

CONTEMPORARY ANALYSIS OF BUSINESS EXCELLENCE ORIENTATION – PERSPECTIVES ACROSS FOOD CORPORATION OF INDIA

AUTHOR – KUMAR VAIBHAV GALGOTIAS
UNIVERSITY, GREATER NOIDA, INDIA

ABSTRACT

The purpose of this document is to investigate and analyze the inception, practices, and perspectives if any with respect to business excellence across Food Corporation of India (FCI) by systematic discussion and exploratory analysis of how the employees and management in FCI have opinions and awareness towards business excellence and as to how FCI would like to transform itself into a more aggressive, effective and productive public sector when it comes to promoting food security in India. The first section of this document would provide a brief introduction as to what business excellence and its elements mean with real examples followed by a comprehensive review of literature. With literature review we shall establish a problem statement and lay down the foundation for the investigation by describing the research methodology, research design in the third section. Further we shall explain the use cases of business excellence in terms of awareness, workable framework, perspectives and much more in the form of chapters in FCI. Aiming at a conclusion the fifth section shall reflect the investigation which shall involve some data analysis based on the questionnaire designed and responses captured. The research shall thus address the problem statement in the final section with observations, recommendations and a conclusive analysis of the investigation carried out in FCI in terms of business excellence orientation.

INTRODUCTION

In the context of a “successful” business, the definition of success gradually varies with time, objectives and competition. The very fact that competition either dissolves or enhances any business is determined by the business environment setup under the vision and mission of the organization based on the owner’s vision. Therefore, it often becomes very important to align the business strategy with the objectives that each stakeholder in the business carries out. However, the bigger question is that whether an organization decides to compete or not, it does need to generate profits at least at the break even to operate, which might sound successful to some.

Organizations in general spend millions to ensure proper compliance with respect to global standards and determine best practices that can increase the productivity and operational efficiency. However, with the surge in technology especially IT, organizations are trying hard to merge the concept of total quality management differently from the theory. Organizations have adopted different standards for improving business efficiency to get the competitive edge and make remove any scenarios of unproductivity and losses.

Hence the concept of business “excellence” comes into picture which simply means a collection of integrated practices implemented by leadership to promote a well-structured, strategized and disciplined approach towards competition (Weggeman and Groeneveld, 2005). It includes different set of practices that like Just in Time, Agile, Six Sigma, Business Process Reengineering, Total Quality Management (TQM), World Competitive Manufacturing, Process Improvement etc. that help business serve their customers via proper outcomes, business process transformation and initiated by the organizational leadership (Jha and Shekhar, 2005). Although these practices lead to the same goal of business excellence, they are not a complete solution for achieving business excellence.

The Context of Business Excellence

When an organization sets its objectives and goals toward achieving an all-round performance, then it becomes necessary to define targets or areas of improvement both which must adhere to qualitative and quantitative improvements as per compliance of the quality standards followed by the organization. In terms of business excellence no matter which framework or model is adopted by the business (Dodangeh

et al., 2020) there exist five potential areas of excellence as shown in Figure 1.1 that organizations primarily focus on while formulating business excellence context.



Figure 1.1.1: Focus Areas of Business Excellence

When planning to adopt a business excellence strategy, it is very much necessary to involve the perspectives of changes in business strategies and organization vision. Therefore organization leadership possesses the greatest responsibility to introduce newer and effective practices as a part of change management while adopting a business excellence model (Mann et al., 2017). The management identifies change champions and is also responsible for allocating strategic resources that help to develop business excellence competency within the organization. Because of such role, everlasting participation of top management is an absolute necessity to drive business excellence adoption. (Penhearow, 2018) described the importance of business process improvement in context of business excellence as organizations must identify the bottlenecks across its business operations in terms of complexity, process overlaps and employee productivity. Processes might require engineering to establish best practices in the functioning of an employee within the scope of strategic plans as per organizational goals. Business excellence thus focuses on improving and optimizing business processes via proper change management (Mann et al., 2017).

Business Excellence Models (BEM)

With the advent of Total Quality Management as a concept to maintain quality measures for project excellence (Carmen et al., 2004), organizations in the past had focused to reduce cost of quality through training and monitoring processes by identifying preventive and corrective costs related to poor quality (Toma and Naruo, 2017). However, the trend has changed to a newer mindset where businesses have identified that operational excellence via quality maintenance is not enough in the competitive market (Banker et al., 1998).

Business excellence came out as a novice concept with the introduction of Dr. Deming's lecture notes on statistical quality control in JUSE in 1950 (Krishna, 2018). Appreciating the generosity of Dr. Deming's contribution, the managing director later transformed Deming's principle into the core principles for

excellence and as a honorarium introduced the Deming's Prize which was earlier restricted for Japanese industries only later to be opened for all across the world.

Currently there are approximately twelve to fifteen different business excellence models that focus on the core areas as depicted in Figure 1.2.1. There are many international and domestic business excellence models that focus on different set of parameters thus following a very rigorous and stringent assessment protocol with applications received.



