

# Northumbria Research Link

Citation: Dimitropoulos, Exarxos and Vlachos, Ilias (2006) Cooperatives Quality: evidence from Greece. In: 7th International Conference on Management in AgriFood Chains and Networks, Ede, The Netherlands, 31 May-2 June.

URL:

This version was downloaded from Northumbria Research Link:  
<http://nrl.northumbria.ac.uk/12964/>

Northumbria University has developed Northumbria Research Link (NRL) to enable users to access the University's research output. Copyright © and moral rights for items on NRL are retained by the individual author(s) and/or other copyright owners. Single copies of full items can be reproduced, displayed or performed, and given to third parties in any format or medium for personal research or study, educational, or not-for-profit purposes without prior permission or charge, provided the authors, title and full bibliographic details are given, as well as a hyperlink and/or URL to the original metadata page. The content must not be changed in any way. Full items must not be sold commercially in any format or medium without formal permission of the copyright holder. The full policy is available online: <http://nrl.northumbria.ac.uk/policies.html>

This document may differ from the final, published version of the research and has been made available online in accordance with publisher policies. To read and/or cite from the published version of the research, please visit the publisher's website (a subscription may be required.)

[www.northumbria.ac.uk/nrl](http://www.northumbria.ac.uk/nrl)



# **ISO 9000 Quality Management Systems' Implementation and Use in the Agricultural Cooperatives: Critical Evaluation of the Greek Practice**

**Exarchos Dimitropoulos**

**Ilias Vlachos**

Doctorate of Business Administration Candidate

The Nottingham Trent University, Business School, UK

158, Riga Ferreou street, 24100 Kalamata, Greece

Phone: +30 27210 23419 – home, +30 27210 29880 – work

Fax: +30 27210 84693 – work

Mobile: +30 6932467665

## **Abstract**

The study of the role and contribution of ISO 9000 QMS to the corporate strategic development and organisational change and performance improvement of the Greek Agro-coops, as well as the identification and analysis of the drivers and constraints of this system's effective implementation and efficient use has and/or should have been the subject of increased attention in recent times, as the majority of these organisations face increasing financial and business operating problems over the last three decades, as it was identified in a collective work of Papageorgiou et al, published in "Syneteristiki Poreia" (volumes of years 2000-2003) and the re-configuration of their organisational practices and activities, referring to any management system adapted and applied – e.g. the ISO 9000 QMS, is considered a must for their business survival in the words of Arvanitoyiannis (2001).

As a result of the aforementioned facts and due to his current professional status, the researcher decided to focus his DBA research on issues relating to the role and contribution of the quality management systems - and more particularly of the ISO 9000 Quality Management Systems - to the achievement of Greek Agricultural Cooperatives' corporate strategic goals and organisational performance improvement through the improvement of their business processes.

The critical examination of the ISO 9000 – Quality Management Systems' implementation process and use purpose by the Agricultural Cooperatives sector in Greece is the broad and general Topic of my Doctorate Research. It is mainly connected with the following two current issues:

- on one hand, with the reanimation of the ongoing dialogue and debate concerning the perspectives of the Agricultural Cooperatives in Greece and the future status of the 15% of the country's active population, which is occupied in the broader agricultural sector (Bank of Greece, 2002), and
- on the other hand, with the ever increasing public concern, interest and demand for safer, healthier and quality enhanced food products and services all over the world (ICAP, 2002 and Arvanitoyiannis, 2000).

Keywords: agricultural co-operatives, quality management-ISO 9000 QMS, process management, change management, key stakeholders.

## **1. Introduction**

The planning and management of the ISO 9000 Quality Management System, as well as its active implementation and use processes remain a challenge for many organisations in today's increasingly competitive world economy and business.

While companies are facing faster rates of change, greater levels of competition, revolutions in technology and changing customer demands, any corporation's Quality management systems' - the ISO 9000 QMS included - activities and operations are still considered and practiced, by a fair number of corporations and their stakeholders, as a specialised

bureaucratic business system and function, which is time and resources consuming and isolated from the other corporate activities, functions and departments (Quality Forums' Proceedings - Athens, 1997 and 1998).

Furthermore, for the majority of the corporations, ISO 9000 QMS is still perceived as a necessary management system and business tool required and used mainly for marketing and legal reasons, as many quality authors, i.e. Oakland (2003), Arvanitoyiannis (2001), Foster (2001), state and not as a corporate resource that could contribute to the organizational change process and corporate strategic development if applied as theory suggests, that is, as an incorporated organic part of the entire corporate strategy and business operation, as Arvanitoyiannis and Kourtis (2002) believe.

On the other hand, as Goetch and Davis (2002) refer, any Quality Management System's proper implementation and use require the corporate long-term strategic planning and unwavering commitment and support – especially these of the Key Stakeholders – as well as the provision of the necessary and required resources for the system's successful development and continuous improvement.

This is an approach that is required to be applied in a very short-term oriented business world, while at the same time as theory suggests the corporate activities and intended results of the ISO 9000 implementation and use are supposed to be strategically planned and long-term oriented. This business situation and fact may be perceived and experienced as contradictory and in a way hardly functional by many managers, who may find themselves not informed, untrained and inexperienced in the system's requirements and proper practice, as it was presented in the Proceedings of the Quality Forums held in Athens, in 1997 and 1998.

Under this attitude and practice any corporation could only use its adopted quality management systems – the ISO 9000 QMS included – as a management tool not for its strategic development and business processes and operations control, assessment and improvement, but rather mainly for its products and services quality assurance upgrading, as it is required by the market needs, the European Union directives and the National legislation on Food safety, as Oakland (2003) considers.

In reality, Arvanitoyiannis (2000) believes that, for a fair number of (Greek) business entities and their stakeholders, this approach remains still the system's main purpose and use, while for an increasing number of other corporations a tendency is identified to utilise the ISO 9000 QMS as a corporate strategic resource aiming at the achievement of organizational change through the improvement of business processes and consequently organisational performance, as the research findings of the aforementioned Quality Forums present.

The ultimate goal of any corporate resource/competence, and as it was previously presented any Quality management system such as the ISO 9000 QMS could be considered as such as many authors on quality issues believe, is and/or should be to enhance the achievement of the company's strategic goals, while achieving synergy across lines of business operations and departments and managing the risk of longer-term business activities and operations, as Johnson and Scholes (1992) emphatically state.

However, compared with other corporate resources such as human resources, information systems, marketing research, new product development etc., there is a paucity/lack of research and frameworks to improve corporate attitudes and practices in the field of the quality management systems' - the ISO 9000 QMS included - implementation and use in the Greek Agro-coops with the corporate goal to improve business processes in order to achieve corporate strategic development and organizational performance improvement, as theory suggests and research findings identify, i.e. all the aforementioned authors on quality management issues and Quality Forums Research Findings, held in Athens in 1997, 1998 and 1999.

As a result of the aforementioned facts and due to his current professional status, the researcher decided to focus his Doctorate of Business Administration/DBA research on issues relating to the role and contribution of the quality management systems - and more particularly of the ISO 9000 QMS - to the achievement of Greek Agricultural Cooperatives' corporate strategic goals and organisational performance improvement through the improvement of their business processes.

In relevance to the aforementioned main research aim, the following working hypothesis is going to be examined and tested throughout the whole research project:

ISO 9000 Quality Management Systems are considered by the Greek agro-coops (and their key stakeholders) as an organisational change management tool, that is effectively implemented and efficiently used for achieving improved business processes and organizational performance, despite their existing organizational, behavioral and operational settings and arrangements that might affect and impair their business performance and consequently might influence the effective implementation and the efficient use of these systems.

As a conclusion of the aforementioned analysis, the researcher has defined the following objectives for his DBA project:

1. to analyze and critically evaluate the current status of the ISO 9000 Quality Management Systems in Greek Agro-coops in relation to the agro-coops' current business status.
2. to evaluate the role and contribution of these Quality management systems to the development of improved business operations and processes by the Greek agro-coops with the final aim of achieving improved Operational and Organizational Performance and Business Excellence.
3. to examine these Quality management systems' role and influence in the Greek agro-coops' business reorientation towards customer-focused and market-oriented business practices, services and operations.
4. to identify the driving and restraining forces concerning the implementation, operation and use of ISO 9000-Quality Assurance and Management Systems in Greek Agricultural Cooperatives.
5. to investigate the Greek Agro-coops' (Key) Stakeholders attitudes, perceptions and beliefs towards the ISO 9000 QMS and identify their actual behaviors and practices concerning these systems' implementation, operation and use in the Greek agro-coops.

Therefore, a thorough auditing of all the Key Business Factors, that influence the implementation and development process of the ISO 9000 – Quality Assurance and Management Systems in the Greek Agro-coops, is a main task of the Research Process. More specifically, a critical examination, analysis and evaluation of all the Critical Success Factors, which will be viewed as the Driving Forces as well as of the Critical Failure Factors which will take the place of the Constraining Forces that affect and influence the effective and efficient implementation and use of the ISO 9000 QMS in the Greek Agro-Coops will be conducted.

The critical examination of existing literature provided useful indications and insights into the extent to and the required manner with which quality management systems - the ISO 9000 QMS included - may contribute to the enterprises' - therefore, the Greek agro-coops' too - improvement of their core and secondary business processes and operations and consequently organizational change and corporate strategic development.

On the other hand several external and internal business and market constraints have been pointed out as possible major cause-root reasons for the ineffective and inefficient implementation and use of any management system - the ISO 9000 QMS included - in the Greek agro-coops.

There is evidence to suggest that a change is taking place with regard to the management style and approach adopted as far as the application of ISO 9000 QMS is concerned, as it is identified in the Quality Forums Proceedings of 1997 and 1998.

It was presented that while the dominant view of quality management systems-ISO 9000 QMS continues to be regarded and treated as a management system facilitating mostly the corporate production function, there has been observed a more active quality issues management having as a result the significant growth of quality control & assurance units' operations & activities range, scope and importance leading to their consequent transformation to quality management units/departments.

This change is from a traditional, passive, reactive, and short-term management approach, to a style that has a strategic, proactive and longer-term orientation concerning the corporate management and practice of any quality management system, the ISO 9000 QMS too as Oakland (2003) believes.

As it has been previously referred, there exists a lack of research programs examining the status of ISO 9000 QMS and the nature of the system's implementation process and use purpose in the Greek Agricultural co-operatives business sub-sector.

Therefore, the researcher decided to conduct a research project for critically investigating, analysing and evaluating the ISO 9000 QMS' implementation and use practice in the Greek Agro-coops business environment.

Therefore, the main purpose of the research is to gain insight into the current corporate perceptions, attitudes, behaviours and practices concerning the ISO 9000 QMS' management and business practice in Greek agro-coops, in order to understand better how and why those companies' key stakeholders adopt and utilise this quality management system, what is the organisational structure and business activities of the surveyed companies' quality management & assurance units-departments and what are the key business factors/KBF that may influence the corporate behaviour & practice concerning the ISO 9000 QMS implementation process and use purpose.

## **2. Research Objectives and Questions**

As it was previously presented, the principal aim of the entire DBA research is to: thoroughly examine, analyse and critically evaluate the manner of the ISO 9000 – Quality Assurance and Management Systems' implementation and use in the Greek agricultural cooperatives for:

- investigating and critically evaluating the systems' role and degree of contribution in the development and sustainable application of improved business processes and ultimately organizational performance, and
- examining and critically analyzing the key business factors influencing the Quality Management Systems' effective and efficient development, practice and use in the aforementioned business environment.

As a result, the principal aim of the qualitative part of the DBA research, was to in depth explore issues relating to the current status and nature as well as to the adopted practice of ISO 9000 QMS' implementation process and use purpose in the Greek Agro-coops sub-sector, by investigating and critically evaluating these Agro-coops' Key Stakeholders' knowledge, perceptions, attitudes, behaviours and practices towards this QMS system's implementation process and use purpose.

Thus, the qualitative research process was held and materialized within an interpretative context aiming at critically examining and evaluating the issue of ISO 9000 QMS' implementation and use as practiced and experienced in Greek Agro-coops of all three degrees of the agricultural cooperative sector.

Therefore, the researcher decided to apply his research project in as many as possible third degree Central Unions of Greek Agro-coops, a fair number of second degree Unions of Greek

Agro-coops as well as in few indicative first degree Greek Agro-coops, which have a considerable business status and operation as well as a healthy financial position in the market.

Furthermore, the broad aims of the qualitative research were to examine the following issues:

1. What are the Greek agro-coops' key stakeholders' knowledge, attitudes and practice towards the Quality and Process Management concepts and issues and the perceived by them interrelationship with ISO 9000 QMS?
2. According to the key Stakeholders' opinion and experience, are there any interrelationship and interdependence between the ISO 9000 QMS' business status and nature of its implementation process and use purpose with the current Agro-coops' business status, financial position and management practices?
3. What is the Key Stakeholders' knowledge towards the nature of the ISO 9000:2000 Quality Management System and the reasons, results and requirements of the system's implementation and use?

