moderating effect of organizational policies between 1 ISO practices (senior management commitment) and cost of product.

Table (4.15) Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Cost of Product

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
Constant	.016	.289		1.000	.706	1.809		.697
S M C	.141*	.084	.137	.097	1.148*	.667	1.115	.088
S V	-.084	.103	-.079	.417	-1.842	1.116	-1.734	.102
H & S	.314**	.116	.278	.008	.027	1.290	.024	.983
I & E A	.064	.099	.061	.522	.948	.940	.903	.316
O P	.540***	.112	.479	.000	.285	.492	.252	.564
S M C * O P					-.277	.174	-1.849	.114
S V * O P					.482	.296	3.119	.106
H & S * O P					.100	.34	0.653	.768
I & E A * O P					-.248	.244	-1.681	.313
ΔR Square	0.018							
R Square	.634				.652			
Adjusted R Square	.617				.622			
Durbin Watson	1.891							
F Value	38.049***				22.035***			

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Organizational policies have no moderating effect on relationship between ISO practices and cost of product. The result is that respondents think that organizational policies reinforce ISO practice of senior management commitment making cost of product of Ayeyar Hinthar effective. If organizational policies are good and fair, the management team can lead the employees to follow the ISO practices not to make waste in their operation to make cost of product effective.

4.6 Moderating Effect of Market Dynamics on the Relationship between ISO Practices and Organizational Performance Factors

In this part, the regression analysis on the moderating effect of market dynamics on the relationship between ISO practices and organizational performance factors are described.

4.6.1 Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Organizational Productivity

Table (4.16) shows the effect of moderating variable (market dynamics) on the relationship between independent variable (senior management commitment, supplier vetting, handling and storage, internal and external audits) and dependent variable (organizational productivity).

The Table (4.16) results confirm that market dynamics have a significant moderating on the relationship between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and organizational productivity. The reason is that the addition of market dynamics resulted in change delta R Square value of 0.038 which mean overall 3.8% moderating effect of market dynamics.

According to multiple regression results in Model 2, among 4 factors studied here, there is a partial significant moderating effect of organizational policies between 2 ISO practices (supplier vetting and internal and external audits) and organizational productivity.

A positive moderating effect is observed where market dynamics strengthen the positive relationship between supplier vetting and organizational productivity. For each 1 unit increased in the factor of supplier vetting will strengthen further of the relationship with organizational productivity by 0.441 when market dynamics have introduced into the mix as a moderating factor.

Table (4.16) Moderating Effect of Market Dynamic on the Relationship between ISO Practices and Organizational Productivity

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
Constant	.429	.314		.174	-.414	1.808		.819
S M C	-.083	.092	-.082	.366	-.398	.615	-.394	.519
S V	.181	.112	.174	.107	-1.357*	.763	-1.301	.078
H & S	.132	.118	.119	.263	.664	.928	.600	.476
I & E A	.344**	.111	.334	.002	1.958**	.732	1.898	.009
MD	.297**	.097	.290	.003	.488	.473	.477	.304
S M C * MD					.079	.168	.527	.640
S V * MD					.441**	.207	2.891	.035
H & S * MD					-.150	.246	-.975	.544
I & E A * MD					-.438**	.187	-3.038	.021
ΔR Square	0.038							
R Square	.553				.592			
Adjusted R Square	.533				.557			
Durbin Watson	1.761							
F Value	27.249***				17.073***			

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level.

The results show that market dynamic has a partial moderating effect on relationship between supplier vetting and organizational productivity. Market dynamic has a negative partial moderating effect on relationship between internal and external audits and organizational productivity. A negative moderating effect is observed where market dynamics weaken the positive relationship between internal and external audits and organizational productivity. Hence it can be stated that organizational policies reduce the positive relationship between internal and external audits and organizational productivity by weakening organizational productivity by 0.438 units for each increase in internal and external audits by 1 unit.

The most interesting finding here and expected result is that respondents think that internal and external audits of ISO practices cannot make organizational productivity effective in the consideration of market dynamics. Though the market dynamics is not stable where supplier vetting is functional to organizational productivity of Ayeyar Hinthar Trading Company Limited. The organizational productivity of an organization may decrease if suppliers are out of stock because of market dynamics.