Figure 1.2.1: Core Areas of Business Excellence Assessment in BEM

Observing the core areas, one can simply find the emphasis of TQM that relates to continuous process improvement not only in terms of processes but also how an organization drives the business in terms of visionary leadership, factual approach to decision making, improving customer experience and consumer empathy, focusing on the big picture while ensuring both organizational and personal learning with a tinge of innovation driven work culture emphasizes the required environment to setup a business excellence environment within the organization. Such an environment allows an organization to completely formulate all strategies with an intention to overlap operational excellence, process excellence and business excellence (Krishna, 2018).

Business Excellence Opportunities in Indian Public Sector Organization

The opportunity for improvement in an organization depends on the issues and challenges the business is facing in the market. Business excellence cannot guarantee successful business, unless problem statements are not defined across operations and processes (Metaxas and Koulouriotis, 2014). In fact, it has been observed that private organizations have greater than or equal business performance as compared to public sector organizations as leadership has less influence on the management of processes as compared to a public sector organization where management processes are often influenced by leadership and bureaucracy (Seselj, 2018) with possibilities that management of processes in public sector organization do not often provide the desired results due to lack of strategic planning in some cases (Raharjo and Eriksson, 2017). However, with the advent of more stringent regulations by Central Public Sector Enterprise (CPSE) as per corporate governance initiatives, PSU's have now more disciplined oversight for functioning and achieve targets. Still the following issues and challenges exist (Yadav, 2012) where a BEM can exploit the opportunity to improve the process excellence:

- Unlike private sector, PSU's are not much keen in expanding to international markets and maintain global standards aggressively.
- Delay in financial disclosures again due to lack of ownership and control is quite a common problem in PSU's.
- Technology gap is a huge concern as management of technology, innovation and change is completely absent as PSU's could not adopt the latest technology as per global standards in their respective production and operational systems.
- Surplus manpower planning as a result of political influences and overstaffing has led to reduction in future vacancies.
- Loss incurring PSU's face endowment challenges as the rationale behind selection of sites was ambiguous and lacked clarity.

About Food Corporation of India

Food Corporation of India (FCI) was setup in 1965 as a public sector undertaking acting in the role of a statutory body by the powers conferred upon it based on the Food Corporation Act of 1964. FCI reports and comes under the purview Department of Food & Public Distribution under the Ministry of Consumer Affairs, Food and Public Distribution. The key objectives of FCI are as follows:

- To provide competitive remuneration to farmers as per the guidelines of minimum support price as per Commission of Agricultural Costs and Prices (CACP).
- To act as a medium for converting food crisis into a stable food distribution that ensures access, availability and affordability of food grains across all demographics to eliminate hunger.
- To promote and ensure food security with operational buffer stocks of food grains.
- Establish an effective distribution system for food grain distribution.
- Safeguard interests of farmers based on price support procedures.

FCI is one of the largest corporations in India with an impressive supply chain management that is monitored via one hundred seventy depot offices, twenty regional offices, and five zonal offices with headquarter situated in Delhi. Each depot is headed by Manager (Depot) who is responsible to oversee the storage and procurement of food grains from farmers and reports to Assistant General Manager (AGM) placed in divisional office which is considered as the district office. FCI is divided into five different zones as shown in Figure 1.4.1 and each zone is monitored for operations and distribution based on zonal office which is overseen by Executive Director (ED) who also is appointed from IRS or IAS background based on deputation or via promotion of an FCI officer. Under him three to four GM's reports who are further assisted by DGM's and AGM's to manage different sections and day to day tasks.

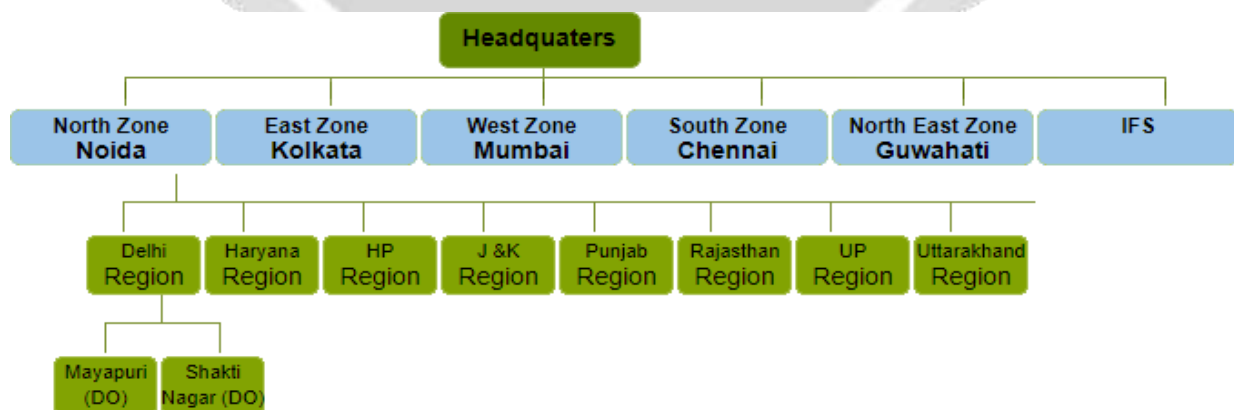


Figure 1.4.1: FCI Organization Structure (Source: FCI Website)

REVIEW OF LITERATURE

In this section we shall observe the current literature available on how business excellence evolved, impact organizational performance and brings about the required change in process management, operations management and business management.