More specifically the following sub-questions will be set:

- 3.1. What difference does the transition to, and the introduction and implementation of the "new" ISO 9000:2000 QMS system make in comparison with the implementation of the "old" Quality assurance and management system - the ISO 9000:1994 - in terms of the Agro-coops' business operations.
- 3.2. What are their opinions and beliefs towards the nature and manner of the ISO 9000:2000 Quality Management System's implementation and the anticipated and intended by them results.
- 3.3. What are the results of the Introduction and Implementation of the ISO 9000:1994 – Quality Assurance and Management System in the UACM and in the other selected Greek Agro-coops. Furthermore, to investigate the Agro-coops' Key Stakeholders' opinions on the Implementation of the system and register the perceived by them produced results of its operation in comparison to the intended by them outcomes of the system's application.
4. What are the Agro-coops' Key Stakeholders' perceptions and attitudes towards the nature of the ISO 9000 – Quality management system, the manner of the system's implementation and use and its influencing role in the:
  - 4.1. sustainable development of improved business processes and operations with the ultimate aim of achieving improved organizational performance.
  - 4.2 agro-coops' business reorientation towards customer-focused and market-oriented business practices and operations.
  - 4.3. achievement of the corporate strategic goals through its incorporation in and relationship with the corporate strategic plan?
5. Do they believe that the corporate attitudes and practices have to be changed concerning the ISO 9000 – QMS' implementation process and use purpose?

More analytically:

- 5.1. Who should decide, plan and lead this change management process? And by whom to be deployed and assessed?
- 5.2. How is this change process perceived and experienced? As an outcome of external and/or internal business factors-forces? Is it a superimposed, breakthrough, deterministic and/or a planned, incremental, voluntaristic business need, action and result?
- 5.3. Should and/or could this change management process orientate the ISO 9000 QMS' implementation process and use purpose toward an organisational change and strategic development direction?

And as a triangulation method for assessing the validity and reliability of all interviews, the researcher has decided to set two questions relevant to Topic 2 and a question relevant to Topic 1, which are pervasive and related to all the aforementioned Topics of the Qualitative Research, to be asked at the end of all qualitative in depth interviews:

- 2.1. Do internal operating problems and the human relations structure (e.g. micro-politics, groupings, personal interests) as well as external influences (e.g. political parties) affect the effective Implementation and efficient Use of any management system - the ISO 9000 QMS included - in Greek Agro-coops?
- 2.2. How do the researched key stakeholders rate and evaluate the decision making system as it is practiced and experienced in the Greek Agro-coops' sector?  
Which managing group should be the Decision makers group:?  
the managing team/employees or the Board of Directors' members/elected members?
- 1.1. According to their opinion where should the issue of quality management be headed/directed for the Agro-coops enjoying the optimum results out of its implementation and use?

### **3. Conceptual Framework**

The study of the Implementation and Use of the ISO 9000 - Quality Assurance and Management Systems in the Agro-food industry in general and in the Agricultural Cooperatives in particular, as well as research on these systems' role and degree of contribution to the achievement of improved business processes and operations and organisational performance, has been the subject of increasing interest and attention over the last decade.

It is expected that this interest will continue and be extended as several factors contribute to the strengthening of this interest. The most crucial factor is consumers' growing demand for safer food products with upgraded quality and more value for money. In relation to that, the differentiation of demand brings new requirements, as food consumption is increasingly related to non-consumption utilities like social referencing, health, product safety and quality, environmental friendliness and product regional origin (EU - New CAP, 2004).

This demand tends to become an operating prerequisite for all Food Industry corporations, as it has already been institutionalized through the European Union Directives referring to and concerning food safety and consumers' health protection.

Furthermore, these directives have already been embodied in the legislation of the state members and in the national legislation of other states - i.e. U.S.A., Australia, Canada, Japan, Korea, South Africa and so on -, thus affecting the legal as well as the business status of all food industry companies on a national, European and global level and scale, as Arvanitoyiannis (2001) states.

In the agro-food industry, the economic and business integration worldwide advances through joint ventures, strategic alliances, conglomerates, business takeovers and business clusters. The resulting effect is the emerging need for entrepreneurial, adaptive, quality-driven business processes and market-driven & customer-oriented corporate operations and organizational structures for every type of institution in the agro-food industry, especially the agro-coops, as Parnell (2000) believes.

As a result, in all private companies of the Food Industry, the introduction and implementation of Quality Assurance and Management Systems - such as the ISO 9000, ISO 14000 and HACCP, as well as TQM and BPR programs - is considered an imperative and the only debatable argument is how they can improve the implementation of these Quality and Process management systems aiming at the upgrading of their business processes and operations and

consequently the improvement of their organizational performance, as Arvanitoyiannis and Kourtis (2002) refer.

The protagonists of all these processes, the private ownership companies of the agro-industry, are the main competitors of the agricultural cooperatives' sub-sector. This fact almost forces the Greek agro-coops to adopt the introduction and development of such quality systems and attempt to implement and use them effectively and efficiently, for remaining competitive in the food industry sector.

The agricultural cooperatives represent or should represent, according to the public view and opinion, an organisation operating at the edge of business excellence; this is not a paradox as in public's mind the Agro-coops are synonymous to social public organizations, whose main mission is or should be the general public welfare in Parnell's (2000) view.

Nevertheless, the agro-coops (especially the Greek ones) are facing serious problems in their business operations during the last two decades especially, with the result of decreased market presence, competitiveness and profitability, and heavy borrowing from the state banks, all these facts leading them even to bankruptcy ("IMERISIA", 27-28/11/2004, p.10) and ("Syneteristiki Poria", issue 72, October –December 2003, p.p. 225-228).

As a result of this situation, the European Union Agricultural Committee through the issue of a new statute concerning the agricultural cooperatives seems to enhance cooperation among agro-coops and the transformation of their businesses being based on a new operational framework similar to the private sector companies' one.

As a consequence of all these developments and changes, a new rationale concerning and requiring the effective and efficient introduction, implementation and use of the ISO 9000 Quality Assurance and Management Systems in the Greek agro-coops is emerging; the ultimate goal of this approach is for Greek agro-coops achieving improved business processes and organizational performance through the strategic use of these quality management systems, as Arvanitoyiannis states (2000).

This approach is further verified by the Research studies findings presented in the Proceedings of the Quality and Competitiveness International Forums, held in Athens in 1997, 1998 and 1999.

In the studies of Kasinides (1998) and Angelides (1998) on ISO 9000:1994 QMS' implementation and use in British and Cypriot enterprises the three most important benefits for the British organizations were: a) been aware for problems of business processes (78%), b) covering the foreigner customers' requirements (72%) and c) covering the local customers' requirements (62%), and for the Cypriot ones:

a) been aware for problems of business processes (86%), b) increase of customers' service (79%) and c) improvement of managerial control (75%).

Almost identical research findings are identified in an initial survey conducted in 1995-97 - as it is referred by Petroheilou (1999) in the Proceedings of the 5<sup>th</sup> Conference on Competitiveness and Quality held in Athens, Greece in 1999 - and concerning the reasons the Greek companies are pursuing the ISO 9000:1994 registration and certification the main reasons were: for Marketing purposes -42%, due to their Customers' pressure and demands -30%-, senior management decision and request -24%-, and other reasons -4%-.

Besides these mainly external and unrelated to the internal organizational operations' goals, the outputs identified and referred as enjoyed benefits of the internal organizational performance after the system's introduction and initial implementation in most certified Greek companies were among others: Standardization of internal business processes and operations -27%-, Operational and Managerial Control -20%- (which to this document's author's view seems a logical consequence and intended result by the senior management of these companies favouring the Standardization of their companies business processes as the prime benefit of the system's implementation), Delegation of management control,



responsibility and accountability -10%-, Improvement of Quality inspection and control - 10%, Improvement of internal communication -10%-, Production Cost decrease -8%-, and Others -10%-.

Of course, as many quality authors - such as Oakland (2003), Goetch and Davis (2002), Tricker & Sherring-Lucas (2001), Bank (2000), Foster (2001), Arvanitoyiannis (2001) - believe (and the document's author agree), all these benefits can be achieved only with the unwavering commitment and support of the corporate top management team. Furthermore, they state as a prerequisite the active involvement and participation of all the employees-the workforce in its totality, who have to be well informed, trained and educated on quality management issues as well as stimulated, motivated and encouraged to participate actively in every aspect of the organization's quality management system implementation and use. This is a management of change element for the Greek Agro-coops "operating paradigm", according to this document's author's opinion.

On the other hand as many researchers identify, there exists a gap between the will and the ability of the Greek agro-coops to implement effectively and use efficiently the ISO 9000 QMS systems. According to Arvanitoyiannis and Kourtis (2002), this inability is an outcome of the inefficient organizational operation of the agro-coops, therefore as Ageletopoulos and Yiannatos (1995) state, a researcher should first examine if - a company in the food industry is and consequently - the Greek agro-coops are ready to adopt such systems. Further on, as they continue, he/she should conduct a thorough investigation of their organizational, behavioral and operational settings and arrangements that impair the effective implementation and the efficient use of these systems and consequently influence their business performance.

As a consequence of the aforementioned findings and as it was previously referred, the research will present/display the research objectives within a context of an interpretative/case/ethnographic study critically examining and evaluating the ISO 9000 QMS' current business status and its perceived by the key stakeholders nature as well as the key business factors affecting this system's implementation and use in a fair number Greek Agro-coops from the whole spectrum of Greek Agro-coops sub-sector.

Generally speaking, the main objectives of the study are:

- a) to investigate the current status of ISO 9000 QMS and the nature of its implementation process and use purposes in the Greek Agro-coops sector, and
- b) to identify the key business factors that influence and shape the ISO 9000 QMS implementation process and use purposes in Greek Agro-coops by exploring the key stakeholders' knowledge, attitudes, perceptions, behaviours and practices towards the aforementioned issues.

More specifically, the research will address a range of questions and issues such as:

- The Greek agro-coops (key) stakeholders' knowledge and attitudes towards the Quality and Process Management issues and their perceived interrelationship with ISO 9000 QMS.
- The ISO 9000 QMS' business status and interrelationship with the current Agro-coops' business status, financial position and management practices as perceived and practiced by all the Greek agro-coops (key) stakeholders.
- The Greek agro-coops' (key) stakeholders' knowledge of the ISO 9000 QMS' nature and its implementation process and use purpose importance as perceived and practiced by all the Greek agro-coops (key) stakeholders
- The ISO 9000 QMS as a strategic corporate resource for achieving organisational change and corporate strategic development through business processes improvement and consequently/aiming at organisational performance improvement and the existing relationship between quality management strategy and overall corporate strategy.