4.6.2 Moderating Effect of Market Dynamics on the Relationship between ISO Practices and Quality of Product

Table (4.17) shows the effect of moderating variable (market dynamics) on the relationship between independent variable (senior management commitment, supplier vetting, handling and storage, internal and external audits) and dependent variable (quality of product).

The Table (4.17) results state that market dynamics have no significant moderating effect on the relationship between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and quality of product. The reason is that the addition of market dynamics resulted in change delta R Square value of 0.015 which mean overall 1.5% moderating effect of market dynamics.

According to multiple regression results in Model 2, among 4 factors studied here, there is no significant moderating effect of market dynamics between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and quality of product.

Table (4.17) Moderating Effect of Market Dynamic between on the Relationship ISO Practices and Quality of Product

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
Constant	-.009	.263		.971	1.805	1.55		.247
S M C	.213**	.077	.215	.007	-.452	.528	-.455	.394
S V	.209**	.094	.204	.028	-.516	.655	-.503	.433
H & S	.381***	.099	.350	.000	.814	.796	.749	.309
I & E A	.034	.093	.034	.716	.530	.627	.523	.401
M D	.162*	.082	.161	.050	-.297	.406	-.295	.466
S M C * M D					.177	.144	1.207	.221
S V * M D					.203	.177	1.356	.255
H & S * M D					-.126	.211	-.834	.552
I & E A * M D					-.139	.161	-.982	.389
ΔR Square	0.015							
R Square	.673				.689			
Adjusted R Square	.659				.662			
Durbin Watson	1.596							
F Value	45.359***				26.044***			

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

The results show that respondents do not consider that market dynamics cannot make impact for quality of product of Ayeyar Hinthar.

4.6.3 Moderating Effect of Market Dynamics on the Relationship between ISO Practices and Cost of Product

Table (4.18) shows the effect of moderating variable (market dynamics) on the relationship between independent variable (senior management commitment, supplier vetting, handling and storage, internal and external audits) and dependent variable (cost of product).

According to multiple regression results in Model 2, among 4 factors studied here, there is no significant moderating effect of market dynamics between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and quality of product.

The results show that respondents do not consider that market dynamics cannot make impact for quality of product of Ayeyar Hinthar.

The Table (4.18) results state that market dynamics have no significant moderating effect on the relationship between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and cost of product. The reason is that the addition of market dynamics resulted in change delta R Square value of 0.017 which mean overall 1.7% moderating effect of market dynamics.

According to multiple regression results in Model 2, among 4 factors studied here, there is no significant moderating effect of market dynamics between ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and cost of product. The results show that respondents do not think of market dynamics that cannot make cost of product of Ayeyar Hinthar effective.

**Table (4.18) Moderating Effect of Market Dynamic between on the Relationship
ISO Practices and Cost of Product**

Variables	Model 1				Model 2			
	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig	Unstandardized Coefficients		Standardized Coefficients (Beta)	Sig
	B	Std. Error			B	Std. Error		
Constant	-.002	.288		.995	2.868	1.698		.094
S M C	.133	.084	.129	.119	.593	.578	.576	.307
S V	-0.051	.103	-.048	.620	-0.51	.717	-.480	.478
H & S	.437***	.108	.387	.000	-.818	.872	-.726	.350
I & E A	.023	.102	.022	.820	.569	.687	.541	.410
M D	.441***	.090	.423	.000	0.346	.444	-.332	.438
S M C * M D					-.144	.158	-.944	.364
S V * M D					.141	.194	.908	.469
H & S * M D					.343	.231	2.196	.140
I & E A * M D					-.147	.176	-1.003	.405
ΔR Square	0.017							
R Square	.636				.653			
Adjusted R Square	.619				.624			
Durbin Watson	1.993							
F Value	38.423***				22.161***			

Source: Survey Data (2021)

Notes: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

CHAPTER 5

CONCLUSION

In this chapter, the findings from both descriptive analysis and statistical analysis are discussed. Then, suggestions and recommendations and need for further research are pointed out.

