SOCIAL RESPONSIBILITY IN ISO 9000 GROUP OF STANDARDS
FOR QUALITY MANAGEMENT SYSTEMS

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ABSTRACT
Nowadays there are many initiatives that promote the use of quality management tools in higher education institutions. In this paper we analyze the ISO 9000 group of standards for quality management systems (ISO 9000 standards). In the empirical part of study we find out that the use of these standards in Slovenian business sector is most widespread. The research includes the content analysis of the version of ISO 9000 standards designed for educational organisations. The study purpose is to identify strengths and weaknesses of ISO 9000 standards. We focus on following aspects: (1) general applicability in higher education, (2) stakeholders and communication, (3) quality culture, innovation and improvement, (4) neglected quality dimensions or factors and (5) resources expenditure.

The study results can help standards’ designers (to improve the standards) and also users of such standards when applying and combining the standards with other quality standards and models (with the purpose to compensate the identified weaknesses).

Keywords: Quality, ISO 9000, IWA 2, Higher Education

INTRODUCTION
The gap between business and academic world is decreasing mostly as a result of the increasing market orientation of higher education institutions (HEI). In European higher education area there are many initiatives that promote the use of tools for quality management in higher education institutions. At the forefront of HEI policies and guidelines, written by the national and European authorities and organisations in the fields of higher education and quality, is to assure quality in terms of providing the conditions for the formation of the desired results. Beside this quality assurance includes the activities in which HEI promote its
accountability or communicate the performance results to (strategic) stakeholders. Indeed, the long-term existence of HEI increasingly depends on HEI’s acceptance in the environment.

In quality management practice, there are many tools including standards and models for quality and excellence. In this paper we analyze one of them. This selection was based on the empirical findings that revealed which tool is most widespread in Slovenian business practice. Therefore in the first stage we identify the tool. Beside this we identify the extent to which business organisations in Slovenia trust the information provided by ‘creators and promoters’ of these quality tools. In the main part of the study we identify the tool strengths and weaknesses and its suitability for higher education. We pay particular attention to the areas that are crucial for development and support of the social responsibility in HEI.

THEORETICAL FRAMEWORK

The need for economic competitiveness of Europe is leading the higher education players at institutional, national and European level toward a number of challenges (Rodman and Trunk Širca 2008, 55). The higher education environment requires the responsible actions from these actors. The responsibility of HEI is to ensure sustainable development of its activities and educational services providers (HEI, lecturers and other employees) (Rodman, and Trunk Faganel Širca 2007, 90-91). This ultimately reflects in the quality of graduates in terms of theirs adequacy regarding the requirements of the business environment. Kent (Srikanthan and Dalrymple 2004, 268) indicates the new concept of modern HEI – responsive HEI. HEI responde:

– to students [and employers] requests when the matter is study programmes;
– to the needs of society when the discussion is on outcomes;
– to the needs of the nation when we consider the research achievements.

From this basic HEI’s responsibility arise the concern for the transparent communication with the (strategic) stakeholders about HEI’s performance and outcomes. In this way it is possible for stakeholders to access to the (from their point of view) significant information about HEI and therefore decide on cooperation with HEI (or just form the perceived HEI quality) using most reliable information. Nowadays the quality assessment in European higher education area is still far from transparent (Scheele 2004, 22-23).
At the forefront of European higher education policies is quality assurance (Realising the European higher education area 2003, 3). Quality assurance is oriented to the prevention; that is to prevent the formation of inappropriate operating results and providing conditions for the formation of proper results. Experts (Crozier, Curvale and Hénard 2005, 9, 18) indicate the following quality assurance trends in European higher education:

- strengthening of national higher education policies [towards the quality assurance]. The Bologna Process does not provide trans-national quality assurance system, but suggests that this responsibility is transmitted on national and institutional level;
- stakeholders involvement in quality assurance procedures. In particular, it was ascertained that the involvement of students in these processes is increasing, ranging from participation in the internal evaluation processes to participation in the evaluation and accreditation committees. Other stakeholders are mainly involved only as recipients of periodical publications on evaluation and accreditation procedures/results;
- increased HEI accountability as social responsibility, power transfer from predominantly national to the institutional level and increased decentralization.