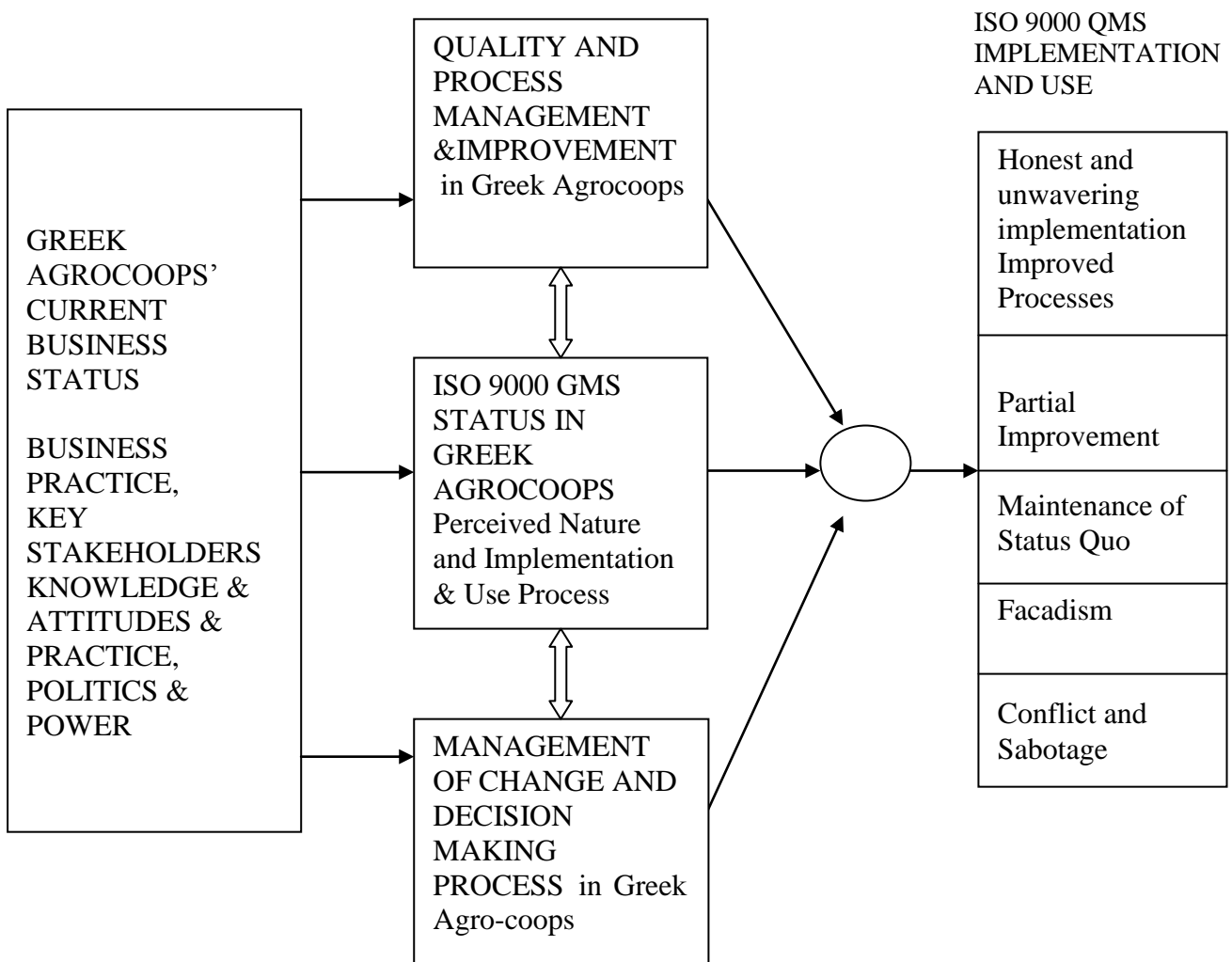
- The identification and evaluation of all the Key Business Factors which emanate from the Management of Change field in relation to ISO 9000 QMS' development in the Greek agro-coops and the interrelated Corporate Business practice, Politics and stakeholders' issues, influencing the implementation process and use purpose of the ISO 9000 – QMS in the Greek Agro-coops' sub-sector, acting as Drivers and/or Constraints for the effective implementation and efficient use of this QMS, i.e.: Corporate attitudes and practices concerning all the above themes as well as the following issues: Organization and business activities of Quality Management, Control & Assurance unit/department, the Decision Making process on Corporate and Quality management issues, the existence of Quality management strategy and its relationship with and contribution to the overall corporate strategy and the aims of the key stakeholders concerning the future development of ISO 9000 in Greek agro-coops.

The qualitative research presents the above objectives within a context of an interpretative/case/ethnographic study critically examining and evaluating the ISO 9000 QMS' current business status and its perceived by the key stakeholders nature as well as the key business factors affecting this system's implementation and use in a fair number Greek Agro-coops from the whole spectrum of Greek Agro-coops sub-sector.

The conceptual framework of the qualitative research is presented in Exhibit 1.

The themes-issues-questions of the Conceptual Framework are interrelated and research findings may be identified in more than one theme.

**EXHIBIT 1**



## **4. Methodological Approach**

### **4.1. Research Methodology: Qualitative Work into Practice**

In terms of this study, taking an interpretative stance means that the researcher's basic belief is that the world is socially constructed and subjective, focusing on meanings and trying to understand what is happening in the field of Quality Management Systems and more especially ISO 9000 QMS' implementation and use in the Greek Agro-coops' sector. Since few is written about the development of these systems in Greek Agro-coops, the purpose of this study is exploratory seeking these enterprises' key stakeholders' accounts of how they perceive, behave and act toward these systems' deployment in their corporate entities.

Due to the fact that the world is complex, the researcher tries to map the range and diversity of views and positions that different key stakeholders and/or their groups take on the topic of the research. He approaches the research in as open a manner as he can manage and tries to let theories emerge from the research material, in what is known as the grounded approach to research. Therefore, within a non-positivist paradigm, it is acceptable for the generation of a research topic or question to come from experience, rather than reflection on theory and concepts. Thus, an inductive process is appropriate where the goal of the research is to draw generalisable inferences out of observations and theory is the outcome of the research.

Qualitative research design is commonly associated with more exploratory and descriptive forms of research design, though this need not be the case. Forms of grounded theory, where inductive exploration precedes more deductive forms of testing theories emerging from earlier exploration are also common. Qualitative forms of research have been advocated on the grounds that the more open-ended forms of data collection are ethically (as well as empirically) more advantageous, giving those researched a stronger voice and opinion in the direction of the research. However, qualitative data collection techniques and the data itself also generate greater scope for intrusion upon privacy, non-informed consent and exposure to harm through the revelation of potentially damaging personal information either at the point of data collection or in subsequent publication / presentation.

Conclusively, the overall approach to the study is inductive and cross-case comparison based. The research design is influenced by a sociological research methodology referred to as "grounded theory" (Glaser and Strauss, 1967), which emphasises the use of inductive reasoning grounded in the constant comparison of empirical observations. The goal is theory generation about the ISO 9000 QMS' implementation process and use purpose in the Greek Agro-coops' sector, not theory testing. Rather than forming the basis for definite conclusions, the grounded theory approach clarifies the relevant questions to be asked and offers insight into possible future trends.

### **4.2. Research Method: In-depth Interviews**

The interview is probably the most widely employed method in qualitative research. Of course, ethnography usually involves a substantial amount of interviewing and this factor undoubtedly contributes to the widespread use of the interview by qualitative researchers. However, it is the flexibility of the interview that makes it so attractive. Since ethnography entails an extended period of participant observation, which is very disruptive for researchers because of the sustained absences required from work and / or family life, research based more or less exclusively on interviews is a highly attractive alternative for the collection of qualitative data. Interviewing, the transcription of interviews, and the analysis of transcripts are all very time-consuming, but they can be more readily accommodated into the researchers' personal lives. Therefore, the researcher selected the qualitative semi-structured interviewing for the implementation of the qualitative research.

### 4.3. Research Design and Operationalisation

The structure of this research review is based on a number of issues and themes arising from the two pillars of the research:

the Greek agro-coops and the Quality management - and more specifically the ISO 9000 QMS - concepts and fields, plus

the inter-connected and inter-related sub-pillars of business process management & improvement and organizational change management.

The main parts-sections of the qualitative research document comprise the critical examination, analysis and evaluation of the following research topics-themes:

- Greek agro-coops' sector current business status, financial position, and corporate attitudes and practices' influence on/in ISO 9000 QMS implementation and use in the sector's corporate entities.
- Quality and Business Process management and improvement concepts and fields' nature, inter-connection & inter-relationship with the ISO 9000 QMS' implementation process and use purpose.
- Key Stakeholders' knowledge and perception of the nature, requirements, reasons and results/effects of the ISO QMS' implementation and use in the Greek agro-coops sector.
- Corporate knowledge and acknowledgement of ISO 9000 QMS' importance in operating and being used as an organizational change and strategic development corporate resource/competence.
- Management of change field in relation to ISO 9000 QMS' development in the Greek agro-coops and the interrelated Corporate Business practice, Politics and stakeholders' issues.

Note: The interrelationship and interdependence as well as the influence each theme-concept exercises on another is obvious – e.g. process management & improvement and management of change, therefore analysis and critical evaluation of one concept's identified research elements and features may appear in the section referring to the critical analysis and evaluation of another concept-theme's research findings, throughout this document review and/or the research process of the entire DBA project.

The term "Key Stakeholders" refers to the following:

- Members of the Board of Directors,
- the UACM's and the other Agro-coops' General Manager,
- the Quality Management Team, which in most of the cases is (and/or should be) comprised by the Quality manager, the General Manager and other departments' managers.

Interpretivism takes a nominalist view and more specifically argues that the external world is not knowable since people create their own social world. More specifically, the researcher has chosen an Interpretative stance with some elements of the ethnographic research approach for investigating and critically evaluating the ISO 9000 QMS' implementation process and use purpose in the Greek agricultural cooperatives.

Each cooperative represents an entity comprised of many groups of stakeholders each one of which experiences the business world and situations in different forms and ways, all of which must be taken into account during the research process in order to formulate a valid research analysis and synthesis later on.

More specifically, a multi-method form of Ethnography and Case study research was used. This method was comprised by observation through participation -both active and passive-, in depth open and semi-structured interviews, examination of case studies and critical incidents and content analysis.

The focus of the research was also on exploration and insight rather than experiment. Although the researcher is a member of the top management team and of the Quality Control team in the Union of Agricultural Cooperatives of Messinia/UACM and therefore he could exercise his position influence and merit in order to experiment with different approaches in some cases and issues relevant to the Research Topic, this status advantage was not exercised - to the contrary it was avoided - as the Researcher's professional, managerial and personal ethics do not permit him to apply misuse of his professional position and manipulation of situations and persons in favour of his own interest.

Finally, an in-depth survey with open and semi-structured interviews and formal as well as informal talking took place with each one of the members of the Board of Directors (as far as this was possible), as their influence and power extortion over the UACM's present operating "paradigm" in terms of the ISO 9000 Quality management system implementation and use is considered substantial and their views and opinions can influence notoriously the system's future implementation and use orientation, and the research must have an integrated picture of all the "players" views of the business world.

The same research method/technique, that is semi-structured interviews as well as open interviews in some cases, was tried to be applied to the UACM's Quality Management Team and most specifically: the General manager, the Quality manager, the Production manager and the Commercial manager, as their power and influence is also considered important and to a degree possibly shaping the ISO 9000 QMS implementation and use.

Furthermore, the researcher was engaged in several formal and informal discussions with work colleagues and their views and beliefs concerning the corporate attitudes and practices as well as the business activities and behaviours were held in account by the researcher for critically analysing and evaluating these conversations content objectively and unbiased. Moreover, the researcher participated in Group Meetings and Discussions (in Employees' Union meetings, Directors meetings, Board of Directors monthly meetings, Quality Management Team meetings) having to do with the Company's business' current as well as future, operations, goals and position. All these meetings were viewed and handled as Panels in the research process, which panels can take mostly a pre-coded manner as their discussion topics are always predetermined by the BoDs, the General Manager, the Quality Manager and the Employees' Union BoDs.

As a result of the aforementioned facts and by adopting the interpretative stance/methodology, the qualitative research was conducted through the use of cross-sectional case study research approach, while at the same time elements of the ethnographic research approach were applied, especially in the Union of Agricultural Cooperatives of Messinia, through the use of the participant observation research method.

Furthermore, with the use of case studies based on open-end and semi-structured interviews as well some sort of participant observation in all researched Greek Agro-coops, the research method produced qualitative research data but at the same time some sort of quantitative data was produced through the analysis of the material.

For this type of study, in-depth qualitative research was conducted through a series of interviews. It was generally attempted to obtain detailed in-depth evidence from a relatively small number of informants. For this research, a questionnaire is generally not used, but rather the informant is allowed to speak freely on the subject of interest to the researcher. As a result, in-depth interviews were applied in the present study in order to explore the current manner in which a fair number of major Greek Agro-coops manage their adopted ISO 9000 QMS and investigate the root cause for this system's implementation and use choice.

For this research project seven Greek Agro-coops were selected out of all three degrees of the Greek Agro-coops sub-sector. Their selection was based upon size, business location and product-business activities, their relevant importance in the agro-coops sub-sector, active

business operations, willingness to submit to a detailed interview process and permit publication of results. A listing of these Greek Agro-coops appears in the following Table 1:

Second Degree Greek Agro-coops

1. Union of Agricultural Cooperatives of Messinia SYN. P.E. / UACM
2. Union of Agricultural Cooperatives of Lesvos SYN.P.E. / LESEL
3. ALMME. SYN. P.E.

Third Degree Greek Agro-coops

1. SYKIKI S.A.
2. S.KO.S. S.A.

First Degree Greek Agro-coops

1. Avia and Mikra Mantinea Agricultural Cooperative/Messinia
2. Dessyla Agricultural Cooperative/Messinia

Interview questions were developed drawing upon the existing literature as it was critically evaluated in a previous stage of the research process and the researcher's on-going working experience in the Greek Agro-coops' sub-sector. The researcher had a prepared list of issues to use during the interview that is referred to as an interview schedule. He used three sources for the topics to be included in an interview guide: the relevant literature; his own personal knowledge and professional experience on the area; and informal preliminary work such as unstructured discussions with people who have personal experience on the research topic, such as quality consultants of external bodies and organisations.