5.1 Findings and Discussions

This study analyzes the effects of ISO practices on organizational performance of Ayeyar Hinthar Trading Company Limited and examines the moderating effects of organizational policies and market dynamics on relationship between ISO practices and organizational performance using the descriptive analysis and multiple regression analysis. The important findings based on the data analysis are discussed in the following paragraphs.

Firstly, the effect of ISO practices which are senior management commitment, supplier vetting, handling and storage and internal and external audits on organizational performance factors: organizational productivity, quality of product and cost of product is analyzed. When the effect of ISO practices on organizational productivity of Ayeyar Hinthar Trading Company Limited is analyzed, it is found that two ISO practices - internal and external audits and handling and storage are highlighting factors showing positive relationship. That fact indicates that the company has reviewed internal and external audit report regularly and the company has sufficient storage space for goods.

It is found that handling and storage, senior management commitment and supplier vetting of ISO practices are influencing factors when the effect of ISO practices on quality of product is analyzed. The positive perception of the respondents represents that the company conducts handling and storage systematically checking suppliers regularly with its management team to improve quality of product of Ayeyar Hinthar Trading Company Limited.

When the effect of ISO practices on cost of product relating to organizational performance is analyzed, the results show that handling and storage, internal and external

audits and senior management commitment of ISO practices are three influence factors. This fact states that the cost of product of Ayeyar Hinthar Trading will be increased when the company makes handling and storage of the products systematically conducting regular internal and external audits with its management team in accordance with ISO practices.

In the analysis of the moderating effect of organizational policies on the relationship between ISO practices and organizational productivity, a positive moderating effect is observed where organizational policies strengthen the positive relationship between supplier vetting and organizational productivity. A negative moderating effect is observed where organizational policies weaken the positive relationship between internal and external audits and organizational productivity. Though the company practices organizational policies, internal and external audits of ISO practices cannot make organizational productivity improve whereas supplier vetting makes increase in organizational productivity of Ayeyar Hinthar Trading Company Limited.

When the moderating effect of organizational policies on the relationship between ISO practices and quality of product is analyzed, a positive moderating effect is observed where organizational policies strengthen the positive relationship between senior management commitment and quality of product. This indicates that Ayeyar Hinthar has improved the quality of its product with senior management team using organizational policies.

When the moderating effect of organizational policies on the relationship between ISO practices and cost of product is investigated, results show that organizational policies have no significant moderating effect on the relationship between ISO practices and cost of product. It reveals that organizational policies cannot make cost of product of Ayeyar Hinthar effective.

In the analysis of the moderating effect of market dynamics on the relationship between ISO practices and organizational productivity, a positive moderating effect is observed where market dynamics strengthen the positive relationship between supplier vetting and organizational productivity. Then a negative moderating effect is also observed where market dynamics weaken the positive relationship between internal and external audits and organizational productivity. It represents that Ayeyar Hinthar does not make organizational productivity improve by observing market condition where supplier vetting does.

It is found that there is no significant moderating effect in the analysis of the moderating effect of market dynamics on the relationship between ISO practices and quality of product. It reveals that market dynamics cannot improve the quality of product of Ayeyar Hinthar.

When the moderating effect of market dynamics on the relationship between ISO practices and cost of product is analyzed, the results display that there is no significant moderating effect. It shows that unstable market condition cannot make cost of product of Ayeyar Hinthar effective though the company follows ISO practices.

5.2 Suggestions and Recommendations

In this study, it is found that two ISO practices - internal and external audits and handling and storage are highlighting factors that improve organizational productivity of Ayeyar Hinthar Trading Company Limited. Thus, one of the suggestions by this study is that the company should give more focus on supplier vetting and senior management commitment of ISO practices. It is also found that handling and storage, senior management commitment and supplier vetting of ISO practices are influencing factors in the analysis of the influence of ISO practices on quality of product. In this regard, the company should also emphasize to make internal audits and external audits to be able to provide quality product. The study finds that handling and storage, internal and external audits and senior management commitment of ISO practices are three influence factors when the influence of ISO practices on cost of product relating to organizational performance is analyzed. In the consideration of this fact, the company should check the quality of product from the regular suppliers properly and periodically to make cost of product effective.