It is clear that the responsibility for meeting the stakeholders’ requirements lies on individual HEI. The guidelines written by European bodies or organisations (for example, ENQA - European Association for Quality Assurance and Higher Education) are not sufficient tool for HEI differentiation in the masses of similar organisations. HEI should be interested to find a tool for designing its quality management system. The result should be the system that considers the current situation in higher education and encourages inventiveness, innovation and responsiveness to environment requests.

In practice, there are many tools for quality management, including quality standards and models. The aim of this paper is to analyze one of these tools with the purpose of identifying the opportunities for its improvement. The criteria for selection were the widespread of tools use in Slovenian business practice and the trust of business organisations in these tools. Therefore in the first phase of research we identify the tool and assess the level of confidence in the information, reported by sources (organisations and bodies) that are responsible for regulating these tools.
METHODOLOGY AND IDENTIFICATION OF STANDARDS

In the target population medium and large business entities with over 50 employees operating in Slovenia were included. The available database held 853 business organisations in June 2009.

The web survey was the main method used for data collection. Questionnaire was sent with a cover letter by email to the target person in each organisation (854 organisations - the personnel area in one organisation was divided into two departments).

In the next step we sent one reminding e-mail and after that (third step) we used personal calls via telephone for inviting the target person to participate in the survey. Before the first reminder we achieved 13.01 per cent response rate. With the first reminder we raised the response rate by almost five percentage points (17.70 per cent response rate). Since we did not reach a sufficient response rate, we decided to change the technique for inviting the target person to participate. We called the target person by telephone and invited him/her to participate in the web survey. Total achieved response rate was 39.74 per cent. We received 339 completed questionnaires, when summing up four in hard copy and 335 in electronic form.

Modification of technique approach to the target person rise a question whether there are statistically significant differences between arithmetical means in responses of two respondents groups that were asked with different approaches to participate in survey. The first group includes respondents who participated in the study on researcher request sent by electronic and/or conventional mail. The second group includes respondents who decided to participate in the survey on researcher request in the telephone call. Using T-test we note that no respondents group show statistically significant differences between arithmetical means in responses, if respondents are classified by different approach to the target person.

Among respondents that answered the questionnaire prevail the organisations with (at least one) quality label or certificate (248 or 72.62 percent of organisations). With an open question the respondents were asked to name the certificate or/and quality label. 233 or 93.95 percent of the organisations gave the response.
Among the valid certification and quality labels prevails the ISO 9000 (ISO 9000 standards) group of standards for quality management systems (211 or 76.17 percent of organisations). Two organisations are in the phase of obtaining the certificate of compliance with ISO 9000 standards. Among other certifications and quality labels prevails OSHAS (15 responses or 5.41 percent of organisations). Other certification or quality labels appeared in four or fewer cases. Among these are: FSC, IFS, OEKO TEX, EFQM Excellence model, Investors in People, Daimler and others.

We were also interested in the reliability estimation that business organisations assign to organisations that are responsible for the promotion and application of standards and quality models in practice - professional bodies, organisations and associations for quality assessment. We used the following question: Please rate the level of credibility to which your organisation trust in information about HEI when this information is communicated by the following information sources. The variables are the internal and external information sources that inform stakeholders on HEI performance. Employers assessed different information sources choosing among six responses categories on the scale from 1 (I do not rely at all) to 5 (I rely on very much), while the filter ‘I do not know’ was added.

The data showed that in average employers trust mostly their own direct experience with HEI. The average score of 4.218 means that in average employers rely on their own direct experience with HEI. Other information sources that are classified by the average score on confidence follows: the competent national authorities (average estimate 4.005), HEI (average estimate 3.969), professional bodies, organisations and associations for quality assessment (average estimate 3.825), stakeholders’ association (average estimate 3.595) and the people with whom the employees are in contact (average estimate 3.441). On average, less reliable information source from employers view are media or journalistic publications (average estimate 3.133). On average, employers rate the reliability of this information as medium high. The Skewness and Kurtosis coefficients enable us to assume that the data for each variable are normally distributed.

We found out that the most common response for the reliability estimation of professional bodies, organisations and associations for quality assessment is ‘I rely on’. Taking into account that the employers (as strategic HEI stakeholders) rely on information provided by these information sources and that numerous attempts to transfer the business quality
standards in higher education can be noticed in literature (Singh and Sara 2006 ), we decided to analyse the ISO 9000 standards (for which we found out that are prevalent in Slovenian business practice). We believe that this challenge would provide useful information to designers and users of standards.