The Journey from TQM to BEM

Traditionally prior to the concept of quality control, manufacturing sector involved in procurement – production – sales processes where the buyer was responsible for quality checks. However, with the introduction of Industrial Revolution and the impact of First World War led to a huge transformation in the mindset of business owners. Industrialists realized the importance of maintaining the “context of interest” in the finished produce and that the customer is willing to purchase “something” that fulfills the requirement. Also came along the influence of scientific management and soon the perspective of quality didn’t remain at the shop floor level only. It became equally important for businesses to establish quality across all elements and entities of the organization. For example earlier the manufacturers were involved in production efficiency methods, but with Taylor’s principles, the focus also shifted toward work productivity. Thus the transformation of thought from operational efficiency to work productivity gave birth to the very basic target of “Excellence” in business. In time the concept of reducing wastage and cost of quality brought about quality management from a system perspective which involved every stakeholder into the concept of quality. However, at the brink of Second World War, many optimization techniques were invented such as linear programming, game theory to improve the qualitative and quantitative aspect of production of goods for armed forces. Further with Deming’s lecture notes on statistical control in 1950, the concept of total quality emerged which reflected the primary need of not only involving all the stakeholders in the quality process but to target continuous process improvement. This created the much needed umbrella for TQM adoption as companies tried to foresee the adoption of TQM tools in their respective operations. At this stage the idea of “Maintaining Excellence” emerged altogether further strengthened by Deming’s PDCA philosophy.

Thus the single locus of ownership that the Quality Inspection department of a manufacturing industry had was completely dissolved as ownership for quality was now “assured” by every stakeholder of the manufacturing industry. Therefore, a huge jump happened from Quality Control landing businesses to accept the advantages of Quality Assurance combined with Quality control. Thus by 1980, the concept of new TQM was completely different than old TQM which focused only on statistical measures of quality control. The new TQM however was more powerful as it finally resembled the early model of business excellence in itself. Moreover, with time beyond 1980, the term “Quality” and “TQM” both sounded more confusing for multinationals and “Business Excellence” became the new panacea for businesses to improve performance and national competitiveness (Dan, 2020). Going forward the pretext of “Business as usual” fall behind as more business models like EFQM, Deming Prize, Malcolm Baldrige National Quality Award and many more came into existence. There was a rapid rise on the number of applications across various global markets as companies focused more on adopting the framework these excellence models provided rather than the certificate itself. This level of business opportunity was as a result of quality management and the renegade philosophy of continuous process improvement across integrated business entities.

Driving BEM via ERP

With continuous process improvement in the picture, two emerging concepts came to coexist. First of all organizations realized the need for business process reengineering to improve the scope of process excellence. At the same time with the advances of information technology, organizations were looking to merge opportunities of operations management and optimization with process excellence at bay. In

1980's the concept of Materials Resource Planning (MRP II) was introduced which was more focused towards material and inventory management for manufacturing sector. However, with the introduction of Enterprise Resource Planning (ERP), non-manufacturing sectors especially service industries were able to finally use ERP with the context of BPR to achieve both operational and process excellence. Thus organizations saw the benefits of implementing an ERP system at place as it served as a platform for business excellence as shown in Figure 2.2.1



Figure 2.2.1: ERP System as a Business Excellence Platform

BEM Adoption

The adoption of the right business excellence framework completely depends upon what the organization desires. Based on previous research, it is observed that EFQM model shows more promising variations of adoption as compared to MBNQA model. For example, EFQM model can be specifically used to identify and recommend improvements in research management (Weggeman and Groeneveld, 2005). Also EFQM model can be used easily as a primary initiative across industries of different sizes and operating budgets (Farrar, 2004). In fact, EFQM model also can be adopted by public sector organizations and education institutes (Saraiva et al., 2003; Wilson and McFarlane, 2002). However, EFQM is more resource incentive which is why small companies can adopt the Baldrige model (MBNQA) to adopt a business excellence framework immediately (Johnson, 2005). Further, the Baldrige model can be applied to education, construction and healthcare sectors easily (Daniels, 2006; Leonard, 2006; Nelson, 2007). Still EFQM serves as a more comprehensive model as its application can help organizations to easily identify improvement scope across process areas (Kennedy et al., 2006). Adoption of a business excellence model is not enough unless the process improvement methodologies are not clear in the mind of business owners. In the presence of so many process improvement models like Six Sigma, Lean Management, Lean Six Sigma, Agile, Scrum, Kanban, 5S etc. can be quite mesmerizing for business owners.