According to the analysis of the study on the moderating effect of organizational policies between ISO practices on organizational productivity, it is found that there is negative perception on internal and external audits and positive perception on supplier vetting. This point recommends that the company should set more organizational policies concerning with management, storage and internal and external to improve organizational productivity. It is found in this study that senior management commitment brings about quality of product effective of Ayeyar Hinthar Trading Company Limited in the analysis of the moderating effect of organizational policies between ISO practices and quality of product. In this regard, the company should stress on making internal and external audits,

supplier vetting and handling and storage by reinforcing more policies of organization. In the analysis of the moderating effect of organizational policies between ISO practices on cost of product, the result shows that there is no significant moderating effect. This highlights that the company should focus on ISO practices making organizational policies to bring about cost of product effective.

Based on the findings of the analysis of the moderating effect of market dynamics between ISO practices on organizational productivity, the study finds that there is positive effect on supplier vetting and negative effect on internal and external audits. This point recommends that the company should emphasize on market dynamics concerning with management, storage and internal and external audits to improve organizational productivity. In the analysis of the moderating effect of market dynamics between ISO practices on quality of product, the result shows that there is no significant moderating effect. This highlights that the company should focus on ISO practices observing market condition to improve quality of product. When the moderating effect of market dynamics between ISO practices on cost of product, the result shows that there is no significant moderating effect. This point represents that the company should emphasize on all ISO practices observing local market continuously to get cost of product effective.

5.3 Needs for Further Research

This study focuses only on the ISO practices (senior management commitment, supplier vetting, handling and storage and internal and external audits) and their influence on organizational productivity, quality of product and cost of product relating to the organizational performance of Ayeyar Hinthar Trading Company Limited. The company also runs health services, banking and financial services and other operations in industrial sector. Thus, the next research should focus on the organizational performance of other business sector. A factor of organizational performance that is reputation of an organization is excluded in this study. Thus, the next study should include this part to fulfill the organizational performance of the company. Moreover, the thoroughly investigation of each and every ISO practices of the company that received ISO certification should be more researched in the further studies.

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APPENDIX (A)

Dear Sir/ Madam,

I am Thin Thin Su Hlaing, a student studying the Master of Business Administration at Yangon University of Economics in Myanmar. In order to complete my MBA study, I do need to conduct this thesis.

My study is about the effect of ISO practices on organizational performance of Ayeyar Hinthar Trading Co., Ltd.

This questionnaire is developed to gather information for the purpose of this research. It will take an average of 20 – 25 minutes to fill it out. Your valuable answers will be handled strictly confidential and will exclusively be used for the purpose of this research. Therefore, I do request to answer the questions as honest and objective as possible in order to contribute to the success of this study.

Many thanks for your time and support.

Sincerely,

Thin Thin Su Hlaing.

Below are some questions to get a better overall view of the respondent. Please note that all data remains anonymous.

Respondent's Details

1. What is your gender?

- Male Female

2. What is your age range?

- 21 - 30 years 31 - 40 years
 41 - 50 years 51 - 60 years
 > 60 years

3. What is the highest level of education you have completed?

- High School Diploma
 Bachelor's degree Master's Degree
 Doctorate degree Others, please specify -----

4. What is your average monthly salary range (in MMK)?

- 150,000 - 250,000 250,001 - 500,000
 500,001 - 750,000 750,001 - 1,000,000
 >1,000,000

5. Which range indicates the number of years you are employed within the organization?

- < 1 year 1 - 5 years
 6 - 10 years 11-15 years
 > 15 years

Please tick (√) in the box to indicate how agreeable you are with the following.

