Chapter 1
Introduction to the Study

1.1 General Background

“Roads are linear, but linear thinking is useless in this world, as world functions in non-linear fashion.” ……..Rowan Gibson.

Most organizations start competitively and later turn out into mediocrity, losing the collective outstanding performance momentum after initial higher achievements. Clear and compelling vision, high efficiency and bold leaderships are few infallible strategic tenets always upheld by dynamic leaders. The sources of growth and high performance allow the companies to excel on their current growth trajectory, i.e. to do more of the same activity better and better over time. The longer time horizons extend the life of it’s core business, more difficult for managers to sustain the accelerated growth and it is where the ‘fast strategy’ and ‘strategic agility’ with due innovative project road map comes handy for keeping the growth engine of any company keep going regardless.

Fast strategy helps the organization’s green shoots of new business ideas to occasionally push their way up through the compacted soil of management indifference and skepticism - rather very few companies are truly satisfied with their rapid success just at the launch of the business with innovative ideas. ‘Evolvability’ and co-creation of customer value system by imbedding intelligence into design of the products/services is the crux of viable management innovations technique.

The common constant factors for any organization are: leadership, free and open communication & decision-making. These parameters should be inherent, inbuilt and incessant in any organization Organizations need leaders who could not just “do things right” but also “do the right thing.” The challenge of leadership is not what it used to be, today’s demand is “transforming “leaders – those who don’t just solve the problems handed to them, but who help to raise society as a whole to higher levels of motivation and morality.

The environment all over world, under liberalization, globalization and privatization, has created a fast changing business scenario into amazingly new dimensions. The emerging issues on the horizon and the unpredictable changing scenario require the incorporation
of flexibility and adaptability in the organizations. This demands an overall integrated approach, an effective managerial style and generation of many initiatives. The three essential attributes that may assist stimulative initiatives are: ‘A free atmosphere (openness)’, ‘a supportive climate’ and a ‘loose structure’. This may lead towards achieving a creative/innovative and productive organizational excellence. Today, the global corporation can be visualized as a ‘logical thread of relationships between a multitude of moving parts-ideas, information, knowledge, capital, and physical products. This requires development of relationship, in an organization and its extended networks of collaborators, including suppliers and customers. In this regard, we need to make an explicit connection between strategy, business models and business processes. The ‘technological management’, strategic HR and the performance are the most dominant factors for measuring the achievements of any organization. In this regards, learning individuals, learning organizations, strategic planning, competitive advantages, ignited minds, unleashing brain-power, flexibility, passionate work-culture etc. are few substantial management buzz words these days. Rapid breakthrough technological changes have to be managed effectively to cope with the ever-eluding business scenario.

1.2 The Research Arena
To achieve the designed/desired productivity goal, a dynamic and ‘full engagement’ approach of organizational structure amalgamated/galvanized with positive and healthy work culture/environment is needed. This is more so, in the ‘fiercely competitive battlefield’ conditions obtaining today. As we know that strategically most of the organizations can be broken down to three basic levels. The highest level, the umbrella of corporation is the ‘corporate level’, the second is ‘business level’, and the third is ‘process level’. The success of ‘six-sigma’-philosophy, herein, can be defined as the extent to which it transforms each level of an organization to improve the organizational overall quality and profitability. Six sigma (George Ecke, 2001) further addresses ‘change’ acceptances and quality production. One important point is to be understood is that although the problems of various private and public sector organizations (including government/semi-government organizations) are broadly more or less same, there are some vital ones, and need to be addressed/understood fully, keeping in mind the productivity aspect. The ‘New Age of Innovation’, reveals that the key to creating values and the future growth of every business depends on accessing a global network of resources to co-create unique
experiences with customers. Herein, it will be observed that successful HR-minded leaders recognize the potential employee’s talent and motivate them to unleash their brain-power, working with ‘full-power-engagement’, designing a job, for ‘holistic engagements’ of the employee’s gives an upshot performance. In this connection, a ‘leadership scorecard’ further helps boosting the performance and productivity of the organization. The dire substantial key variables of the organization are business strategy and critical performance variables. These all spans describe range of resources, influence and support for evaluating performance measures and achievements of managers. Intelligence quotients (IQ) and Emotional quotients (EQ) and their manifestations have been amply described by Daniel Goleman (1998). IQ and EQ are dire essential prerequisite for bringing in positive work-culture in any organization. The passionate work-culture and HR creative drives, once combined with passion and spiritual quotients, it ushers in synergy and unbound potential for better throughput and organizational excellence. The HR creative drives should have inbuilt or otherwise inculcateable and inextinguishable interest in everything he does in the company/organization. The crux of the work-culture is the conversion of passion and purpose into higher denominations by connecting these to Spiritual quotients.

The Balanced Scorecard (BSC), propagated by Kaplan et al (1996) and HR Scorecard (Becker et al, 2001) strategy provides executives with a comprehensive framework that translates an organizations’ vision and strategy into a coherent set of performance measures. Thus, it will be observed that flexible management approach then makes understanding of the ‘change process’ more dynamic and realistic.