For example (Gershon, 2017) explored the comparison between TQM, Six Sigma and Lean Six Sigma only to conclude that almost all process improvement methodologies share the same backbone set of features and use the concept of statistics on an assumption basis to measure quality given, all the process improvement methodologies share an integrated faith with the process owner that they are the best possible source of recommendation and improvement. It was also discovered that Six Sigma was more advanced than TQM philosophy as it removes the negatives of TQM. Further the combination of Six Sigma and Lean Management was suggested to be the best process improvement methodology known as Lean Six Sigma as it covered more number of process situations and deliver faster results as compared to

other models. With enough examples of business excellence models and process improvement methodologies in stack, the motivations behind adopting a business excellence practice amongst organizations are:

- Introduction to best practices followed by other organizations for competitive advantage (Conti, 2004)
- Publishing business excellence reports and recognition for target market (Link and Scott, 2001)
- Registration to online business excellence database thus adding value to organization branding strategy (Funk, 2005)
- Facilitating regular training and workshop programs on business excellence (Anon, 2006)
- Spreading awareness about business excellence practices through webinars, seminars or conferences (Daniels, 2002)

Thus organizations must assess the market environment before adopting a global business excellence model. The first task for an organization must be to look at the respective national strategy of business excellence adoption across competition (Molnar, 2003). From India's perspective, there has been a slight increase in business productivity and operational excellence while adopting business excellence model with a rating of seven and above (Dale et al., 2000). This is because of the early adoption of early domestic business excellence models like IMCRBNQA, Golden Peacock National Award, CII-EXIM and Rajiv Gandhi National Quality Award in the end of the 20th century (1991 – 1996).

RESEARCH METHODOLOGY

In chapter two we performed an exhaustive review of literature which highlighted some of the key points about awareness (Zairi, 2002), leadership (Sebastianelli and Tamimi, 2003), strategy (Brown, 2012), process improvement (Asif et al., 2008) and performance of employees (Miller and Cangemi, 1993). as the key factors that affect the early adoption of business excellence model. A major emphasis was discussed on how the context of quality changed overtime and that with technology came changes in how business excellence can help organizations to reach maximum potential (Markus and Tanis, 2000). Thus the motivation based on the literature review drew the requirement of establishing how these key points are affected based on the internal working of an organization (Kanji and Gopal, 2002). This section shall describe the research methodology adopted along with how this document shall draw inferences and provide recommendations.

Research Problem Statement

Based on the purpose of identifying the business excellence orientation in Food Corporation of India, the following research problem is formulated as per the secondary research conducted:

“To identify and establish intra relationship of key factors that affects the preparedness of Business Excellence Orientation and determines process bottlenecks in Food Corporation of India using SAP-LAP framework and recommending improvements for initiating Business Excellence Adoption with an initial business excellence maturity”

Research Objectives

In chapter two while the discussion of key points emerged as challenges those organizations face while adopting business excellence models, and how choosing the required approach for initiating business excellence adoption becomes important. In light of the research problem statement established, the following objectives are identified as key research points:

1. Identify the variables that affect each of the key points and establish an intra relationship amongst those factors based on the internal functions of FCI via quantitative analysis by using the concept of multiple linear regressions.

2. Identify the gaps in BEM orientation in FCI by conducting interviews via qualitative analysis using SAP-LAP framework based on the current business excellence maturity.
3. Understand and apply the concept of mixed research methodology and derive conclusions on both quantitative and qualitative basis.
4. Recommend a business excellence next steps based on the current business excellence orientation in FCI.
5. Recommend process improvements using LAP synthesis based on the bottlenecks identified during qualitative analysis in FCI.

Methodology of Research

As the undertaking is based on both qualitative and quantitative analysis, it is proposed to adopt a mixed research methodology which combines both qualitative and quantitative research methodology as we shall be referring to a specific case of FCI for deeper understanding of the phenomenon's related to business excellence orientation. The logic behind using a mixed research design is to gather and analyze more information collected rather than using a single research method (John, 2017) and secondly to avoid any instance where a single type of data is unable to answer the research problem statement (Yin and Robert, 1994). The mixed research methodology would further improve the quality of the study which has been conducted in multiple phases. Figure 3.3.1 reflects the process in which the mixed research methodology shall be applied.