1 = Strongly Disagree 2 = Disagree 3 = Neutral
 4 = Agree 5 = Strongly Agree

ISO Practices

No	Senior Management Commitment	1	2	3	4	5
1	Senior management leads to implement the quality management system.					
2	Senior management values quality of products and services.					
3	Senior management provides sufficient resources to implement quality management system.					
4	Senior management provides enough resources to manage quality of products and services.					
5	Senior management evaluates on quality performance regularly.					
No	Supplier Vetting	1	2	3	4	5
1	The company values the importance of right suppliers.					
2	The company selects the right suppliers properly.					
3	The company has good relationship with its suppliers.					
4	The company evaluates the performance of the suppliers periodically.					
5	The company provides regular feedbacks to the suppliers for quality of products and services.					
No	Handling and Storage	1	2	3	4	5
1	The company uses proper tools and equipment to handle goods.					
2	The company has skillful people to use the handling tools and equipment.					
3	The company has proper storage system for goods.					
4	The company has sufficient storage space for goods.					
5	The company has insurance to avoid damage.					

No	Internal & External Audits	1	2	3	4	5
1	The company internally ensures compliance with the organizational policies and procedures at all times.					
2	The company develops internal and external audit department to carry out regular audit check.					
3	The company uses internal control system.					
4	The internal audit department appropriately develops audit plans for the audit objectives.					
5	BODs review internal and external audit report regularly.					

Organizational Performance

No	Organizational Productivity	1	2	3	4	5
1	The company produces its products in full quantity and quality .					
2	The company produces its products in time.					
3	The company uses its resources at minimum.					
4	The company achieves its production targets.					
5	The company minimizes reworks or rejected works.					
No	Quality of Product	1	2	3	4	5
1	The company can resolve quality problems properly.					
2	The company's ISO practices help product quality.					
3	The company produces the products with upgrade machines.					
4	The company produces the products with skillful labours.					
5	The company produces the products with latest technology.					

No	Cost of Product	1	2	3	4	5
1	The company produces products cost effectively and efficiently.					
2	The company manages its operations systematically.					
3	The company reduces defective rate.					
4	To offer the customers affordable price, the company monitors the production costs.					
5	The company produces its products at lower costs among the competitors.					

No	Organizational Policies	1	2	3	4	5
1	The company sets policies that are related ISO practices.					
2	The company displays the organizational policies visibly.					
3	The organizational policies are adequate practices of ISO standard.					
4	Employees are fully informed of the organizational policies.					
5	Employees follow the organizational policies.					

No	Market Dynamics	1	2	3	4	5
1	The company knows the important role of market dynamic.					
2	The company is aware of changing macro environment of the organization.					
3	The company is aware of changing micro environment of the organization.					
4	The company reviews the effects of market changing factors.					
5	The company monitors the strategies which make an effective implementation of the ISO standard.					

APPENDIX (B)

Effect of ISO Practices on Organizational of Productivity

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.718 ^a	.515	.498	.33841	.515	29.521	4	111	.000	1.711

a. Predictors: (Constant), internal and external audit mean, senior management commitment mean, handling and storage mean, supplier vetting mean

b. Dependent Variable: organizational productivity mean

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.523	4	3.381	29.521	.000 ^a
	Residual	12.712	111	.115		
	Total	26.236	115			

a. Predictors: (Constant), internal and external audit mean, senior management commitment mean, handling and storage mean, supplier vetting mean

b. Dependent Variable: organizational productivity mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	.617	.319		1.936	.055					
Totaliso_SMC	-.036	.094	-.036	-.388	.698	.455	-.037	-.026	.507	1.974
Totaliso_SV	.148	.115	.142	1.282	.202	.576	.121	.085	.358	2.792
Totaliso_HS	.200	.120	.181	1.675	.097	.605	.157	.111	.374	2.676
Totaliso_IEA	.509	.101	.493	5.055	.000	.691	.433	.334	.458	2.182

a. Dependent Variable: organizational performance mean

Effect of ISO Practices on Quality of Product

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.813 ^a	.662	.649	.27768	.662	54.275	4	111	.000	1.537

