

In deals with the managerial aspects of the

Profession, Manager



In business practice, the concept of standardisation is applied in two different areas. The first is concerned with the standardisation of things — their size, shape, colours, physical properties, chemical properties, performance characteristics etc. This stage of the standardisation concept is frequently called industrial standardisation. The second application deals with the managerial aspects of the business activity-standardizing such things as operating practices, procedures, and systems. This type of standardisation frequently termed as Management Standardisation. Standardization is the process of formulating the applying rules for an orderly approach to a specific activity for the benefit and co-operation of all concerned, for the promotion of overall economy— taking into account functional and safety requirements.

In our country, Indian Standards Institutions (ISI) is the national body which deals with standardisation at national level. There are various committees dealing with different industries, having representations from the industries, consumers and other interested parties including ISI officials, who formulate national standards. Anything useful and convenient for any human activity can be standardised. Taking industries for example, there are many subjects which can be standardised, produces, processes, materials parts, components so forth and so on.

Advantages of Standardization:

Standardization enables industry to proceed on scientific lines to locate factors influencing preparation of inventory control programmes, for achieving economy on materials and parts, avoiding wastages, disposal of

unwanted stores and reduction in stock cover without much trouble.

Identifying the problem areas and resolving such problems so as to keep the supply line open, reducing the capital investment to the minimum by reducing variety, improving input-output ratio; formulating the quality index of the goods as well as suppliers, formulating reliability index of both, standardisation programme helps materials management in many ways.

Standardised materials and parts have thus obvious importance to inventory control. According to Bureau of Indian Standards (ISI), standardization has the following advantages: 1.

Manufacturers can streamline production process, introduce quality control systems and avail an independent audit of quality control by ISI, reap production economies accruing from standardisation, project a better image of their products in internal and overseas markets, win for their wholesalers, retailers and stockists, consumer confidence and goodwill; generate preference for ISI-marked products by organised purchasers of both private agencies and government bodies; get higher prices for ISI-marked goods and obtain incentives offered by financial institutions and nationalised banks. 2.

Consumers get the products certified by an independent national technical organisation; secure help in choosing standard products; they are protected from exploitation and deception and from replacements of ISI-marked products that are of sub-standard quality and an assurance of safety against hazards to life and property. 3. For organised purchaser, ISI certification is a convenient basis for concluding contracts, which obviates the need for inspection and testing of goods and thus saves time, labour and money.

4. Exporters are exempted from pre-shipment inspection wherever admissible and standards act as a convenient basis for conducting export contracts and for elimination of need for the exhaustive inspection of consignments by the export inspection authorities. 5. Overseas buyers are assured of the quality as per Indian standards and free replacement substandard goods.

Standardization in India:

Effective steps have been taken in a number of organisations in India for cost reduction through reduction in the number of stores' items. The aim of standardisation should be to have uniform standards for similar items, and the standards evolved should take cognizance of the indigenous availability of materials to the maximum extent possible. Realising this importance, the Indian Standards Institution (ISI) has promoted over 7, 000 standards covering raw materials, components and finished products. These are widely publicised and are readily available from the Indian Standard Institution.