The interviews were not taped, as the majority of the interviewed Agro-coops' key stakeholders considered it an "unwelcome and dangerous" situation; this fact will be presented and explained in the Conclusions section of the Document. Therefore, paper and field notes were held and later on they were transcribed in order to analyse these transcripts and to produce appropriate findings. Profiles were developed for each firm and for each informant and the three questions raised are in regards to the job title of the respondent, his/her main activities and responsibilities in the company, and the degree of his/her participation in the ISO 9000 QMS implementation and use in the Agro-coop. The overall interview outline is reproduced in Appendix 1.

The key stakeholders - being the President of the Board of Directors, the General Manager and the Quality Manager, plus some other key stakeholders depending on the agro-coop under research - in each of these agro-coops were personally interviewed for an average of 90-120 minutes each time on all the aforementioned topics/themes of the qualitative research, but not all interview questions were answered completely, and some were answered inconsistently or not even at all.

The two first degree agro-coops were selected due to their active business presence in terms of standardizing and selling their products on their own rather than selling their members' produce as raw material, as the majority of first degree agro-coops are doing. The research was conducted through their Presidents – mr. Vasilis Kozobolis and mr. Panayiotis Alevras, who play a multiple role at the same time, being members in the Board of Directors of other Agro-coops.

A written company profile was also requested from each organization and secondary source documents about each company were tried to be reviewed (annual reports, websites, recent business press articles) were tried to be reviewed, provided that such documents existed and the access to them was permitted to the researcher; in most of the cases it was not possible to review these documents for any of the two or even for both of the aforementioned reasons.

It is important to refer here, that the qualitative research process lasted from three to five days in each Agro-coop and it was a multi-site research, as the researcher visited all the required sites and relevant premises - i.e. offices, factory, laboratories, product quality inspection and assurance premises - in all the Agro-coops he researched.

The research was conducted from mid-June to mid-November 2005, because the majority of the Greek agro-coops' key stakeholders - the researcher included - were unavailable during the research period, due to their heavy workload as a consequence of the new CAP work requirements concerning the farmers-producers' subsidies' management.

More specifically, the research study analysis comprise five major sections and five research variables are shown as the variables-determinants of the ISO 9000 QMS' adopted practice in the Greek Agro-coops' sub-sector:

1. Quality and Process Management & Improvement fields' knowledge (QPKNI)
2. Greek Agro-coops' and ISO 9000 QMS' business status and interrelationship (BSI)
3. ISO 9000 QMS' development reasons, requirements and results (IURRR)
4. ISO 9000 QMS and corporate strategic development (STRCH)
5. Change Management Key Business Factors (CHKBF)
  - Section 1 investigates the Greek agro-coops' key stakeholders' knowledge and attitudes towards the Quality and Process Management issues and their perceived interrelationship with ISO 9000 QMS / QPKNI.
  - Section 2 tries to identify the ISO 9000 QMS' business status and interrelationship with the current Agro-coops' business status, financial position and management practices as perceived and practiced by all the Greek agro-coops (key) stakeholders / BSIR.
  - Section 3 explores the Greek agro-coops' key stakeholders' knowledge of the ISO 9000 QMS' nature and its implementation process and use purpose's reasons, requirements and results as perceived, practiced and experienced by all the Greek agro-coops' key stakeholders / IURRR.
  - Section 4 aims to discover whether the ISO 9000 QMS is used in Greek Agro-coops as a strategic corporate resource for achieving organisational change and corporate strategic development through business processes and consequently organisational performance improvement and the existing relationship between quality management strategy and overall corporate strategy / STRCH.
  - Section 5 acts as the concluding part of the analysis aiming at identifying and evaluating all the Key Business Factors, which emanate from the Management of Change field in relation to ISO 9000 QMS' development in the Greek agro-coops and the interrelated Corporate Business practice, Politics and stakeholders' issues, influencing the implementation process and use purpose of the ISO 9000 – QMS in the Greek Agro-coops' sub-sector, acting as Drivers and/or Constraints for the effective implementation and efficient use of this QMS / KBF.  
i.e.: Corporate attitudes and practices concerning all the above sections-themes' issues as well as the following issues: Organization and business activities of Quality Management unit/department, the Decision Making Process concerning Quality management issues, the existence of a Quality management strategy and its relationship with and contribution to the overall corporate strategy and the aims of the key stakeholders concerning the future development of ISO 9000 in Greek agro-coops.

## **5. Data Analysis and Results**

A fair number of research studies and surveys have been conducted internationally so far attempting to examine and evaluate the significance and importance of the introduction, implementation and use of the ISO 9000 Quality Management Systems for the business processes and operations as well as the overall organizational performance - as exhibited internally and externally - of the corporations.

Furthermore, the business factors (external and internal ones) that affect the implementation process of these quality systems in the organizations have been investigated, analyzed and evaluated with equal consideration in these research studies.

The same research aims and objectives have been adopted in this research project, which is conducted in the Greek agro-coops' sub-sector. Emphasis is given to the examination of the role, importance and enterprising organization and operation of the agricultural cooperatives in Greece. The analytical reference to the structure and operation of the Greek agricultural cooperatives as well as in the characteristics of their intervention in the agricultural sector is owed to the drastic changes that are observed in the economic and social environment of the Greek agricultural cooperatives.

These changes lead to research and approaches of topics and subjects that are connected, on the one side with the current unfavorable position of the Unions of agricultural cooperatives and on the other with the necessary enterprising and operational adaptations that are required for the Unions of Agro-coops to survive and develop. One of these approaches is the effective and efficient implementation and use of the ISO 9000-Quality management systems in any corporation active in the Agro-food industry (therefore, for the Greek agro-coops too), as it is stated in the book of Arvanitoyiannis and Kourtis (2002).

As a consequence of the aforementioned situation, the research presented the research objectives within a context of an interpretative/case/ethnographic study critically examining and evaluating the ISO 9000 QMS' current business status and its perceived by the key stakeholders nature as well as the key business factors affecting this system's implementation and use in a fair number of Greek Agro-coops from the whole spectrum of Greek Agro-coops sub-sector.

With the use of case studies based on open interviews and semi-structured interviews the research method produced qualitative research data but at the same time some sort of quantitative data have been produced through the analysis of the material.

A) One of the most important findings of the qualitative research was the identification of a clear indication, that the majority of the Greek agro-coops' key stakeholders have no real knowledge of and on the Quality and Process management and improvement fields, as well of the ISO 9000 QMS' nature & provisions and the existed interrelationship between all these aforementioned concepts. And as mr. George Spiliotopoulos / SKOS ASE stated: "Nevertheless, I believe the majority of the involved parties in the agro-coops' sector is not well-informed on these issues and this may be proved a major drawback for the proper implementation and use of the system". This is an identified remark in many of the research respondents' answers with the exception of the majority of the Quality managers of the researched agro-coops.

It is an indication of their lack of knowledge concerning the nature of ISO 9000:2000. As a matter of fact, this was identified for almost all researched-interviewed agro-coops' key stakeholders with the exception of the majority of the Quality managers' group. This lack of knowledge of the system's real nature may be a Key Business Factor for the Greek agro-coops not achieving the optimum outcomes of the system's implementation and use.

For example, the respondents of UACM both forget to mention the unwavering involvement, commitment and support of the top management, as the main requirement for any company achieving the effective implementation and efficient use of ISO 9000 QMS, as Oakland (2003) and Goetch and Davis (2002) believe.

This identified practice is in contrast with Oakland (2003) and Foster (2002) held views, that real and full knowledge of these concepts and fields are required for the proper implementation and use of ISO 9000 QMS in any company.

This is an identified remark in many of the research respondents' answers with the exception of the majority of the Quality managers of the researched agro-coops.



B) Another important finding was revealed by the statement of mr. Giannoukakis/ALMME: “the members of the BoDs are not informed by me on such issues, since they do not possess the required and necessary academic knowledge and professional experience. Therefore, they are not in a position to discuss and decide on such issues. This also happens with any other important business issue.”

This fact is also identified in the interviews conducted in the other researched agro-coops and it was expressed directly and/or indirectly by both the members of the BoDs and the General Managers, as well as the Quality managers who expressed their disappointment of being let alone to do the whole work, while others decide on issues concerning their work field.

An example is mr. Alevras’/SKOS ASE answer: “The President and the members of the BoDs are responsible for deciding on the strategic planning of the agro-coop. The responsibility of the managers is to implement effectively and efficiently this business policy. It is not the responsibility of the President, although we are obliged to handle daily business problems and issues, due to the incompetence of the managers. ”

With this statement, my respondent clearly reassures the existing rivalry in the Greek agro-coops between the elected members and the staff-managers. The interesting point is that both groups identify this rivalry as the root cause of the serious problems the agro-coops are facing, but they express contrasting views regarding the identification of the group, which has to be held responsible and accountable for the creation of the existing situation.

i) This expressed belief and attitude brings into the surface the existing rivalry between the elected members of the BoDs and the senior managers - especially the General Manager - in the Greek Agro-coops’ business reality and practice, as identified by Karamichas (2002), Papageorgiou (1997) and Doutsias (2003), who consider this rivalry as a root cause of the serious business problems Greek Agro-coops’ sector is facing.

ii) Moreover, the expressed grief of the Quality managers brings into the surface another important issue: that of the existing rivalry and competition instead of cooperation among the existing different managerial groups in the Greek agro-coops.

As Parnell (2000) points out, this inner-management rivalry could be a main source of creating problems in the agricultural cooperatives by the non proper implementation and use of any management system, the ISO 9000 QMS included, with the ultimate consequence of limited corporate business presence and downgraded organizational performance.

C) Of paramount importance are the Greek Agro-coops’ (Key) Stakeholders attitudes, perceptions and beliefs towards the ISO 9000 QMS systems and their actual behaviors and practices concerning these systems’ implementation, operation and use in the Greek agro-coops, for as Johnson and Scholes (1993) state, the existence of stakeholder groups, being formal and/or informal and being comprised by internal and/or external stakeholders, is an unavoidable and common phenomenon encountered in any organization. These stakeholder groups are seeking to influence the organizational behavior and practice very often, as Johnson and Scholes (1993) inform us.

i) It is important to state here, that in all organisations the – key especially – stakeholders’ attitudes, beliefs and practice towards any business process improvement, that is towards organizational change - for business process improvement is considered an organizational change process, according to Oakland (2003) and Banks (2000) - play a very important role in the successful implementation of this change process.

The same fact holds true for the introduction and implementation of the ISO 9000 QMS in the Greek agro-coops, which can be regarded and considered as an organisational change – being it incremental and planned, therefore voluntaristic and/or breakthrough and emergent, therefore deterministic – since it challenges their current business practices and organisational “status quo”.

It is an unwelcome event according to the majority of the Greek agro-coops stakeholders' view, as it is perceived as a threat to their established interests and the existing configuration of power structures in the agro-coops environment (Karamichas, 2002; Martinos et al, 1997). This organisational change process "threatens the very bases of the business upon which many on the board had built their authority and power in the organization" as Johnson and Scholes (1993, p. 405) state. This statement is very closely aligned to the existing situation in the Greek agro-coops, as it is presented in the relevant section of this paper where the current business situation of and in Greek agro-coops is critically examined and evaluated.

On this issue Mr. Pentoyennis/LESEL stated: "Outdated business and management practices and the micro-politics phenomena, as well as personal interests and micro-regional interests observed very extensively in all agro-coops, are the basic disadvantages and drawbacks for achieving the proper implementation and use of any management system - I mean the ISO 9000 QMS, too - and the main root causes of the serious problems the agro-coops are facing." Mr. Kozobolis/UACM acknowledges as a source of the Greek agro-coops malfunctioning the insistence on using methods, behaviours and practices outdated. Furthermore, he considers everybody responsible for this fact, which is in accordance with the theoretical references of Papageorgiou (1997) and Karamichas (2002) and the E.U. (2001-2004) research findings of the "Social Dialogue" programme, which suggest cooperation instead of competition for better serving the common goals.

ii) Mrs. Filida/ALMME stated her belief to a co-operating approach towards decision making process and change management process in the Greek agro-coops. This approach leads naturally to the adoption of an incremental change process approach, very close to Johnson and Scholes (1993) proposals and the findings of the E.U.- Directorate of Social Issues (2001-2004) research survey and report paper.

Cii) It is noteworthy to mention here, that the suggestion of Mrs. Filida adopting a cooperating approach between the elected members and the managers group as far as the decision making process and the authority & management issues are concerned is adopted by a fair number of the respondents as well from authors on agro-coops issues, like Papageorgiou (1997) and Martinos et al (1997) as the only means for the Greek agro-coops overcoming all the serious business and financial they are facing.

Therefore, it could be considered as an important finding of the qualitative research, that a fair number of elected members – i.e. Mr. Kozobolis/UACM, ALMME President and in a way Mr. Papageorgiou/SYKIKI – as well as managerial personnel – i.e. Mr. Sotiropoulos/SKOS, Mr. Pentoyennis/LESEL and Mr. Labropoulos/SYKIKI, suggest this cooperative approach as a means for the Greek agro-coops overcoming past malfunctions and 'bad' practices and behaviours.