ANALYSIS OF ISO 9000 GROUP OF STANDARDS FOR QUALITY MANAGEMENT SYSTEMS

History of ISO 9000 standards began in 1987 when the International Standardization Organisation – ISO – elaborated the group of quality standards. The first official version was published under the name EN 29000. In 1994 an updating version of standards named ISO 9001, 9002 and 9003 that were adapted to different organisations types was published. In the 1996 the project for standards renovation started whit the aim to collect and consider the users’ needs. Current, improved ISO 9000 group of quality standards, published in 2000, includes following standards (Slovenski standard SIST EN ISO 9000 2005, 4):

- ISO 9000 describes fundamentals of quality management systems and specifies the terminology;
- ISO 9001 specifies requirements for quality management system;
- ISO 9004 provides guidelines for effective and efficient quality management system and is not intended for certification;
- ISO 19011 provides guidance on auditing quality and environmental management systems.

Every six to eight years the ISO 9000 standards are improved. The last update was in 2008 in which the outsourcing was added as new field. Other fields are just improved with some changes or specific user requirements, considering the new context in which the organisation operates (more on http://www.praxiom.com/iso-new.htm).

ISO 9000 standards were first employed in industry, but their use can be also found in service organisations and public sector. Great Britain, New Zealand and Australia show the greatest interest for the employment of ISO 9000 standards in higher education (Srikanthan 2001, 7). More users of ISO 9000 standards in compare to higher education are in further education and training (ibid).
The ISO quality standard for education was published in 2008 (Slovenski standard SIST TS IWA 2 2008). This standard is recommended as a guide for organizations and it is not intended for certification (Slovenski standard SIST TS IWA 2 2008, 15). It would be appropriate to address this standard as primary standard within ISO 9000 group of standards (due to specificity of focus in standards), but we decided to base our research on the whole group of ISO 9000 standards. This decision was made due to following facts:

- standard for education deals only with certain stakeholders: management, employees and participants in the educational process (term ‘participants’ is used to describe the ‘students’);
- standard for education includes guidelines for quality management systems that lack pretentiousness of ISO 9004 and 9001 standards in many parts;
- standard for education neglected important areas that are considered in ISO 9004 standard: (1) the basic principles of quality management that form the cornerstones on which the quality culture is formed and developed, (2) management and staff development, empowerment, two-way information flow, stakeholders involvement in decision-making processes, encouragement of teamwork, (3) information management, indeed the ISO 9004 standard define that the information is ‘essential in order to make a decision using the facts’, (4) financial resources management that is important management subsystem in profit educational organisations as well as in non-profit (mainly public) HEI;
- standard for education is focused only on education. The standard does not provide guidelines for quality management of other supporting activities or other basic organisation activities (HEI mostly perform research and cooperation with environment besides education);
- standard for education does not explain the used concepts, as it is typical for other ISO 9000 standards (the only explanations are presented for ‘educational organisation’ and ‘education provider’.

We decided to analyse all standards in the group ISO 9000, including the guidelines – ISO 9004 standard although it is not intended for certification due to enlisted facts. Regarding other ISO 9000 standards, only in ISO 9004 standard the broad aspect of quality management and treated other organisation’s stakeholders (beside the participants in the process) can be traced. In doing so, it is appropriate to underline the replacements of some terms (used in ISO 9000 standards) that were necessary for their inclusion in the article context:
– ‘product’ is replaced with ‘result’;
– ‘product realization’ is named ‘implementation of services’ in this work;
– ‘interested party’ is replaced with ‘stakeholder’.
– for ISO 9004 standard (Slovenski standard SIST ISO 9004 2002) and standard for education (Slovenski standard SIST TS IWA 2, 2008) we use the term ‘standard’, because they are ‘members’ of group of standards, in spite the fact that they contain guidelines.

ISO 9000 standards are organisational-managerial and not technical standards. This means that they are standards for quality [management] system in organisations and not for the product (Marolt and Gomišček 2005, 102). At the heart of ISO 9000 standards is process approach that originates from the Total Quality Management philosophy (TQM). Process approach is a synonym for thinking that each product is the result of one or more processes. It follows that the most effective way to raise the quality of the result is improvement in main processes [– processes that are needed for the implementation of services in main organisation activities] (Marolt and Gomišček 2005, 75). So the result is a dependent variable of the process. Process approach moves the central focus from the result (which was typical of the ISO 9000 standards of 1994) towards process.