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	16.739	4	4.185	54.275	.000 ^a
Residual	8.559	111	.077		
Total	25.298	115			

a. Predictors: (Constant), internal and external audit mean, senior management commitment mean, handling and storage mean, supplier vetting mean

b. Dependent Variable: quality of product mean

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.093	.261		.357	.722
Senior management commitment mean	.239	.077	.240	3.100	.002
Supplier vetting mean	.190	.094	.186	2.013	.047
Handling and storage mean	.418	.098	.384	4.257	.000
Internal and external audit mean	.124	.083	.122	1.501	.136

a. Dependent Variable: quality of product mean

Effect of ISO Practices on Cost of Product

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.745 ^a	.556	.540	.33012	.556	34.699	4	111	.000	1.817

- a. Predictors: (Constant), internal and external audit mean, senior management commitment mean, handling and storage mean, supplier vetting mean
- b. b. Dependent Variable: Cost of product mean

ANOVA^b

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	15.126	4	3.781	34.699	.000 ^a
Residual	12.096	111	.109		
Total	27.222	115			

- a. Predictors: (Constant), internal and external audit mean, senior management commitment mean, handling and storage mean, supplier vetting mean
- b. Dependent Variable: Cost of product mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.278	.311		.893	.374
	Senior management commitment mean	.202	.092	.196	2.208	.029
	Supplier vetting mean	-.101	.112	-.095	-.900	.370
	Handling and storage mean	.538	.117	.477	4.610	.000
	Internal and external audit mean	.268	.098	.255	2.726	.007

a. Dependent Variable: Cost of product mean

Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Organizational Productivity

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.737 ^a	.543	.522	.33026	.543	26.106	5	110	.000	
2	.779 ^b	.607	.573	.31207	.064	4.299	4	106	.003	1.588

- a. Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean
- b. Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean, senior management commitment mean* organizational policies mean, supplier vetting mean* organizational policies

mean, handling and storage mean* organizational policies mean, internal and external audit mean * organizational policies mean

c. Dependent Variable: Organizational productivity

ANOVA^c

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.237	5	2.847	26.106	.000 ^a
	Residual	11.998	110	.109		
	Total	26.236	115			
2	Regression	15.912	9	1.768	18.154	.000 ^b
	Residual	10.323	106	.097		
	Total	26.236	115			

a. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean

b. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean, senior management commitment mean* organizational policies mean, supplier vetting mean* organizational policies mean, handling and storage mean* organizational policies mean, internal and external audit mean * organizational policies mean

c. Dependent Variable: Organizational productivity

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.456	.317		1.437	.153
Totaliso_SMC	-.072	.093	-.071	-.775	.440
Totaliso_SV	.158	.112	.151	1.403	.163
Totaliso_HS	.070	.127	.063	.552	.582
Totaliso_IEA	.390	.109	.379	3.596	.000
Totalmv_OP	.313	.122	.283	2.559	.012
2 (Constant)	1.307	1.888		.692	.490
Totaliso_SMC	.902	.696	.892	1.295	.198
Totaliso_SV	-3.936	1.164	-3.773	-3.382	.001
Totaliso_HS	.514	1.346	.464	.381	.704
Totaliso_IEA	2.888	.981	2.800	2.944	.004
Totalmv_OP	.012	.514	.011	.023	.981
Totalsmc_op	-.284	.181	-1.931	-1.564	.121
Totalsv_op	1.117	.309	7.358	3.615	.000
Totalhs_op	-.086	.355	-.568	-.242	.810
Totaleia_op	-.680	.255	-4.697	-2.667	.009

a. Dependent Variable: Organizational productivity

Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Quality of Product

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.817 ^a	.668	.653	.27623	.668	44.307	5	110	.000	
2	.834 ^b	.696	.670	.26955	.027	2.380	4	106	.056	1.639

a. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean

b. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean, senior management commitment mean* organizational policies mean, supplier vetting mean* organizational policies mean, handling and storage mean* organizational policies mean, internal and external audit mean * organizational policies mean