D) On continuing, she stated her belief to an Integrated Quality Management encompassing all the existing quality management systems, as the only means for really serving all the corporate goals and through it achieving organizational change and development, expressing in this way the views of almost all the interviewees, who stated that such a system could definitely support the strategic development of the agro-coops and their organizational change process through the auditing and improvement of their business processes and activities.

It is a research finding that like the other three findings need to be researched more in the future for their validity, reliability and generality.

## **6. Conclusions and Discussion**

From the relevant critical literature review analysis it becomes obvious, that the socioeconomic environment in which the agricultural cooperatives are operating - in both Europe and Greece - is currently undergoing a rapid change. Public Policy as demonstrated in the reformed CAP, trade liberalization under the GATT agreement signed in WTO and the

E.U. enlargement are to bring more competition and less support to commodity markets. At the same time, biotechnology, information technology and the rising power of retail chains and MNEs require from the Agro-coops to adopt and adapt enhanced and improved business processes and operations with the final aim of achieving improved organizational performance in the agro-food chain and industry in order to deliver value to their customers and all the Agro-coops stakeholders (Martinis et al, 1997).

As an answer to these new demands, the food industry in general and the Agricultural Cooperatives in particular have preferred and adopted the introduction of Quality Assurance and Management Systems – including ISO 9000 QMS (mostly), TQM and BPR programs - in their business operations and processes (Arvanitoyiannis and Kourtis, 2002), aiming at improving their business processes with the ultimate goal to improve their organizational performance, a legitimated intention as Oakland (2003) comments. It is also interesting that the same aims are expressed in research surveys and identified in their findings on the implementation and use of ISO 9000 QMS by corporations worldwide.

On the other hand the effective implementation, use and operation of the ISO 9000 Quality Assurance and Management system in the Greek Agro-coops - and not only to these but even in corporations in various sectors of the economy and business environment - is under question as there exist a generally held doubt and dispute on the Agro-coops' operational and organisational infrastructure and competencies as well as their corporate culture and willingness to implement and use these Quality systems effectively and efficiently (Arvanitoyiannis, 2000; Arvanitoyiannis, 2001; Arvanitoyiannis and Kourtis, 2002).

As a consequence of the aforementioned findings and as it was previously referred, the research presented the research objectives within a context of an interpretative/case/ethnographic study critically examining and evaluating the ISO 9000 QMS' current business status and its perceived by the key stakeholders nature as well as the key business factors affecting this system's implementation and use in a fair number of Greek Agro-coops from the whole spectrum of Greek Agro-coops sub-sector.

With the use of case studies based on open interviews and semi-structured interviews the research method produced qualitative research data, but at the same time some sort of quantitative data have been produced through the analysis of the material.

Moreover, the purpose was to develop a detailed and deep account of the agro-cooperative's key stakeholders (i.e. members of the Board of Directors, General Managers, Quality Managers) attitudes, views and adopted practice towards the ISO 9000 Quality Management Systems.

### **Advantages and Disadvantages of the adopted Qualitative Research Methodology and Methods:**

This exploratory examination of the ISO 900 QMS implementation process and use purpose in the Greek agro-coops sub-sector has limitations as well as strengths. A significant amount of information was gathered through the direct one-on-one interview process. Furthermore, the personal in depth interview process gave to the researcher the chance to benchmark similar situations encountered in the majority of the Greek agro-coops.

This is a semi-random sample, but reflective of the Greek agro-coops' sector as a whole, since it entails agro-coops of all degrees, locations, size and product specification. Nevertheless, for the results to be generalised across all Greek agro-coops' sector further research, both qualitative and quantitative is required. The researcher intends to conduct a part of such a more general research in his proceeding phases of his DBA research project.

## **7. APPENDICES**

### **APPENDIX 1**

#### **INTERVIEW OUTLINE**

To be filled out by the interviewer during the interview.

1. Company Name:
2. Interviewee:
3. Title:
4. Background:
5. Years with company:
6. Date interviewed:
7. Interview duration:

A representative set of interrelated sub-questions, which was fully developed during the research interviews period by a reflexive method, contained in and covering the main questions of the research is the following:

#### **INTERVIEW QUESTIONS**

1. How do the Agro-coops' key stakeholders perceive the terms and issues of quality and process management and their interrelationship with the ISO 9000 QMS? What is the practice of these issues in their Agro-coop?
2. How the Agro-coops' key stakeholders perceive the current business situation and position in terms of the ISO 9000 QMS implementation and use in their companies?
3. How do they perceive the current business situation, financial position and management practice of their corporation? Is there any interrelationship with the ISO 9000 QMS' development?
4. What is their knowledge and perceptions considering the ISO 9000 QMS' nature and the manner of its implementation and use as well as the system's requirements (according to theory and them) for achieving a proper development?
5. Why does a Corporation - the Agro-coops included - have to introduce and develop the ISO QMS?
6. Which do they consider as being the major problems and drawbacks of the system's implementation and use?
7. Which do they consider as being the most important outcomes- benefits of the system's implementation and use?
8. Is there any difference between the ISO 9000:1994 and the ISO 9000:2000 QMSystems? And if yes, in terms of what and which ones?
9. Could and/or should the implementation and use of the ISO 9000 QMS lead to improved Business Processes and ultimately Organisational Performance and if not why not?
10. Could and/or should the ISO 9000 QMS be considered and used as a corporate resource-business tool aiming at business operations and management practices auditing and improvement for achieving strategic organizational development and organisational change?
11. Are a Quality strategic plan, policy and communication program necessary and why? Do they have to be incorporated in and interrelated with the corporate strategic plan?
12. What do they consider as being the major problems and drawbacks of the system's implementation and use?
13. What do they consider as being the most important outcomes- benefits of the system's implementation and use?
14. Do they believe that the company has to change its organisational structure,

- operations and practices for improving its business processes concerning the ISO 9000 – QMS development?
15. What specific aspects of the ISO 9000 QMS application processes and operations have to change, why, when, how and to which direction?
  16. Will and/or should this change lead to the development of customer-focused and market-oriented business processes and activities? Does the Company need to develop such business operations? And if yes: Why?
  17. Who should plan and lead the ISO 9000 QMS implementation effort and decide on its use purpose/goals?
  18. Are Quality management policy and strategy as well as a business plan and communication program necessary and why? Do they have to be incorporated in and interrelated with the corporate strategy and business plan?
  19. What are the opinion, attitude and practices of the employees, workers and other third parties regarding the aforementioned topics and themes as perceived and experienced by the key stakeholders?
  20. Are these key stakeholders aware of other companies' - including competitors - manner of ISO 9000 Quality system's implementation and use in their companies? How do they consider and evaluate this ISO QMS' status/state?
  21. Do internal operating problems and the human relations structure (e.g. micro-politics, groupings, personal interests) as well as external influences affect the effective Implementation and efficient Use of any management system - the ISO 9000 QMS included - in Greek Agro-coops?
  22. How do they rate and evaluate the decision making system as it is practiced and experienced in the Greek Agro-coops' sector?  
Which managing group should be the Decision maker group: the managing team/employees or the Board of Directors' members/elected members?
  23. According to their opinion which direction should the issue of quality management be guided to for the Agro-coops enjoying the optimum results out of its implementation and use?

## **Appendix 2 – Critical Literature Review**

### **1. Quality and Process Management & Improvement Fields**

According to ISO 9000:2000 definition, Quality “is the degree to which a set of inherent characteristics fulfills requirements”.

Quality is often used to signify “excellence” of a product or service according to the sector that the organization is in, therefore, a lot of people give to quality varying definitions. Thus, quality has to be defined in a way that is acceptable by and useful to every one – the professional, managerial and academic communities – engaged in the whole spectrum of economy, business and society. The only way to achieve it:

“is to recognize the need to include in the assessment of quality the true requirements of the ‘customer’ – the needs and expectations” (Oakland 2003, p.4),

However, we have to acknowledge that there exist many definitions and dimensions of quality, as Foster states (2001, p.p. 4-25):

“A company’s employees very usually perceive quality in many different ways, as their perceptions are quite different, considering its functions, features, attributes and intended results out of its introduction and implementation in the company’s business operations.

So anyone could claim, that perceptions affect and influence any aspect of the business world including the quality issue. The real problem with having multiple definitions and dimensions of quality rests on making communication and common understanding of the issue very

difficult. The solution for any company's senior management may be found in acknowledging that these quality multiple and different definitions and dimensions do exist, thus, a common understanding of quality should be developed and agreed, for sharing a common goal on quality deployment and implementation.

In this way, the company may match its customers' stated requirements and needs by offering them consistently qualitative products and/or services and therefore aiming continuously at achieving improved organizational performance.

As Foster (2001) states, different quality perceptions emerge from the different functional roles that have to be fulfilled by the employees in anyone organization. These functional differences create different perspectives on the quality issue. A solution in this problem can be achieved by adopting the organic view of the organizations, as Foster (2001) suggests.

The organic view of the organisation helps to see the organization as an entity of interrelated and interconnected functions, processes, systems, methods and departments and by this way it may help anyone overcome the differing perceptions on quality held by the different parts of the organization. The emergence of the process approach may help more in this issue, as communications issues find resolution easier, Foster (2001) believes, as organizational processes become more cross-functional. However, many organizations have found difficult operating effectively cross-functional teams, because poor communication skills among the team members still existed, as the aforementioned author refers.

According to the definition provided by ISO 9000:2000 a Quality Management System is: "a management system to direct and control an organization with regard to quality". Based on this definition one could claim that an organization's QMS is, therefore, the organisational structure of responsibilities, procedures, processes and resources for carrying out quality management as Tricker & Sherring-Lucas (2001) state.

Therefore, a Quality Management System may be defined as: "an assembly of components, such as the management responsibilities, processes and resources", as Oakland (2003) defines it. Further on, an organisation having a carefully structured QMS aims to achieve its ultimate goals for Quality Assurance (QA) and Quality Control (QC).

The most common kind of standard relates to some type of measurement. Another kind of standard has to do with process, how things are done. The most known example is a quality management system conforming to the ISO 9000 standard first released in 1987, updated in 1994 and revised in 2000.

ISO 9000:2000 represents a fundamental change in approach, and is a major, and needed improvement over the two earlier versions as many quality authors - like Tricker & Sherring-Lucas (2001); Goetch and Davis (2002); Oakland (2003) - admit.

ISO 9000's evolution has aligned it more closed with the Total Quality Management philosophy.

They pointed out that the major change was from a "system based" to a more "process based" quality management system, which could improve organizational performance by improving business process, as Tricker & Sherring-Lucas (2001) state. Moreover, the new ISO 9000:2000 version is a quality management system and not only a quality assurance and/or control system, but to the contrary as a management system encompasses quality assurance and control and covers more topics.

ISO considers the major changes in the revised standard to be, as Goetch and Davis (2002) refer:

- Increased focus on top management commitment
- Customer satisfaction
- Emphasis on processes
- Continual improvement

In ISO's own words, as presented in Goetch and Davis (2002): "The primary aim of the "consistent pair [ISO 9001 and ISO 9004] is to relate modern quality management to the process and activities of an organization, including the promotion of continual improvement and achievement of customer satisfaction".

The scope of ISO 9000 includes any organization wishing to be certified to the standard. Within the certified organization, the scope extends to any department or activity that can have an impact on the quality of the product and/or service.

In a practical sense this includes all departments and activities, a fact that aligns ISO 9000:2000 QMS closer to TQM philosophy and practice, as it requires the cross-functional and cross-departmental interrelation of all business processes of an organization and subsequently dictates indirectly that these processes should be constantly and continually improved, for the quality management system to be and maintained always effective and efficient and therefore useful for the organization applying it, as Tricker & Sherring-Lucas (2001) and Goetch and Davis (2002) believe.

As it has been mentioned before, fundamental philosophical-conceptual changes have been introduced into ISO 9000 with the 2000 release. ISO 9000 is now closely aligned with TQM. The standard is now designed around a "process approach" to management.

ISO has stated: "For organizations to function, they have to define and manage numerous inter-linked processes. Often the output from one process will directly form the input of/into the next process. The systematic identification and management of the various processes employed within an organization, and particularly the interactions between such processes, maybe referred to as the "process approach" to management. The revised quality management system standards [2000 release] are based on just such a process approach, in line with the guiding quality principles", as Goetch and Davis (2002) refer.

This process model seems similar to the model of quality and (indirectly) process improvement, originally adopted and formulated by Demming (1982): the "Plan, Do, Check, Act" model, which is overwhelmingly adopted by many quality gurus, such as J.S.Oakland (1993, 1994, 2003), who qualifies this model as the best for continuous process improvement and consequently quality improvement. It seems to be an endless spiral of continuous effort for achieving improved business processes and operations, which ultimately (and normally) may lead to improved business performance as Oakland states in his books "Total Quality Management." (2003) and "Total Organizational Excellence" (2001).