ISO 9000 standards promote the use of certain parts of the TQM philosophy. The main benefits of ISO 9000 standards can be found in those areas that support this philosophy. Among advantages we stress the promotion of system approach in quality management and process approach that are weak in HEI (and are linked to the elimination of departments and introduction of horizontal organisation of processes). ISO 9004 standards refer also to other stakeholders beside participants and to their requirements, what appeared to be the neglected part in other standards in group ISO 9000. In the standards it is stated that the stakeholders’ satisfaction is one of the main performance criteria and the evaluation of quality management effectiveness is promoted. Standards focused on available and not on planned resources. The emphasis is on top management membership in implementing standards (as the business excellence cannot be delegated), and on internal communication effectiveness. Standards requirements are clearly defined. They also stimulate the documents existence and order that assure the basis for unbiased quality judgement (on the other hand, increased documenting brings disadvantages, such as bureaucratization, the additional costs and burden on people).
Mønsted and Fons (2002, 10) added also the advantage of bringing ‘common language’ in international business when fulfilling the ISO 9000 standards.

Piskar and Dolinšek (2006) indicate favourable effects of ISO 9000 in organisations that have introduced these standards in their quality management system. Among the positive effects we point out the improvement of image, rise in transparency and processes efficiency, quality improvement in technical terms, decrease in number of complaints, improvement in after-sales services and therefore greater effectiveness in [...] customer requirements satisfaction, improvement of [organisational] culture and standards compatibility with other quality models. Similar effects are identified in other literature (Smith 2001, 7; Mønsted and Fons 2002).

The second part of analysis in terms of identifying weaknesses and shortcomings of ISO 9000 standards is presented below. They are grouped into categories or aspects. These aspects are defined by reflection on the areas that are determinant for identification of HEI social responsibility. However, we believe that the analysis results can be easily transposed to the organisations in business sector.

**General applicability of the standards in higher education**

ISO 9000 standards are best adapted to the production organisations, in spite of the statement in standards of 2000 that the revised ISO 9000 standards are designed for the organisations with various activities. Survey results (Piskar and Dolinšek 2006, 88) indicate that the main users of ISO 9000 standards are manufacturing organisations with 51 to 250 employees. Within these organisations it is possible to detect the greatest impact of standards on improving quality of products and services (ibid, 97). The worst impact of ISO 9000 standards is evident in mainly service activities organisations (ibid, 100).

ISO 9000 standards are suitable for structured processes that are necessary in some service industry (such as banking, tourism). These services have very specific processes that can be quite easily managed and monitored. Education is a very subtle and long-term process. Beside that, the process implementation is tightly connected with less manageable environment. Therefore, it is difficult to identify all relevant elements, monitor them and ensure stability in their quality. For these reasons Scheerens (2007, 5) suggested to use ISO 9000 standards
[mainly] for supervising the organisational and managerial work and for checking the organisation orientation towards stakeholders.

The significant error in standard for education is treating the performed educational services as a product. This is evident in the chapter on evaluation results (Slovenski standard SIST TS IWA 2 2008, 34) and in describing the possible positive evidence (Slovenski standard SIST TS IWA 2 2008, 32). The problem is that the proposed evidence (such as school curricula and materials) indicates the services existence, but not necessarily that the intended results were achieved (as the students acquire the skills and competencies that meet the requirements of business environment). In the paper we consider that the implementation of services causes the results and it is not the result as such.

**Dimension ‘Stakeholders and communication’ in the standards**

HEI social responsibility is closely linked to HEI communication on ‘responsible performance’ to the (strategic) stakeholders. Before this, HEI have to identify the strategic stakeholders’ requirements and take the requirements in account when communicating with specific stakeholders group. In standard for education (Slovenski standard SIST TS IWA 2 2008, 20) is stated that “[top] executives should identify and document the [requirements] of the learners”. In this standard the requirements of other stakeholders has been neglected. In addition, it is not necessary that the participants in education service are the (only) HEI strategic stakeholders.

Standard for education advises reactive communication with stakeholders or “HEI should respond in two-way communication processes between [stakeholders] and [HEI]” (Slovenski standard SIST TS IWA 2 2008, 25). We believe that this is not sufficient. HEI should actively seek opportunities in the environment and take a proactive part in collaborating with stakeholders. This means having control over the situation and developments in internal and external environment.