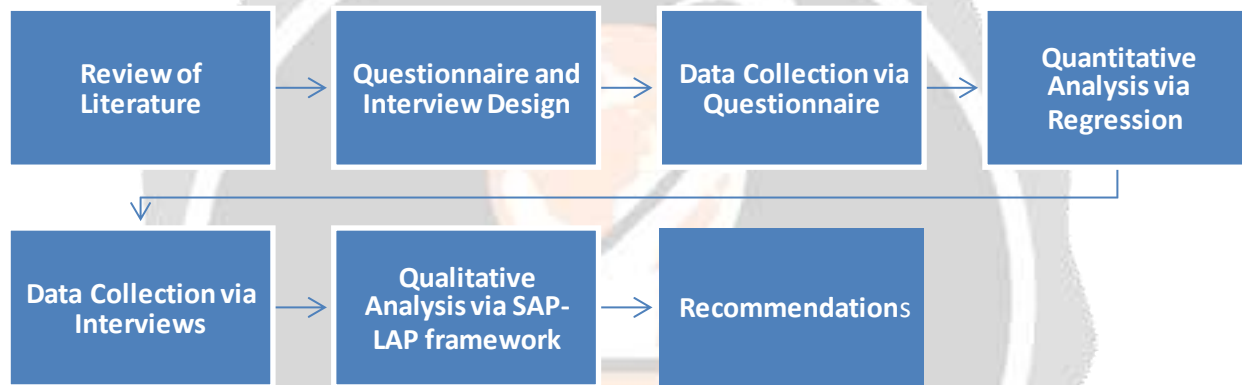


Figure 3.3.1: Steps Undertaken in Mixed Research Methodology

Research Design

A case study research design is chosen when the subject requires a detailed investigation and split a bigger problem into multiple sub problems for research (John, 2017). The benefit of such research design is that, the researcher can check the application of a specific phenomenon as per any theory or model when information about the specific phenomena is not available. Another benefit of case study research design is to evaluate rare use cases identified during investigation and description of the research problem. Also it allows a researcher to add further details to already existing body of knowledge and relevant research and gives a higher degree of freedom to a researcher for applying multiple methodologies (Yin and Robert, 1994).

In the case of a mixed research methodology, mixed research design is usually either followed completely or used partially to supplement other research design; therefore the use of sequential explanatory design shall allow the validation of quantitative results via qualitative analysis (John, 2017). As per this research design, first the researcher conducts a quantitative analysis and then use qualitative analysis to validate the quantitative results. The objective is that both the methodologies shall provide a combined emphasis on the context of the research problem statement (Bhasin, 2016).

QUANTITATIVE ANALYSIS & OBSERVATIONS

In this section, we shall establish a causal relationship among the focal areas across the key points captured via questionnaire method as described in Chapter 3 using the concept correlation analysis of regression analysis to understand the intra relationships among the various variables that influence these key factors w.r.t. business excellence perspective for FCI.

Business Excellence Knowledge

It is extremely important that business excellence in its rightful context is known to every employee within the organization before adopting any business excellence model. The following table describes the descriptive statistics for this factor in terms of its variables:

| Descriptive Statistics | | | | | |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Summary | Awareness | Priority | Discussion | Requirement | Perspective |
| Mean | 2.755458515 | 2.746724891 | 2.602620087 | 2.524017467 | 2.510917031 |
| Standard Error | 0.097299954 | 0.092765801 | 0.093539738 | 0.090233859 | 0.097193309 |
| Median | 2 | 2 | 2 | 2 | 2 |
| Mode | 2 | 2 | 1 | 1 | 1 |
| Standard Deviation | 1.472415483 | 1.403801299 | 1.415513093 | 1.365486071 | 1.470801648 |
| Sample Variance | 2.168007355 | 1.970658086 | 2.003677316 | 1.86455221 | 2.163257489 |
| Kurtosis | -1.38500878 | -1.26864069 | -0.98005307 | -1.05711152 | -1.07188649 |
| Skewness | 0.279962382 | 0.286481437 | 0.524147065 | 0.470508076 | 0.595845974 |
| Range | 4 | 4 | 4 | 4 | 4 |
| Minimum | 1 | 1 | 1 | 1 | 1 |
| Maximum | 5 | 5 | 5 | 5 | 5 |
| Sum | 631 | 629 | 596 | 578 | 575 |
| Count | 229 | 229 | 229 | 229 | 229 |

Table 4.1.1: Descriptive Statistics – Business Excellence Knowledge

Observation: In terms of knowledge it is observed from Table 4.1.1 that the mean values for each of the variables are lower than the neutral scale, which suggests that employees in FCI in general are not much aware about the context of business excellence. This is further supplemented by the fact that since the average discussions about awareness is very low (Miller and Cangemi, 1993), the management priority for discovering improvements in operations is lower communication (Sebastianelli and Tamimi, 2003) and the fact the employees in FCI are unaware about how their operations (Asif et al., 2008) can improve is simply applicable by the mode shown against each variable. Thus FCI employees strongly disagree when it comes to discussing business excellence opportunities, identifying improvement requirements or when it comes to having a perspective as to what business excellence is.