It should be emphasized here, that in all quality gurus' books and articles, as well as in ISO 9000:2000 section 5.1 - Management commitment -, is stated that "top management shall provide evidence of the Quality Management System and continually improving its effectiveness".

The concept of continual improvement becomes an imperative for all organizations, as it aims at offering/providing to anyone organization improved business processes by referring to greater suitability, increased longevity, enhanced reliability production and delivery fastness and even better appearance of a product as Goetch and Davis (2002) believe.

Process improvements refer by this way to the processes that produce the product and/or service and are making the product better, as it becomes easier to produce, the possibility for errors is eliminated, consistency is ensured and as a consequence of all these mentioned facts production and business costs are reduced, through the avoidance of waste, defective goods and/or services, usefulness and unproductive processes and by replacing corrective action with preventive action, which incurs by it lower cost in comparison to the ones incurred by corrective action.

### **Process Management**

As it was previously referred, organizations transform inputs to outputs through a series of interrelated activities known as processes. Their final aim is to create value by delivering

enhanced and upgraded products and/or services to their customers. This final aim can be only achieved through the use of a very effective-well performing process management system, as under-performance is primarily caused by poor processes' development.

The process management system helps management identify the "key or core business processes, which are well – defined and developed sequences of steps with clear rational, add value by producing required and specified by the customers outputs", from a variety of inputs and are aligned with and incorporated in the overall business strategy. As a result, related business activities are combined and interrelated and the ones that do not add value are being cut out. Of course, out of this procedure a fundamental change emerges in the way any organization is managed due to the orientation transformation from a function and task- based enterprise to a process-based one, as Oakland (2003, p.167) states.

As Oakland (2003) conveys operating a process-focused oriented and driven company provides a logical framework for any person of his/her role in the business and awareness for his/her obligation to satisfy customer (internal and/or external these maybe) with the ultimate business result of becoming a cost-effective, competitive organization, which is able to offer and deliver to all its customer upgraded and enhanced organizational performance.

Despite, these proclamations of organizational performance improvement through the adoption of a process orientation by an organization, there still remain a considerable number of enterprises, which still remain traditional in operations being more function based and oriented rather than being process driven.

The most common causes for a company remaining function driven and not becoming process driven are the following: - at the same time, these causes could be considered as requirements for successfully adopting and implementing a process management system, while they could also be considered as the resulting profits of an enterprise by having been transformed to a process driven enterprise - :

First of all, initiating and implementing process management could not be a new fad / a quick fix and its results will not come overnight. As many organizations today face a large number of customers' and/or governmental changes in demands and requirements, technology changes, public and private transitions and a turbulent global economic environment, there emerges the need to examine critically and thoroughly these change initiatives for identifying those that are relevant to a process –managed business and those that are not.

Oakland (2003) states, that the most visible difference existing between a process management enterprise and a functional based traditional one is the requirement for appointing process owner(s) to have real responsibility, authority and accountability over the process overall operation and performance - from design to end consumer of its product.

Consequently, this fact requires attention to planning and executing the appropriate training programs, setting performance tangible and measurable targets (an indication for the need of using Statistical Process Control and other tools and techniques –statistical and non-statistical), regular, consistent, accurate and reliable communication to all employees, by face to face information to each appropriate team (according to the process under examination) on changing business conditions and customers needs and specified requirements.

In this way, effective and efficient employees' training can be considered as an enabler of and result of proper process management since owners-operators of every process need to be properly trained and are and/or should be equipped with the appropriate work instructions and the required tools (such as statistical process control), facilities and resources "to perform the process to its optimum capability" (J.S.Oakland, 2003, p.188).

Of course, it is obvious that this apply throughout the organisation to all business processes and functions and therefore it usually leads to a major fundamental change which represents a major business and cultural challenge for any organization.



Due to this fundamental change, the employees proper assignment and adequate training, their empowerment and knowledge through their required participation and involvement and the top management commitment and awareness of the process approach in any business process management and improvement approach and their understanding of them being part of a continuous supplier - process - customer chain.

Consequently, this fact may lead all employees to the realization, that they constitute an inseparable part of all organizational processes' interdependent system, are considered a sine qua non condition for effective and efficient implementation and improvement of any process management system adopted by any organization.

In concluding and summarizing, as Oakland (2003, p.188) emphatically puts it: "In many process managed organizations this type of approach has changed the way they assign and train employees, emphasizing the whole process rather than narrowly focused tasks. It has made fundamental changes to cultures, stressing process-based teamwork and customers rather than functionally driven command and control. Creativity and innovation in process improvement are recognized as core competencies and the annual performance reviews and personal development plans are linked to these".

In continuing, he stresses (p.188) that: "The first thing that top management must recognize is that moving to process management requires much more than redrawing the organizational chart or structure. The changes needed are fundamental and they will challenge any company or public service organization."

In the first of his statements, there is an obvious analogy of the required elements for a company becoming process driven with the adoption by a company of the Total Quality Management and the new ISO 9000:2000 version management principles, as the emphasis on both quality management systems as well as on process management systems is put on process orientation, customer focus, teamwork with all empowered employees participation and involvement, appropriate training and information processes and top management commitment and active involvement both leading and requiring creativity and innovation.

All these required business principles and factors, common in all the above mentioned management systems, appoint to the process management system the title of being a requirement as well as an integral part of any TQM and/or ISO 9000:2000 QMSystem and make the process management issue and the target of its continual improvement as the required cornerstone of any attempt for implementing effectively and efficiently the ISO 9000:2000 QMS in any organization - the Greek agro-coops included - with the ultimate aim of achieving improved organizational performance through enhanced customer-focused and market-driven business processes (the customer being internal and/or external), as the document's author believes.

### **Continual Process Improvement**

To conform to ISO 9000:2000, quality management systems have to in-build systems, philosophy and methods that lead to identifying potential improvement changes and actualize them, as Goetch and Davis (2002) believe.

As ISO 9004:2000, clause 8.5.1 states (as adapted from Goetch and Davis (2002)):

"Management should continually seek to improve the effectiveness and efficiency of the processes of the organization, rather than wait for a problem to reveal opportunities for improvement. Improvements can range from small step ongoing continual improvement to strategic breakthrough improvement projects.

The organization should have a process in place to identify, manage and control improvement activities. These improvements may result in change to the product or processes and even to the quality management system or to the organization". The new version of ISO 900:2000 makes the following points, which were in part also made in earlier versions of the system:

- A quality management system consists of a number of elements;

- The quality management system is carried out by means of processes, existing within and across functions;
- For the quality management system to be effective, these processes and their supporting responsibilities, authorities, procedures and resources have to be defined and deployed in a consistent manner;
- The quality management system needs coordination and compatibility of its processes;
- The quality management system needs definition of the processes interfaces.

After analyzing all these points, it is obvious that the QMS in any organization should be structured and deployed in such a manner to cover all the processes and their cross-functional interfaces and interdepartmental interrelationships, lines of authority and responsibility and also the resources required for its successful development.

It is also very clear that ISO recommends that the best approach for setting up the quality management system is one based on processes and goes beyond this recommendation by stating:

“An advantage of the process approach is the ongoing control that it provides over the linkage between the individual processes within the system of processes, as well as their combination and interaction. When used within a quality management system, such an approach emphasizes the importance of:

- a) Understanding and fulfilling the requirements,
- b) The need to consider processes in terms of added value,
- c) Obtaining results of process performance and effectiveness, and,
- d) Continual improvement of processes based on objective measurement.

All these processes' cross-functional interfaces and interdepartmental relationships should be clearly defined, stated, communicated and documented.

However, this documentation should be kept as simple as possible, as one of the major disadvantages stated by many managers, employees and all parties involved in the quality management issues, is the overwhelming bureaucracy resulted from adhering to the point of the system's provisions and guidelines, following them blindly.

## **2. Greek Agro-coops' Business Status and its Interrelationship with the Current Status of ISO 9000 QMS**

Today, the intervention of the agricultural cooperatives in the agricultural economy should aim at the increase of products competitiveness, not only with the reduction of their production cost and the upgrading of their quality, but also with their coordinated and modernized action in the whole spectrum of production - standardization - trade - integrated services to the farmers (Martinou et al, 1997). However, the co-current exercising of economic and social policies and activities by the Agro-coops, the intense governmental intervention in the agro-coops affairs, policies and operations, the creation of additional but not productive job positions and the lack of constant criteria for the investment activities have created an unfavorable business operational and organizational environment for the Greek agro-coops. More specifically, it led to the non-adoption of modern organizational methods and business operating practices, the absence of a continuing training of their human force, the micro-politics phenomena generated mostly by the members of the Board of Directors and the institutional organizations and bodies of the agro-coop sector and the absence of investment in Research and Development. All these negative business factors coincided with the imports of superior agro-products in terms of quality and value for money and the frequent and inadequate changes in the co-operative legislation and led to the current intense crisis that the Greek agricultural cooperatives experience.

Many of these Agro-Coops are threatened with bankruptcy and nullification of their activities, while in some of them this unwelcome situation has already occurred (Mavroyiannis, 1986).

The Greek agricultural cooperatives are called on today, to restructure and manage with success accumulated problems of decades. However, the course of reorganization of the agro-coops becomes more difficult due to the lack of the required business culture, enterprise mentality and managerial attitude and competence as well as to the imminent changes of the CAP, which in substance calls the agro-coops to transform and mutate into autonomous, modern economic and business entities as well as into the more general structural problems of Greek agriculture which undermine the necessary competitiveness of the Greek agricultural economy (Martinós et al, 1997).

### **Internal problems of Greek Agro-coops**

Although, the distinction between internal and external problems is not always easy, since the cause may be external and the effect internal, internal problems are called those for the existence of which responsible are the legal persons of the cooperatives themselves, their administrations or their members, all of who also have to deal with them. The root-cause of internal problems is the failure to see the cooperative as a private enterprise and whatever this entails. The long term addiction, either to secondary roles they were given or the role of the recipient of mandates and allowances, has corroded the entrepreneurship and responsibility which are both necessary to this type of enterprise (appropriate organisational structure and personnel, undertaking of initiatives, etc.).

The overall view, which does not include certain significant exceptions, consists of cooperative organisations of administrative character. The managing board, elected through support of political parties, manages the affairs of the cooperative even if it does not have the adequate knowledge and experience to do so. In most cases, the line that separates the roles of elected administration from those of official management is vague and, most of the times, the elected administrations, although they do not have the necessary qualifications, do not grant the official management all responsibilities and powers required.

The powerful position of the elected administration, in combination with political connections and the governmental “protection”, limit the role of members even if all sorts of democratic procedures are followed. Meanwhile, the interest of the members is repressed as well as their restlessness about the future of their business, since even in the case of negative financial results the members are not required to cover any financial loss and damage. The tendency of each member to serve his or her own interest becomes a primary priority while the cooperation with the cooperative is rendered secondary. The cooperative is seen as a refuge when difficulties arise, without demanding any serious commitments or risks. As far as the members are concerned, the cooperative is one more supplier and one more possible buyer of products at a given price. General assemblies have no meaning unless there are elections. Internal inspection either has no power for effective control or acts under the rule of coalition of groups of the same political party. The information supplied and the conversation in front of huge assemblies simply cannot be sufficient and debate is not free of influence by specific interests. External control has been weakened.

The work and business environment created due to this situation does not attract capable and ambitious executives and makes all executives and managers, that do not accept this situation, leave and this result to this environment being maintained and reproduced. The educational programs of professional or cooperative content are minimal and their attendance by elected or clerical executives is low.

The strict economic criteria that should prevail in the operation as well as in the investments are weakened due to the absence of any consequence to the members, while it is not possible to persuade the members to extend their financial participation, in terms of capital, in an activity that gives them the impression that there is no difference if they participate or not, with more or less capital, and no essential difference can be demonstrated by being registered with the cooperative or not (Martinós et al, 1997).

From the presentation of just these present weaknesses of cooperatives, it is clear that the starting point is negative, not even at zero datum. Due to this, the effort of reconstruction will be more toilsome than simple adjustment to the new conditions. However, it is expected that the pressure applied by the circumstances will leave no choice other than to accelerate the processes of comprehension of the need for radical changes, provided the existence of the necessary conditions (Doutsias, 2003, p.98).

### **3. Nature of ISO 9000 QMS Implementation and Use / Rational - Requirements - Results: Benefits and Problems-Drawbacks-Difficulties**

The global market place is rapidly becoming obsessed with the requirement of any company having a certified and internationally recognized quality management system for being permitted to do business worldwide and locally as well. This fact proves that ISO 9000 QMS is considered as a management tool “bearing in its baggage” the potentiality for the continuous enhancement of competitiveness by firstly improving business processes.