In ISO 9000 standards reporting and communicating are highlighted, but in the form of internal communication (Slovenski standard SIST ISO 9001 2000, 15, Slovenski standard SIST ISO 9004 2002, 22, 70, Slovenski standard SIST TS IWA 2 2008, 19), and obtaining the information from the external environment (Slovenian Standard BS ISO 9004 2002, 42). *It is not suggested to inform and report to external stakeholders about HEI performance.* In the
standard for education (Slovenski standard SIST TS IWA 2 2008, 21) is written that “the organisation should communicate with participants and other [stakeholders] on matters relating to quality [management] system”, but the reporting is not explicitly exposed. Reporting is limited only to employees (ibid, 22).

In ISO 9000 standards (Slovenski standard SIST ISO 9004 2002, 35) is also written that "the organisation should identify its needs for information ", but it is not suggested to identify the needs for information of other stakeholders. In addition, ISO 9000 standards (Slovenski standard SIST ISO 9004 2002, 59) imply that it should be measured the effectiveness and efficiency of communication with [stakeholders] in order to assess whether the information are timely and clearly understandable. But this does not point out the question on whether the content of the information is appropriate for specific stakeholders group or the question on effectiveness in implementing their requests.

In view of ISO 9000 standards (Slovenski standard SIST ISO 9001 2000, 19), effective communicating with customers include (1) communication of results, (2) management of demands, contracts and orders (applicable in HEI only to support processes) and (3) gaining customer feedback, including complaints (which could be translated into management of feedback information from stakeholders). This limited set of information does not allow stakeholders to have a comprehensive picture of HEI quality that would be consistent with their understanding of quality requirements and HEI.

**Dimension ‘Quality culture, innovation and improvement’ in the standards**

In ‘non-binding’ guidelines ISO 9004 (Slovenski standard SIST ISO 9004 2002, 75) is written that HEI management should create such culture among employees that stimulates active searching for improvement opportunities in processes, activities and results. At the same time management should create an environment in which employees are empowered and responsible for identification of improvement opportunities (ibid). But nothing is written about empowerment of other strategic stakeholders and their contribution to the quality culture (for example, of students, employers/organisations, owners), to which the recent document, published by ENQA (2009), encourage. Even Mønsted and Fons (2002, 13) agree that ISO 9000 standards does not encourage the creation and development of quality culture, but it establish control over the organisation functioning.
The main task of ISO 9000 standards is to attain compliance in organisation functioning with the standards. At the forefront is standardization that directs the organisation to minimize deviations, but does not encourage seeking improvement opportunities and diversity. It follows that at the centre of ISO 9000 standards is certification fulfilment but not quality enhancement.

Despite the fact that in ISO 9000 standards the idea of process approach to quality management (in terms of integration and interdependence of processes) is presented, the standards are targeted at ordering procedures. Cause and effect connection among procedures and their integration into the processes that would represent the standards added value is not possible. This is an obstacle to the introduction of cross-function connections in organisations. Neglected cross-function cooperation can also be seen in the standard for education in the chapter ‘continuous improvement’ (Slovenski standard SIST TS IWA 2 2008, 35), where it is written “that [each employee] should identify and implement improvements for own subject of instruction”. We do not agree that an improvement processes can be successfully organised as projects. We believe that continuous improvement must be implemented as continuous processes without the constant search for support and confirmation and with the inclusion and stimulation of all employees (not just groups involved in each project/subject of instruction).