Business Excellence Leadership

Leadership is an important driving force as it is responsible for introducing strategies, creating awareness among stakeholder and ensuring the survival of business as per organization vision and mission. The following table describes the descriptive statistics for this factor in terms of its variables:

| Descriptive Statistics | | | | | |
|------------------------|--------------|-------------|-------------|-------------|-------------|
| Summary | Commitment | Vision | Clarity | Opportunity | Culture |
| Mean | 2.838427948 | 2.947598253 | 2.908296943 | 2.781659389 | 2.877729258 |
| Standard Error | 0.101605686 | 0.096813078 | 0.101421959 | 0.094986861 | 0.102502251 |
| Median | 3 | 3 | 3 | 2 | 3 |
| Mode | 1 | 2 | 1 | 2 | 1 |
| Standard Deviation | 1.537573039 | 1.465047719 | 1.53479274 | 1.437412041 | 1.551140524 |
| Sample Variance | 2.364130851 | 2.14636482 | 2.355588754 | 2.066153375 | 2.406036926 |
| Kurtosis | -1.525093821 | -1.45050872 | -1.44116709 | -1.29921467 | -1.49753335 |
| Skewness | 0.142704528 | 0.108295609 | 0.140657022 | 0.299382219 | 0.184523352 |
| Range | 4 | 4 | 4 | 4 | 4 |
| Minimum | 1 | 1 | 1 | 1 | 1 |
| Maximum | 5 | 5 | 5 | 5 | 5 |
| Sum | 650 | 675 | 666 | 637 | 659 |
| Count | 229 | 229 | 229 | 229 | 229 |

Table 4.2.1: Descriptive Statistics – Business Excellence Leadership

Observation: In terms of leadership immersion, it is observed from Table 4.2.1 that the average of all the variables is less than the neutral rating scale of “3” but almost greater than 2.78. The participants have clearly shown their opinion as most of them have strongly disagreed with the importance of management commitment, clarity of objectives, and an open culture. This type of opinion clearly suggests of the closed and highly bureaucratic work culture where micromanagement prevails at a stronger degree thus reducing opportunities for employees to participate and provide feedback for operational bottlenecks as there is a lack of motivation and engagement from the top management in FCI (Sebastianelli and Tamimi, 2003).. What is more alarming is that FCI employees do not believe that business excellence requires any input based on the vision and mission statement? Even if the employees showcase their somewhat disagreement with the variables, the fact is that FCI leadership needs to focus in promoting an open culture and advise it's middle management to create an active feedback channel and invest more in bringing positive change management before adopting any business excellence model (Asif et al., 2008)..

Business Excellence Strategic Direction

Strategy is a comprehensive strength for an organization to align its business plan with respective objectives, goals, values and vision of the organization. Business excellence adoption hence must be strictly in line with organizational strategies for successful implementation. The following table describes the descriptive statistics for this factor in terms of its variables:

| Descriptive Statistics | | | | | |
|------------------------|-------------|--------------|---------------|-------------|-------------|
| Summary | Strategy | Notification | Effectiveness | Resources | Planning |
| Mean | 2.637554585 | 2.628820961 | 2.820960699 | 2.812227074 | 2.799126638 |
| Standard Error | 0.105661849 | 0.085249529 | 0.096445225 | 0.093957257 | 0.097933116 |
| Median | 2 | 2 | 3 | 3 | 3 |
| Mode | 1 | 2 | 1 | 2 | 1 |
| Standard Deviation | 1.598953921 | 1.290059467 | 1.459481085 | 1.421831294 | 1.481996971 |

| | | | | | |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Sample Variance | 2.556653643 | 1.664253428 | 2.130085038 | 2.021604229 | 2.196315023 |
| Kurtosis | -1.49123330 | -1.09445841 | -1.4036581 | -1.28528861 | -1.44052169 |
| Skewness | 0.348224103 | 0.299321832 | 0.169608858 | 0.215758475 | 0.170767636 |
| Range | 4 | 4 | 4 | 4 | 4 |
| Minimum | 1 | 1 | 1 | 1 | 1 |
| Maximum | 5 | 5 | 5 | 5 | 5 |
| Sum | 604 | 602 | 646 | 644 | 641 |
| Count | 229 | 229 | 229 | 229 | 229 |

Table 4.3.1: Descriptive Statistics – Business Excellence Strategic Direction

Observation: With respect to strategic direction for adopting business excellence, it is observed from Table 4.3.1 that the average of all the variables is less than the neutral rating scale of “3” but almost greater than 2.628 which signifies that FCI employees believe there is a lack of strategic direction as most of them strongly disagree that they have a proper strategic direction for BEM adoption. Further the mode of variables like Strategy, Effectiveness and Planning further showcase that due to lack of proper strategy, most of the FCI employees feel that BEM adoption will not work as they strongly disagree. Hence FCI clearly lacks the strategic direction which is due to the fact that strategic resources are not present up to the mark and in the absence of BEM resources, effectiveness of the BEM adoption goes down (Dale et al., 2000) and it becomes a challenge to even initiate a BEM assessment (Zairi, 2002).

QUALITATIVE ANALYSIS & OBSERVATIONS

In this section, we shall identify the key gaps in the adoption of a BEM in FCI based on the SAP-LAP framework as a part of the qualitative analysis.