c. Dependent Variable: Quality of product

ANOVA^c

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	16.904	5	3.381	44.307	.000 ^a
Residual	8.394	110	.076		
Total	25.298	115			
2 Regression	17.596	9	1.955	26.908	.000 ^b
Residual	7.702	106	.073		
Total	25.298	115			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.016	.265		.060	.952
Totaliso_SMC	.222	.077	.223	2.863	.005
Totaliso_SV	.195	.094	.190	2.074	.040
Totaliso_HS	.355	.106	.327	3.336	.001
Totaliso_IEA	.067	.091	.066	.739	.462
Totalmv_OP	.151	.102	.139	1.470	.144
2 (Constant)	.712	1.630		.437	.663
Totaliso_SMC	-1.298	.601	-1.308	-2.159	.033
Totaliso_SV	-1.108	1.005	-1.081	-1.102	.273
Totaliso_HS	1.607	1.163	1.479	1.382	.170
Totaliso_IEA	1.458	.847	1.439	1.720	.088
Totalmv_OP	.043	.444	.039	.096	.924
Totalsmc_op	.384	.157	2.661	2.450	.016
Totalsv_op	.353	.267	2.366	1.322	.189
Totalhs_op	-.352	.306	-2.378	-1.149	.253
Totaleia_op	-.356	.220	-2.502	-1.615	.109

a. Dependent Variable: Quality of product

Moderating Effect of Organizational Policies on the Relationship between ISO Practices and Cost of Product

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.796 ^a	.634	.617	.30111	.634	38.049	5	110	.000	
2	.807 ^b	.652	.622	.29909	.018	1.373	4	106	.248	1.891

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.249	5	3.450	38.049	.000 ^a
	Residual	9.973	110	.091		
	Total	27.222	115			
2	Regression	17.740	9	1.971	22.035	.000 ^b
	Residual	9.482	106	.089		
	Total	27.222	115			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-1.67	.289		.000	1.000
Totaliso_SMC	.141	.084	.137	1.673	.097
Totaliso_SV	-.084	.103	-.079	-.815	.417
Totaliso_HS	.314	.116	.278	2.702	.008
Totaliso_IEA	.064	.099	.061	.642	.522
Totalmv_OP	.540	.112	.479	4.839	.000
2 (Constant)	.706	1.809		.390	.697
Totaliso_SMC	1.148	.667	1.115	1.721	.088
Totaliso_SV	-1.842	1.116	-1.734	-1.651	.102
Totaliso_HS	.027	1.290	.024	.021	.983
Totaliso_IEA	.948	.940	.903	1.008	.316
Totalmv_OP	.285	.492	.252	.578	.564
Totalsmc_op	-.277	.174	-1.849	-1.592	.114
Totalsv_op	.482	.296	3.119	1.629	.106
Totalhs_op	.100	.340	.653	.295	.768
Totaleia_op	-.248	.244	-1.681	-1.014	.313

a. Dependent Variable: Cost of product

Moderating Effect of Market Dynamic on the Relationship between ISO Practices and Organizational Productivity

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.744 ^a	.553	.533	.32641	.553	27.249	5	110	.000	
2	.769 ^b	.592	.557	.31787	.038	2.498	4	106	.047	1.761

a. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and market dynamic mean

b. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean, senior management commitment mean* market dynamic mean, supplier vetting mean* market dynamic mean, handling and storage mean* market dynamic mean, internal and external audit mean * market dynamic mean

c. Dependent Variable:
Organizational productivity

ANOVA^c

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	14.516	5	2.903	27.249	.000 ^a
Residual	11.720	110	.107		
Total	26.236	115			
2 Regression	15.525	9	1.725	17.073	.000 ^b
Residual	10.710	106	.101		
Total	26.236	115			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.429	.314		1.367	.174
Totaliso_SMC	-.083	.092	-.082	-.908	.366
Totaliso_SV	.181	.112	.174	1.626	.107
Totaliso_HS	.132	.118	.119	1.124	.263
Totaliso_IEA	.344	.111	.334	3.099	.002
Totalmv_MD	.297	.097	.290	3.052	.003
2 (Constant)	-.414	1.808		-.229	.819
Totaliso_SMC	-.398	.615	-.394	-.647	.519
Totaliso_SV	-1.357	.763	-1.301	-1.778	.078
Totaliso_HS	.664	.928	.600	.716	.476
Totaliso_IEA	1.958	.732	1.898	2.676	.009
Totalmv_MD	.488	.473	.477	1.033	.304
Totalsmc_md	.079	.168	.527	.470	.640
Totalsv_md	.441	.207	2.891	2.132	.035
Totalhs_md	-.150	.246	-.975	-.609	.544
Totaleia_md	-.438	.187	-3.038	-2.335	.021

a. Dependent Variable: Organizational productivity

Moderating Effect of Market Dynamic on the Relationship between ISO Practices and Quality of Product