According to ISO 9000 standards of 1994, in revised standards of 2000 the term constant quality improvement is repeatedly stressed. But Rebernik (2000, 35 v Piskar and Dolinšek 2006, 56) states that standards are not aimed at [...] searching for new business opportunities (on the contrary, encourage business routine). Pivka (2000, 44-45 v Piskar and Dolinšek 2006, 55) notes that standards fulfilment does not have statistically significant impact on new ideas and innovation. This was also proved by Piskar and Dolinšek (2006, 129). They established that exercising the standards did not affect the number of proposed improvements from employees. The standards are, by its nature, oriented to the corrective actions (Savič Pipan and Kern 2007, 55) and cause the strict fulfilment of standards indications. They do not encourage the identification of improvement opportunities in terms of finding innovative solutions, thereby creating or maintaining competitive advantages. Monsted and Fons (2002, 12) state that external [assessment] lead to the fact that people care only to those areas that are subject to external assessment [and not to the areas that are important for achieving organisation’s goals]. Generally the standards indicate the lowest acceptable level of requirements that should be met by organisations (Savič Pipan and Kern 2007, 55).
ISO 9000 standards emphasize technological conditions for quality product/service and conditions for ‘things working well’, so that mistakes can be avoided and organisation can be effective, but requests for business success are missing (Nemec 2001, 63-64). In addition we can not find the signs of pointing to the need for flexibility of standards regarding the unique mission of single organisation in the standards. Evaluation of organisation performing in defined areas does not ensure that these areas are strategic for single organisation. Standards are not dealing with strategic processes, such as strategic planning and policies creating. They focus mainly at operational level processes that occur in the value chain. Without the strategic foundation the organisation implements the value chain, but does not know whether it is ‘going in the right direction’. So ISO 9000 standards help ‘do things right’, but they do not guide the organisation to ‘do the right things’.

At this point it is necessary to add that in standard for education (Slovenski standard SIST TS IWA 2 2008, 36) the use of statistical methods for quality assessment are stimulated. But we can not found the stimulus in using other non-statistical methods such as benchmarking, Radar chart and others (Marolt and Gomišček 2005, 349-435). Taking into account the HEI diversity and different contexts in which HEI work, we propose to modify this part of standards and include non-statistical or qualitative approaches for assessing the HEI quality.

Neglected quality dimensions or factors in the standards

ISO 9000 standards regulate the processes that ‘form’ a product or the results, but do not deal with the effects of using the products in environment. Only in ‘non-binding’ guidelines ISO 9004 (2002, 16) is recommended that the organisation should consider how [stakeholders] perceive the quality of ‘purchased products’. This could be translated in getting feedback on the usefulness and appropriateness of outcomes (for example, graduates skills and competencies) in the environment. It is stated that organisation should recognize stakeholders’ satisfaction, but nothing is written on recognizing their loyalty and motivation to cooperate, the impact of organisation performance on environment, organisation image among strategic stakeholders, etc.

In European higher education area there are numerous incentives focused on employees in quality policies. It is stated (ENQA 2009) that mainly HEI employees are less involved in quality assurance processes and are often excluded from the planning processes on HEI
development. Consequently quality assurance is mainly focused on educational experience of students; the human resources field (in terms of staff development and resources for work) is neglected. The latter can not have a positive impact on HEI's quality in the future. Even in ISO 9000 standards the human resource management is neglected (Russell 2000, 661; EFQM 2004, 7). Standard for education does not deal with human resources planning, promotion of team work (that is often neglected in higher education on account of individualism), human resource development on the workplace, reward policy and achievements recognition. Guidelines for managing these factors are presented only in ISO 9004 standard (Slovenski standard SIST ISO 9004 2002, 30).

Creativity, innovation and [quality culture] in organisation are conditioned by the knowledge and technologies management, development of intellectual competencies and sustenance among employees. These areas are neglected in ISO 9000 standards (Russell 2000, 662). The ISO 9000 standards also neglect the financial management (Russell 2000, 662), organisation financial performance and (as mentioned in the previous section) unsatisfactory regulates the improving processes and projecting the tangible evidences that show progress.

**Resources expenditure in following standards**

Piskar and Dolinšek (2006) studied the consequences of succeeding ISO 9000 standards among Slovenian business organisations. Authors exposed the following findings regarding the resources expenditure: (1) no cost are reduced because of standards implementation, (2) standards has very little impact on increasing sales, (3) standards do not affect the increase in number of new customers, (4) [standards] do not affect the increase in the organisations solvency, (5) more than 50 percent of costs in quality management performing are attributable to employees understanding of ISO 9000 standards and obtaining the certificate, (6) compliance with ISO 9000 standards require more documentation and employees have more tasks (Mernik 2001 in Piskar and Dolinšek 2006, 56). Piskar and Dolinšek (2006, 101-102) established that the standards fulfilment do not increase employee satisfaction and improve the atmosphere among employees. Bad impacts of ISO 9000 standards are also reflected in the level of employee loyalty (ibid, 127).