As Goetch and Davis (2002) present, a survey of North American (USA and Canada) firms registered to ISO 9000:1994, conducted by Quality System Update and the management consulting firm Deloitte and Touche, found that the investment costs required for the firm’s registration under ISO 9000:1994 is typically repair in three years, a very short payback time for any kind of investment incurred by any company.

Furthermore, the respondents to the survey listed the following factors / issues as the major internal business benefits of ISO 9000 registration: Better documentation which leads to process improvement, positive cultural change, greater quality awareness and higher perceived quality of product and/or service by all customers (internal and external) which was listed as the most important and valuable benefit.

On the other hand, many organizations reported that the decision to become an ISO 9000 certified company was a difficult one, as they considered ISO registration too costly and too much work requiring, while the anticipated benefits were not assured and well known due to a lack of understanding and knowledge about the system and its proclaimed benefits, besides of using it as an advertising/marketing tool and as a requirement for participating in public works / projects contests.

#### **Proper Reasons for ISO Introduction and Implementation as Theory suggests**

Therefore, as indicative appropriate incentives for adopting both ISO 9000 QMS and TQM and probably achieving the system’s effective and efficient introduction and implementation are the following, according to Goetch and Davis (2002, pp.316-317), and also as reaffirmed by Oakland (2003), Tricker & Sherring-Lucas (2001) and Foster (2001):

- To improve operations by satisfying the ISO 9000 requirements for management responsibility, resource management, product realization, and measurement analysis and improvement.
- To create or improve a quality management system that will be recognized by customers worldwide.
- To improve product or service quality and/or the consistency of quality.
- To improve customer satisfaction.
- To improve competitive posture
- To conform to the requirements of one or more major customers although adoption would be more and better motivated by internal considerations and factors as the preceding five.

The preceding analysis shows that, if ISO 9000 is to have a real and permanent positive effect on a company’s business processes and organizational operations, it must be approached and adopted with a positive attitude and understanding of its real business benefits and the unwavering commitment of top management combined with the energetic involvement of all

workforce motivated by the top management behavioral example and position toward the quality system.

As it was previously said, the same reasoning holds true for the effective and efficient adoption and deployment of a TQM system, which due to its pervasiveness to all businesses processes systems, operations, functions, levels and departments requires a better understanding of the system's rational and knowledge of its features and requirements.

Interestingly, an important number of many companies adopt TQM (as well as ISO 9000 QMS, but to a lesser degree) out of desperation and as a last means for business survival.

Oakland (2003) believes, that as it turns out, having the Japanese industry example in mind, this is the easiest reasoning and way of introduction and implementation of the quality system and most of the times it proves to be successful, although precautions still exist and hold, that this approach is short-term minded and for this reason, in most of the cases, has a short period of success, since management enthusiasm and commitment flows out, as the initial business survival problems of the organization are faced and solved by the system's adoption and deployment.

It is better for managers to adopt and use preventive action and not a corrective one as the last resort. This of course is the message, the new version of ISO 9000:2000 adopts with its emphasis on measurement, analysis and consequently as a result on Continual Improvement in an ever-lasting spiral, like Deming's (1986) and Oakland's (1993 and 1994): Plan - Do - Check - Act/Adjust cycles, as Goetch and Davis believe (2002).

### **Requirements**

The following elements should be considered as of increased importance for the effective and efficient introduction and implementation of ISO 9000 QMS, as well as for the continuous improvement of the applied quality management system, in any company regardless its size, industry sector, business scope and activities, type of legal entity and geographic location:

Continual improvement of business processes, increased emphasis on the role of the senior management, consideration of legal and regulatory requirements, establishment of measurable objectives for all relevant business functions and managerial levels, monitoring of customers' satisfaction and/or dissatisfaction as a measure of system performance, increased attention to resource availability, determination of employees' training effectiveness, measurements extended to system, processes, and product, and analysis of collected data on the performance of the QMS, as all quality authors – Oakland (2003), Foster (2002), Tricker & Sherring-Lucas (2001), state.

### **Costs and Benefits of having a Quality Management System**

“An effective Quality Management System should be designed to satisfy the purchaser's conditions, requirements and expectations whilst serving to protect the needs of interested parties (ISO 9004:2000, source: Tricker & Sherring-Lucas, 2001, p.13).

Costs are incurred by implementing quality but they are offset by the savings gained by reduction in scrapped material, rework, defects and the resulting loss of existed and potential customers due to these costs of poor quality/of not having quality.

The main benefits of quality and of the application of a quality management system according to Tricker & Sherring-Lucas (2001, p.14) are:

- An increased capability to provide a product which consistently conforms to an agreed specification;
- A reduction in administration, manufacturing and production costs because of less wastage and fewer rejects;
- A greater involvement and motivation within an organization's workforce;
- Improved customer relationships through fewer complaints, thus increasing sales potential.

### **Difficulties-Problems-Drawbacks**

Of course, as many quality authors - such as Oakland (2003), Goetch and Davis (2002), Tricker & Sherring-Lucas (2001), Bank (2000), Foster (2001), Arvanitoyiannis (2001) - believe (and the document's author agree), all these benefits can be achieved only with the active involvement and participation of all the employees/the workforce in its totality who have to be well informed, trained and educated on quality as well as stimulated, motivated and encouraged to participate actively in every aspect of the organization's quality system implementation (this is a management of change element, according to this document's author's opinion). If these requirements are not present, then problems, drawbacks and difficulties will be encountered in the deployment of the system and the intended benefits may not be achieved, as the aforementioned authors state.

### **4. ISO 9000 QMS as a Corporate Strategic Resource-Competence**

ISO 9000:2000 represents a fundamental change in approach, and is a major, and needed improvement over the two earlier versions as many quality authors - like Tricker & Sherring-Lucas (2001); Goetch and Davis (2002); Oakland (2003) - believe. ISO 9000's evolution has aligned it more closely with the Total Quality Management philosophy. In ISO's own words, as presented in Goetch and Davis (2002): "The primary aim of the "consistent pair [ISO 9001 and ISO 9004] is to relate modern quality management to the process and activities of an organization, including the promotion of continual improvement and achievement of customer satisfaction".

They pointed out that the major change was from a "system based" to a more "process based" quality management system, which could improve organizational performance by improving business process, as Tricker & Sherring-Lucas (2001) state. Moreover, the new ISO 9000:2000 version is a quality management system and not only a quality assurance and/or control system, but to the contrary as a management system encompasses quality assurance and control and covers more topics.

This process model seems similar to the model of quality and (indirectly) process improvement, originally adopted and formulated by Demming (1982): the "Plan, Do, Check, Act" model, which is overwhelmingly adopted by many quality gurus, such as J.S.Oakland (1993, 1994, 2003), who qualifies this model as the best for continuous process improvement and consequently quality improvement. It seems to be an endless spiral of continuous effort for achieving improved business processes and operations, which ultimately (and normally) may lead to improved business performance as Oakland states in his books "Total Quality Management" (2003) and "Total Organizational Excellence" (2001).

As Oakland (2003) conveys operating a process-focused oriented and driven company provides a logical framework for any person of his/her role in the business and awareness for his/her obligation to satisfy customer (internal and/or external these maybe) with the ultimate business result of becoming a cost-effective, competitive organization, which is able to offer and deliver to all its customer upgraded and enhanced organizational performance.

Despite, these proclamations of organisational performance improvement through the adoption of a process orientation by an organisation, there still remain a considerable number of enterprises, which still remain traditional in operations being more function based and oriented rather than being process driven.

Research on these above mentioned companies has proved that deployment of a common process framework throughout the organisation offers many advantages, such as: a common company image to all its customers and suppliers, lower costs and increased flexibility in terms of resource allocation, production operations and supply chain activities.

These required fundamental changes in the way organisations are operating and managing their businesses are the main cause root for many organisations not evolving to a process

business but instead remaining “traditional” by focusing on tasks, jobs and people who do them and on structures.

### 5. Change Management Process in the Greek Agro-coops

Organisational change in the sector of Agricultural Cooperatives relates strongly to strategic change observed and experienced in the agricultural sector at a European, national and local level.

Organisational change can be defined as both: Strategic change and restructuring of operational practices and business processes - that is operational change - as these two aspects embrace the wholeness of the corporation and at the same time each one can be the cause and effect of the other in a continuous and successive manner, as Johnson and Scholes (1993) claim.

Organisational Change is a continuous process in modern societies, though not evenly occurring in time and place. It appears both as a threat and as an opportunity to local production systems. Though inevitable, its pace and end results are determined by the ability of the business “player” to anticipate changes and to adapt and reorganise itself.

There are a number of factors/drivers leading to organisational change, which can be seen as either threats and/or opportunities, according to Johnson and Scholes (1993):

- Changes in Product Demand
- Changes in Technology
- Changes in Management Practices
- Changes in Raw Materials
- Changes in Markets
- Changes in governmental policies
- Changes in the Socio-economic environment

Lewin (1951) offered a framework for analysing and planning organizational change. This framework is called the Force Field Analysis and it applies on planned strategies of change. According to Lewin (1951) and as Wilson (2000) refers, “to energise change requires an “unfreezing” of the status quo, the change to be effected, then a “refreezing” or consolidation of the new state”. In continuing, as Wilson (2000, p.29) refers, Lewin (1951) presented its equilibrium, which is the following:

#### Lewin’s equilibrium: driving and restraining forces for organisational change

<u>Driving forces (forces for change)</u>	<u>Restraining forces (forces against change)</u>
New personnel	From individuals
Changing markets	Fear of failure– Loss of status – Loss of friends
Shorter product life cycles	Inertia (habit) – Fear of the unknown
Changing attitudes towards work	From organisations
Internationalisation	Strength of culture – Rigidity of structure
Global markets	Sunk costs – Lack of resources
Social transformations	Contractual agreements
Increased competition	Strongly held beliefs and recipes for evaluating
New technology	corporate activities

In the agricultural sector all these factors are present to some degree, underlining the extent of structural transformations that farming and industrial processing of agricultural products face, as exhibited in the Greek agro-coops' Business status section of this document.

The incremental process improvement can be seen as incremental organizational change, while the breakthrough process improvement can be viewed as breakthrough organizational change.

In the main, organizational change in enterprises is incremental, with the breakthrough change being more occasional. Mintzberg's (1978) studies on organizations - as referred in Johnson and Scholes (1993, p.35 and p.69) - have verified this statement.

Small step change, that is incremental change, could become the basement for preparing an organization adapting more easily to and successfully adopting and implementing breakthrough change projects.

In so doing the enterprise may build on the skills, routines, beliefs and existing professional knowledge of its personnel for developing a change process smoothly and gradually and by gaining their consensus. The most dangerous problem here lies to the fact, as Johnson and Scholes (1993) believe, for organizational change being deployed incrementally in such a way and being based on the existing business "paradigm", with the result leading the organization to neglect and overpass the need for any required breakthrough change and therefore risk experiencing deteriorating organizational performance.

Another problem, according to this document's author, is the existing danger that internal current business practice, which is proposed by this model of managing change to be used as a driver for organizational change, may block the change process partially and/or completely, if the intended results of the change process are perceived to be in contradiction with the key stakeholders' and their associated groupings personal and business interests as expressed and promoted by the current business practice and status-quo; therefore, organizational change adopting an incremental process has to be carefully planned and not resting entirely on the already existing current business systems (a Systems view of incremental change, according to Johnson and Scholes (1993, p.388)), as there may exist systems and practices / "loops" that are essential to the organisation's identity and therefore very difficult to change.

The above stated analysis leads to the conclusion, according to the document's author view, that incremental (process) improvement / change is highly desirable in the beginning of a change process for building a more safe and concise ground for attempting the implementation of organisationally planned and/or more easily accepting, adapting and successfully operating in and under externally imposed unplanned, emergent-breakthrough improvement / change.

This approach can be more easily recommended to and successfully adopted by organisations characterized by rigid and bureaucratic hierarchies, closed communication channels, rigid production, customer needs and wants - both internal and external - negligence, paternalistic relationships with the state and political parties, internal groupings' conflict and rivalry and self-interested, incompetent, untrained and uninformed organisational staff and Board of Directors' members, as Johnson and Scholes (1993) state.

The Greek agro-coops are characterised by such phenomena and they are also facing a strategic drift by experiencing a gradual decline in their organisational performance (see relevant section on the Greek Agro-coops in the Critical Literature Review, Appendix 1).

Therefore, as this document's author thinks, the adoption of incremental change process in the beginning of the change process may facilitate the smooth and gradual development of the whole change process, which should be constituted by both incremental/continuous and breakthrough/emergent change processes - each one succeeding and superimposing each other, depending on the business circumstances and situation the agro-coop is in and facing - for it being effectively and efficiently deployed and successfully implemented and concluded.