Case Analysis

During quantitative analysis we observed the stigma FCI employees have regarding BEM adoption and the lack of strategic direction the FCI leadership faced in the context of BEM planning and implementation. On the implementation of SAP-LAP framework on FCI business excellence orientation the following characteristics were observed from the perspective of process improvement as a part of business excellence opportunity and its challenges mentioned in Section 2.4 of Chapter 2 (Sushil, 2001).

SAP Analysis - Prevailing Situation (S)

- Even though it has the largest market share in food procurement for food grains especially wheat, it is facing stiff competition from local stocklist, private companies and MNC, even though they are offering lower price than MSP issued by GOI. The reason behind this is that FCI does not have facility to buy and store food grains near farming lands as compared to private companies.
- Has an enhanced public distribution policy in place for food grain procurement, preservation and storage and has availed third party private godowns to maintain buffer stock.
- Promotions are offered on the basis of seniority lists where ranking is maintained based on date of appointment of the official in FCI.
- Payroll processing is done based on Oracle FAP module which is the only information processing system in FCI.
- Employees can avail training courses related to functional domains based on operation of work and on promotion.

SAP Analysis – Process of Business Excellence Adoption (P)

- FCI Leadership has no exposure to BEM frameworks and is at the starting stage of BE maturity.
- FCI regulates and amends the Staff Regulation which micromanages the processes and operations leaving very little room for process improvisation.
- Employees attend functional trainings that have not been audited for a very long time and employee engagement in terms of process interaction is through files and clerk work.
- Primary focus is maximizing food subsidy across FCI depot offices for achieving greater procurement volumes rather than reengineering the process.

SAP - Observation

It can be observed from the SAP analysis that FCI has no previous exposure to BEM framework unlike other PSU's like IOCL who have adopted BEM framework and enjoy more outreach in the domestic market and stronger international credibility. The response from 42 participants clearly validate the quantitative analysis that leadership and strategic direction is not aligned with the BEM adoption perspective (Wilson and McFarlane, 2002) and thus the responses from the questionnaire showed somewhat disagreement that BEM can actually help FCI (Farrar, 2004) to achieve organizational excellence. Secondly, employee engagement and performance system is not robust as compared to modern appraisal systems (Dodangeh et al., 2020) and the policies issued by leadership in the form of Staff Regulation make the processes more complex and thus reducing scope of improvement (Asif et al., 2008). Also since there is no clear direction to absorb best practices, employees only indulge in work operating procedures and do not engage in providing active feedback.

LAP Synthesis – Learning Issues (L)

- Employees do not have any choice to get appraised based on skills and competency as FCI lacks a modern competency-based appraisal and promotion system.
- Training courses have not changed in the last 25 years and do not have any coursework related to BEM in their respective functions.
- Top management has no proper feedback channel setup with the employees of FCI as all feedbacks traverse through multiple channels of approval which often get biased opinion.
- Employee records management is a tedious process as all service records are maintained in a file which is subjected to physical damage.
- Manpower allocated at key operations is very much below the sanctioned strength authorized by the ministry to curb employee and recruitment costs.

LAP - Observations

Each key learning issue highlights the process level problem that exists in FCI as per the responses received from the interview notes captured from the participants. There is a clear indication that FCI cannot ignore the problems at the process and operational level and the adoption of a BEM framework seems to be the right approach (Asif et al., 2008). Given that FCI has a strong disagreement towards BEM adoption it would be wise that FCI could start by opening channels for discussing areas of improvement for starters (Metaxas and Koulouriotis, 2014). This shall promote an open work culture where employees shall take the ownership of improving the processes and removing bottlenecks (Frunk, 2005). The lack of engagement and awareness about process improvement (Wilson and McFarlane, 2002) followed by a strong disagreement that BEM adoption won't help the current complex processes suggests a silo mentality which can hamper BEM adoption and plans for future in FCI (Dan, 2020).

RECOMMENDATIONS

In this section we shall continue using LAP synthesis to connect the quantitative opinions and learning issues determined in quantitative and qualitative analysis and suggest action plans in the form of next steps based on which the business excellence orientation for FCI can be recommended for performance.

LAP Synthesis – Suggested Actions (A)

- FCI to procure a sanctioned budget for the implementation of HRMS as part of starting business excellence maturity for improving HRM.
- To improve the supply chain and enhance procurement capacity, the development of Depot Online System is must which shall include all the procedures of a newly developed public distribution policy.
- Develop a process excellence enablement plan with the introduction of an HRMS for the following key processes:
 - Seniority Lists to be automated and include appraisal data in terms of KRA, Goals accomplished and Competencies developed as per a standardized competency framework.
 - Performance Appraisal to be directly linked with Disciplinary Action in case of employee nonperformance.
 - Automate payroll processing by integrating Oracle FAP with HRMS system which shall set the base for ERP implementation.
 - Improve training courses and induce BEM programs for leadership to increase strategic BEM knowledge among key resource personnel.
 - Develop an eLearning platform which shall train the employees in operation about quality improvement methodologies like Lean Six Sigma, ISO 9000, 5S etc.
- FCI can formulate a BE steering committee which shall be responsible to drive HRMS, APAR and Depot online system as the first of a kind BPR project for the next five years inculcating the principles of business excellence and orientating itself with best practices.