**IMPLICATIONS AND RECOMMENDATIONS**

Many reasons exist for the limited transfer of quality standards from business to higher education. First reason is different set of (strategic) stakeholders’ groups in HEI that are also
more difficult to identify or to identify their needs and requests. HEI stakeholders groups are usually very heterogeneous, they define the quality in different way and they often expect from HEI different results. While the success of business organisations is often measured in profitability, the HEI success is mainly judged in the terms of accountability and social responsibility. In higher education quality indicators varied, the set of indicators is not uniform, nor do their methodology and data collection methodology. Often, the indicators used in higher education are unilateral, unrelated to the objectives and do not take into account the HEI context or external environment. Their usefulness in demonstrating the progress of quality is therefore limited. The important difference between HEI and business organisation is also the complexity of these organisations. The HEI system is more complex in comparison with majority of other systems, because of trans-national activity and stakeholders from different contexts. For these reasons it is difficult to measure the HEI results and judge its quality. Complexity also leads to less flexibility and responsiveness to market needs compared with the business organisation.

Most quality standards and models are characterized as very expensive, considering time, resources and people that are needed to administrate the standard. Organisations in the public domain collect and assign funds for quality standards implementation rarely, since they are usually already subject to an outside judging (for example, in the form of external evaluations, which are often a prerequisite for entering the (re)accreditation process) that are more essential (connected to the financing) and also requires a lot of resources.

Despite many arguments against the direct transfer of standards in higher education there are many evidence of stimulating the use of quality standards and models that were designed for business world. The separation gap between business and academic world is decreasing as a result of the increasing market orientation of HEI. The literature from nineties (Galloway 1998 in Osseo-Asare and Longbottom 2002, 26; Hides, Davies and Jackson 2004, 194) cited the United Kingdom’s national policy statement that stimulate HEI to look for suitable quality standards or models in business sector. Nowadays EFQM Excellence Model calls for this orientation of public organisations toward business world (EFQM 2007).

With the intention to analyse the suitability of selected quality standard for higher education, we identified the quality standard that is most widespread among business organisations in Slovenia. In survey we found out that, among medium and large business organisations in
Slovenia, the most widely used are ISO 9000 standards. This was the primary reason for content analysis of these standards. In addition, we found out that business organisations (in Slovenia) most frequently rely on information about HEI that they receive from professional bodies, organisations and associations for formally quality assessment and assurance in higher education. This suggests that business organisations are sensitive to information on HEI if they receive the information from this information source. If we consider that the label (that indicates the standards fulfilment), given by organisation that is responsible for regulating the ISO standards, is a sort of reporting about organisation quality, we can ascertain that the analysis of suitability of ISO 9000 standards for higher education is therefore even more justified. This theme is even more relevant since ISO 9000 standards were adapted to the educational sector in 2006. Therefore, in addition to ISO 9000 group of standards, we analyzed the ISO standard for education (Slovenski standard SIST TS IWA 2 2008).

At this point we highlight the key findings about shortcomings of ISO 9000 standards. Weaknesses that stand out, without regard to the type of the organisation that use or intends or wants to use the ISO 9000 standards, are: (1) low flexibility of standards content to the organisation’s unique mission and focusing only on reaching the standards fulfilment, (2) obstructed creativity that reduces the possibility of positive differentiation on market, (3) weak promotion of organisation flexibility in making good use of internal and external changes, (4) lack of requirements on human resource development and management, knowledge management and development of quality culture with inclusion of different stakeholders groups, (5) promotion of reactive communication and just with certain stakeholders groups that could not necessarily be strategic, (6) lack of requirements on cross-function cooperation, (7) orientation on past performance, (8) orientation on processes, but not on other quality dimensions (for example, on outcomes) (9) bureaucratization that fog the main organisation purpose, (10) extensive expenditure of time, resources and people for administration of standards. The weaknesses that are related to higher education area are: (11) no consideration of large number of heterogeneous stakeholders groups that have multiple roles in HEI and (12) no consideration of various HEI activities.

These findings are the basis for improving the ISO 9000 standards, particularly standard for education that are less binding than the other standards in the group and neglect some important areas (such as basic principles of quality management, information management and financial resources management), thereby reduce their value.
The study findings are useful information for standards’ designers in the activities of improving standards and also for users of such standards when applying and combining the standards with other quality standards and models (with the purpose to compensate the identified weaknesses).

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