For resistance and blockages to incremental process improvement / change will be less and more easily, quickly and successfully handled and overcome, at least in the initial phase of any integral organisational change process, than resistance and blockages expressed when breakthrough process improvement / change is attempted to be introduced and developed.

The extent, pace and results of an enterprise's organisational change process depend strongly on the firm's business culture characteristics. The existence of internal business mechanisms of diffusion and imitation of good industrial practices and the existence of an internal business tradition and culture in healthy industrial and corporate relations and consensus "building", is essential for eliminating inner-company tensions and stakeholders' resistance and sabotage, which may increase the negative outcomes experienced during the organizational change and even nullify the change process itself, as identified and presented in the Report paper on "Social Dialogue", Pro-dialogue program, (E.U./Social Policy Directorate, 2001-2004).

And continuing on this issue, it has been identified in this research paper that, if such mechanisms are not present, then they have to be introduced, developed and preserved, i.e. they have to be proven capable to increase the employee's trust in their ability to introduce, develop and accommodate organisational change, to foresee negative aspects and to contribute to their elimination.

International experience of organisational change process and practices indicate, that the negative results on the enterprise as a whole are remarkably increased when the change process planning and implementation are left only to the Board of Directors or only to the Managing Director's managerial will and competence and not on both these two groups, according to the research outputs presented in the aforementioned report (E.U./Social Policy Directorate, 2001-2004).

If the BoD's members do not cooperate with the Managing Director and the senior management team on the organisational change issue and process, then internal conflicts may be experienced; these conflicts, in most of the cases tend to result to the change process alteration and improper implementation, as Johnson and Scholes (1993) reassure.

## 8. REFERENCES

- Aggelidis P., (1998), "Study on performance indicators of implementation of quality management system standards in organizations", MSc Dissertation, School of Design & Advance Technology, University of Glamorgan, UK.
- Aggelis I., (1993), "Evaluation of the status of Total Quality Management in Cyprus Manufacturing Industry", Master of Philosophy thesis, University of Glamorgan, UK.
- Ansoff I., (1988), "Corporate Strategy", Penguin.
- Argyris E., (1993), "Problems and Perspectives of the Greek agro-coops" in the Cooperative Review "Syneteristiki Poria", Issue 30, Athens.
- Arvanitoyiannis I. et al., (2000), "ISO 9000 & ISO 14000", Stamoulis Publications.
- Arvanitoyiannis I. and Kourtis L., (2002), "ISO 9000:2000", Stamoulis Publications.
- Arvanitoyiannis I., (2001), "Elements of Technology, Standardization and Food Packaging", University Studio Press.
- Arvanitoyiannis I., (2001), "A Quality Assurance and Safety Guide for the Food and Drinks Industry", MAIX Publications.
- American Society for Quality / ASQ, (1998), 52<sup>nd</sup> Annual Quality Conference Proceedings, UK.
- BS 4748:1987 / ISO 8402, (1986), Quality Vocabulary: Part 1, International Terms.
- Bank J., (2000), "Total Quality Management", Pearson Education Limited.
- Bank of Greece, (2002), "Greek Economy in 2002", Athens.
- Bell J., (1993), "Doing your Research Project: A Guide for First-time Researchers in Education and Social Science", London: Open University.
- Brewer J., (2000), "Ethnography", Buckingham: Open University Press.
- Bryman A., (2004), "Social Research Methods", Oxford: Oxford University Press.
- Christou K, (1995), "Greek agro-coops' debts' arrangement" in the Cooperative Review "Syneteristiki Poria", Issue 40, Athens.
- Crosby P. B., (1979), "Quality is Free: The Art of Making Quality Certain", McGraw-Hill, New York.
- COGECA, (1998-1999), "The Agricultural Cooperatives in EU" in the Business Magazine "Agricultural Cooperativism/ Agrotikos Sinergatismos", Athens.
- Daskalou G., (1996), "Continuity or radical change in the Greek Cooperativism?" in the Cooperative Review "Syneteristiki Poria", Issue 44, Athens.
- Daskalou G., (1997), "Do the Cooperatives have future?" in the Cooperative Review

“Syneteristiki Poria”, Issue 48, Athens.

Deming W. E., (1986), “Out of the Crisis”, MIT Press, Cambridge, Mass..

Deming Edwards W. Dr., (1982), “Quality, Productivity, and Competitive Position”, MIT Press, Cambridge, Mass..

Doutsias G., (2003), “Agricultural co-operative as a concept, aim and practice: Need for a redefinition” in the Cooperative Review “Syneteristiki Poria”, Issue 72, Athens.

Easterby-Smith M., Thorpe R. and Lowe A., (1994), “Management Research: An Introduction”, London: Sage Publications.

European Union / Social Policy Directorate, (2004), Report Paper on “Social Dialogue”, Pro-Dialogue Program 2001-2004, Brussels – Athens.

Economic and Social Consultative Assembly, (1986), The cooperative, mutual and non-profit sector and its organizations in the European Community, European Communities, Economic and Social Committee.

Feigenbaum A. V., (1983), “Total Quality Control”, 3<sup>rd</sup> ed., McGraw-Hill, New York.

Foster T. S., 2001, “Managing Quality - An Integrative Approach”, Prentice Hall.

Giannatos G. and Ageletopoulos V., (1995), “Business Management”, Doryforos Publications, Athens.

Goetch L. D. and Davis B. S., (2002), “Understanding and Implementing ISO 9000:2000”, 2<sup>nd</sup> ed., Prentice Hall.

Glaser B. G. and Strauss A. L., (1967), “The Discovery of Grounded Theory: Strategies for Qualitative Research”, Chicago: Aldine.

Hammer M. and Champy J., (1993), “Re-engineering the Corporation, A Manifesto for Business Revolution”, Nicholas Brearley, London.

Hammersley M., (1998), “Reading Ethnographic Research”, London: Longman.

ICAP, (2002), “Greek Food Industry” & “Greek Agricultural Economy & Sector”, Athens.

International Cooperative Union, (1995), “Cooperative Identity Declaration” – McPherson I., “Introductory Report”.

“IMERISIA” Weekly Newspaper, (27-28/11/2004), Athens.

International Standard Organisation, “ISO 9000:1994 and ISO 9000:2000 Quality Assurance and Management Systems”, Geneve

International Standard Organisation, “HACCP System”, Geneve.

“Industry Week”, (1994), Business Magazine.

5<sup>th</sup> International Quality Forum, (1998), Proceedings, Athens.

“ISO 9000 NEWS”, (4/1998), Business Magazine.

Johnson G. and Scholes K., (1993), “Exploring Corporate Strategy”, Prentice Hall International (UK) Ltd.

Juran J. M. (ed.) and Gryna F. M. (ass. Ed.), (1988), “Quality Control Handbook”, 4<sup>th</sup> edn, McGraw-Hill, New York.

Karamichas T., (2002), “The debts of the agricultural cooperatives”, in the Cooperative Review “Syneteristiki Poria”, Issue 63, Athens.

Kasinidis E., (1998), “Study on performance indicators of implementation of quality management system standards in Cyprus”, Mechanical & Marine Eng. Dept., ITJ Diploma Project.

Kassavetis D., (1995), “The importance and role of the legislation on cooperatives in Greece” in the Cooperative Review “Syneteristiki Poria”, Issue 27, Athens.

Koliris P., (1990), “Particularities and Modern Problems of the Greek agro-coops’ Management” in the Cooperative Review “Syneteristiki Poria”, Issue 20, Athens.

Kolymvas N., (1990a & 1990g), “Greek agro-coops in a changing socio-economic environment” in the Cooperative Review “Syneteristiki Poria”, Issues 18 and 19, Athens.

Korakas A., (15/10/2004), “The new environment of the Greek agricultural sector”, article in “TO VIMA” - Daily Newspaper, Athens.

Lewin K., (1997), “Resolving Social Conflicts and Field Theory in Social Science”.

Logothetis Nickos, (1992), “Total Quality Management”, Prentice Hall International (UK) Ltd – for the Greek edition: TQM HELLAS Ltd and INTERBOOKS.

Manchester Business School, (MBS 1995), “ISO 9000 - Does it work?”, SGS Yarsley International Certification Services Ltd., UK.

Martinos N., Papageorgiou K., Maraveyias N., (1997), “Agricultural Sector and Agricultural Policy- Problems – Perspectives”, in the Cooperative Review “Syneteristiki Poria”, Issue 46.

Miles M. B. and Huberman A. M., (1994), “Qualitative Data Analysis”, Thousand Oaks, CA: Sage Publications.

MORI 1995, “Attitudes of Captains of Industry towards ISO 9000”, SGS Yarsley International Certification Services Ltd., UK.

Mouzouri G. A., (1998), “Comparison of Results of ISO 9000 Implementation in Small and Large Enterprises”, Proceedings of the 5<sup>th</sup> International Quality Forum, Athens.

Nouryit H, (1992), “The agricultural cooperatives in Europe – Role and Perspectives” in the Cooperative Review “Sineteristiki Poria”, Issues 25 and 26, Athens.

NOTTINGHAM TRENT UNIVERSITY - NBS, (2002-2003), Modules 1-6 Handouts and Presentations, Fisher Collin, “Guide to researching & writing a Master’s degree”.

Oakland S. J., (2003), “TQM – Text With Cases”, Butterworth - Heinemann.

- Oakland S. J., (2001), "Total Organizational Excellence", Butterworth - Heinemann
- Papageorgiou K. L., (1997), "Problems, Strengths and the need for the Restructuring of the Greek agro-coops" in the Cooperative Review "Syneteristiki Poria", Issues 46, 47 and 48, Athens.
- Parnell E., Athens (2000) – Greek Copyright, "Reinventing the Co-operative. Enterprises for the 21<sup>st</sup> century", Stochastis Publications.
- Pettigrew A. and Whipp R., (1993), "Managing change for competitive success", Blackwell Business, Oxford.
- Petroheilou I., (1998), "Quality in SME's of the Food Sector", Proceedings of the 2nd Conference on Competitiveness and Quality of the Food Industry, Athens.
- Porter M.E., (1980), "Competitive Strategy: Techniques for analysing industries and competitors", Free Press.
- Poulovasilis A., (1998), "Research Surveys on ISO 9000 Implementation", Proceedings of the 5<sup>th</sup> International Quality Forum, Athens.
- "Quality Progress", (April 1998), Business Magazine.
- Remenyi, D.; Williams, B.; Money, A. and Swartz, E., (1998), "Doing Research in Business and Management : An Introduction to Process and Method", London:SAGE.
- Sellianakis G., (1997), "The Debts of the Agro-coops" in the Cooperative Review "Syneteristiki Poria", Issue 47, Athens.
- Semos A., (2003), "Food Quality and security as a subject of agricultural policy" in the Cooperative Review "Syneteristiki Poria", Issue 72, Athens.
- Senge P., et al., (1994), "The Fifth Discipline Fieldbook", Nicholas Brealey Publishing.
- Sifniotis K., (1992), "Financing problems of the agro-coops", in the Cooperative Review "Syneteristiki Poria", Issues 25 and 26, Athens.
- Silverman D., (2001), "Interpreting Qualitative Data: Methods for Analysing Talk, Text and Interaction", London: Sage Publications.
- Slack N. et al, (1995), "Operations Management", PITMAN Publishing, London.
- Strauss A. and Corbin J. M., (1990), "Basics of Qualitative Research: Grounded Theory Procedures and Techniques", Newbury Park, CA: Sage Publications.
- Thompson J., (1993) "Strategic Management; Awareness and Change", Chapman & Hall.
- Tricker R. & Sherring- Lucas B., (2001), "ISO 9001:2000 In Brief, Butterworth-Heinemann.
- "TO VIMA", (2/1/2005), Daily Newspaper, Athens.
- UACM's Annual Business and Financial Report – 2002, 2003, 2004

United Nations Industrial Development Organization, (UNIDO 1997), “Implications of International Standards for Quality and Environmental Management Systems”, Survey Results.

UN Resolution 47/90, (1994), “The role of the agro-coops in the new economic and social trends” in the Cooperative Review “Syneteristiki Poria”, Issue 34, Athens.

Watson T. J., (2003), “Sociology, Work and Industry”, London: Routledge.

Walton Mary, (1986), “The Deming Management Method”, PITMAN Publishing Group.

WEBSTER’S II, (1988), New Riverside University Dictionary.

Wilson David C., (2000), “A Strategy of Change”, Thomson Learning.

Van Bekkum O-F., and Van Dijk G., (1997), The development of agricultural cooperatives in the European Union – Trends and issues on the eve of the 21<sup>st</sup> century, COGECA – The Netherlands Institute for Cooperative Entrepreneurship.