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.821 ^a	.673	.659	.27407	.673	45.359	5	110	.000	
2	.830 ^b	.689	.662	.27262	.015	1.294	4	106	.277	1.596

a. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and market dynamic mean

b. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean, senior management commitment mean* market dynamic mean, supplier vetting mean* market dynamic mean, handling and storage mean* market dynamic mean, internal and external audit mean * market dynamic mean

c. Dependent Variable:
Quality of product

ANOVA^c

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.035	5	3.407	45.359	.000 ^a
	Residual	8.263	110	.075		
	Total	25.298	115			
2	Regression	17.420	9	1.936	26.044	.000 ^b
	Residual	7.878	106	.074		
	Total	25.298	115			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.009	.263		-.036	.971
Totaliso_SMC	.213	.077	.215	2.765	.007
Totaliso_SV	.209	.094	.204	2.226	.028
Totaliso_HS	.381	.099	.350	3.857	.000
Totaliso_IEA	.034	.093	.034	.365	.716
Totalmv_MD	.162	.082	.161	1.985	.050
2 (Constant)	1.805	1.550		1.164	.247
Totaliso_SMC	-.452	.528	-.455	-.856	.394
Totaliso_SV	-.516	.655	-.503	-.788	.433
Totaliso_HS	.814	.796	.749	1.023	.309
Totaliso_IEA	.530	.627	.523	.844	.401
Totalmv_MD	-.297	.406	-.295	-.732	.466
Totalsmc_md	.177	.144	1.207	1.231	.221
Totalsv_md	.203	.177	1.356	1.145	.255
Totalhs_md	-.126	.211	-.834	-.596	.552
Totaleia_md	-.139	.161	-.982	-.864	.389

a. Dependent Variable: Quality of product

Moderating Effect of Market Dynamic on the Relationship between ISO Practices and Cost of Product

Model Summary^c

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.797 ^a	.636	.619	.30017	.636	38.423	5	110	.000	
2	.808 ^b	.653	.624	.29853	.017	1.303	4	106	.274	1.993

a. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and market dynamic mean

b. Predictors: (Constant), Predictors: (Constant), senior management commitment mean, supplier vetting mean, handling and storage mean, internal and external audit mean and organizational policies mean, senior management commitment mean* market dynamic mean, supplier vetting mean* market dynamic mean, handling and storage mean* market dynamic mean, internal and external audit mean * market dynamic mean

c. Dependent Variable: Cost of product

ANOVA^c

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	17.311	5	3.462	38.423	.000 ^a
	Residual	9.912	110	.090		
	Total	27.222	115			
2	Regression	17.775	9	1.975	22.161	.000 ^b
	Residual	9.447	106	.089		
	Total	27.222	115			

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-.002	.288		-.007	.995
Totaliso_SMC	.133	.084	.129	1.570	.119
Totaliso_SV	-.051	.103	-.048	-.497	.620
Totaliso_HS	.437	.108	.387	4.041	.000
Totaliso_IEA	.023	.102	.022	.228	.820
Totalmv_MD	.441	.090	.423	4.924	.000
2 (Constant)	2.868	1.698		1.689	.094
Totaliso_SMC	.593	.578	.576	1.026	.307
Totaliso_SV	-.510	.717	-.480	-.712	.478
Totaliso_HS	-.818	.872	-.726	-.939	.350
Totaliso_IEA	.569	.687	.541	.828	.410
Totalmv_MD	-.346	.444	-.332	-.779	.438
Totalsmc_md	-.144	.158	-.944	-.912	.364
Totalsv_md	.141	.194	.908	.727	.469
Totalhs_md	.343	.231	2.196	1.487	.140
Totaleia_md	-.147	.176	-1.003	-.836	.405

a. Dependent Variable: Cost of product