LAP Synthesis – Expected Performance (L)

- Development of HRMS for enhancing human resource operations
- Development of APAR as per modern competency framework to enhance employee capability.
- Development of Depot online system that shall increase procurement volume and thus help FCI setup collection sites near farmer farms and achieve more market share than competitors.
- Employ ERP and BPR as the first steps towards process and operational excellence. Keeping in mind the resources to be invested FCI can outsource such implementations to BE consultants who can assist FCI to scale up BE maturity.

CONCLUSION

Business Excellence is not just about optimizing processes and operations with systems. It is more about how the leaders and employees of an organization integrate with the business objectives and take onus for improving the business processes on a continuous basis. There is no need to directly adopt a framework on the first go as organizations can use TQM as the basic principle of excellence (Van der Wiele and Brown, 2002). In the context of FCI, the most important aspect observed was the strong disagreement towards change which is very common in any sector as employees see transformation as a threat to job security. However, the employees of FCI must realize how to upskill themselves, according to the latest trends and FCI leadership must advocate an open culture as it helps to adopt changes easily. At the current position it is a long way for FCI to win a Business Excellence Award in itself but as a starter it can adopt the CII-EXIM framework (Toma and Marinescu, 2018) just like its partner PSU IOCL and slowly perform a business excellence assessment in the near future. The analysis revealed that business excellence adoption is difficult if key factors don't promote themselves in terms of understanding especially when leadership is not aware or not directing excellence within the organization. As competitors become fiercer it is evident that FCI has to mature its business processes and setup itself to modern corporate banner (Leonard and McAdam, 2002). The adoption of business excellence seems as a challenge as we observed that leadership and strategic goals of FCI are not in alignment with the basic concept of business excellence (Politis et al., 2009). We also observed that

knowledge and capability of an employee also needs to be enhanced to allow him to participate for process improvement.

In terms of process improvement, the scope of improvement is dampened by the complexity of policies and procedures in FCI Staff Regulation. Core business processes like Transfer Posting and Promotion have little space for optimization but at the same time newer processes like Career Planning and Succession Planning could be introduced to improve knowledge management. Improved coursework in different trainings can help leadership to create more strategies to adopt business excellence (Regan, 2012). With the current investigation performed, the case of FCI towards business excellence adoption seems to be carved with a traditional thought process of the employee where ownership to make the organization more robust is not yet inclined. With this study we conclude that the business excellence orientation from FCI perspective is still amateur and looks forward to more improvement in the near future (Wilson and McFarlane, 2002).

REFERENCES

1. Leonard, D. and McAdam, R., (2002). The role of the business excellence model in operational and strategic decision making. *Management Decision*, 40(1), pp.17-25.
2. Toma, S. and Marinăescu, P., (2018). Business excellence models: a comparison. *Proceedings of the International Conference on Business Excellence*, 12(1), pp.966-974.
3. Leonard, D. and McAdam, R., (2002). The role of the business excellence model in operational and strategic decision making. *Management Decision*, 40(1), pp.17-25.
4. Saunders, M. and Mann, R., (2007). Business excellence tools: The tools used by companies at different stages of business excellence maturity. *Organisational Excellence Research*, 6(2), p.224.
5. Weggeman, M. and Groeneveld, M., (2005). Applying the Business Excellence Model to a Research Organization. *Research-Technology Management*, 48(4), pp.9-13.
6. Farrar, M. (2004), The Excellent Organisation. *The British Journal of Administrative Management*. pp. 10
7. Saraiva, P., Rosa, M. and d'Orey, J. (2003), Applying an Excellence Model to Schools. *Quality Progress*.36(11), pp. 46
8. Wilson, G. and McFarlane, D. (2002), Managing Improvement in the Public Sector. *Proceedings of the ASQ Annual Quality Congress*. Pp. 711
9. Johnson, K. (2005), Next Level Leadership. *Quality Progress*. 38(8), pp. 48.
10. Daniels, S. (2006), A Community College's Long-Term Commitment. *Quality Progress*. 39(6). pp.47
11. Leonard, D. (2006), Building Quality at Veridian Homes. *Quality Progress*. 39(10). pp.49.
12. Nelsen, D. (2007), Quality Focus Good for Business. *Quality Progress*.40 (4). pp. 36
13. Kennedy, A., Kelleher, C. and Quigley, M. (2006), CRM Best Practice: Getting it Right First Time at ESB International (ESBI). *Irish Journal of Management*. 27(1). pp. 255
14. Link, A.N. and J.T. Scott (2001). Economic Evaluation of the Baldrige National Quality Program. *National Institute of Science and Technology, US Department of Commerce*
15. Funk, V. (2005). Narrow Focus Provides Widespread Benefits. *Quality Progress*.38(8), pp. 40-47.