1.2.1 Organizational Dynamics
The key factors in organizational dynamics primarily are: environmental forces, strategic choices and technological capabilities. The organizations are made of people and main aim is to ‘change’–the attitudinal change–which can be done through subordinate participation, i.e. changing the nature and quality of their working relationships. It has to be a ‘planned change’ brought about through the people processes in the organization. Leading people, however, is much more of an art than a science. Great leadership is far more complex than that especially when it comes to leading innovation. The art of Innovative leadership depends on willingness and ability to unshackle the energy, ideas and talents that people can and want to pour into their work with you. Innovative HR
measures should be forward looking, allowing the managers to access and diagnose the process and people capabilities that can predict the future success of the corporation (Kaplan, Norton, 1992).

Today due to wide and vibrant knowledge workers available all over in the corporate sectors and otherwise the management of their knowledge and to bring into synergetic performance, is the major challenge. This requires a good dynamic and charismatic leader who is conversant with technical education in particular apart from other traits.

Quality, though it is much talked about is a missing link presently in Indian technical education scenario. More so, many indiscriminate technical institutions have cropped up today, during 15-20 years time. But there is a huge shortage of good teaching faculty to cope up with this enhanced infrastructure. This situation has been made more worst because of lack of quality and talented students obtaining in these institutions. Thus, we observe that quality is the fundamental factor to be addressed, than quantity. Quantity going up and quality going down is an alarming situation.

The teachers must consider the students as impressionable minds and always human resource for attracting the talented students we must apply a push-pull technique of teaching. Teachers must apply pull technique more and create a conducive learning environment for students. The teacher who is also a good leader is required today.

Leadership has become more challenging today due to availability of mere knowledge workers. Effective manager is a leader. Leadership is based on three programmes like Selection, Challenge and Mentoring. A good and dynamic teacher must possess the leadership qualities for due motivation of students as well as igniting their minds.

Charles Handy (1994) retorts “You cannot look at future as a continuation of past because the future is going to be different. And we really have to unlearn the way we dealt with the past in order to deal with the future”. As per Hammer (2000), “Formulas for yesterday’s success are almost guaranteed to be formulas for failure tomorrow”.

We talk of `technology’ as per Drucker (2001), technology is not nature, but humanity. It is not about tools, it is about how people work. It is equally about, how they live and how they think. Rather, `technology is an extension of human beings.’ In simple words “technology is anything that humans make, which is very abstract.” Today in 21\textsuperscript{st} century ongoing improvement has become increasingly fiercer due to `advancing technology’. It is also true that 21\textsuperscript{st} century corporations are like game of football and
football teams, every individual or team is focused on the objective, which involves cooperating with others while carrying out their own set of duties. And the final management buzz-word is ‘nothing to be taken for granted’ unless/until we make it happen. We have to unleash our brain-power and unlock the inbuilt creative potential to maximum. The business landscape today is going through some important changes. The other concept in this millennium is rather ‘change from big corporation to smaller units’. Today, it is the small companies who are creating the global economy, not only the Fortune 500. Even these days a small company can be as small as one person. Western Eye Press is a two persons company and is a global player today in Colorado. Outsourcing is buzz word and practiced toady. The increased practicing on the principle of time and energy should be the order of the day which is the real accelerator of our life and business scenario. Trust is the foundation of all relationships.

Spiritual combination of working and Spiritual leadership imparts enhancement of HR throughput. The crux of Spiritual leadership is on focusing on others and on organizational success as well as to the Spiritual work-culture. Thus, it is observed that the various manifestations of emotional and spiritual quotients finally impart organizational excellence, which will in turn help in the achievement of the desired goals of the company.

1.2.2 Strategic HR’s Role
In modern prevailing business scenario, a firm or organization has to co-create values with customers continuously and introduce changes desired by the customers and apply modifications thereof. HR is shifting from focusing on the organizations of the business to focusing on the business of the organizations by becoming a strategic partner. Today, the intangible asset of human capital is the prime driver of organizational throughput. The intent of the new HR paradigm is to achieve alignment among the strategy, structure, culture of the enterprise.

Strategic HR is passionate about people as the source of organizational success. It’s said “If you keep on doing what you have always done, you will keep on getting what you always got.” Organizational innovative capabilities rest in the organizing principles and Socio-Economic relationships that exist between people. Focusing on HR strategies and identifying the promotion of a creative environment as a key to innovation. An innovative
intervention needs a strategic HRM as a supportive culture. A strategic HR innovation is much needed tool for developing high quality products.

HR’s role is of paramount importance for developing a dynamic and productive organization. The organizational change also warrants a strategic paradigm shift in the thought process of the human resource. The main aim of development of human resource should be not only to ‘manage’ people but to ‘lead’ them and exploit their more productive potential and the specific strengths and knowledge for achieving the ultimate goal. Also, as per Porter (2002): “it is not good enough just to be different. You have got to be different in ways that involve trade-offs with other ways of being different. We have to rethink globalization and, recalibrate economies”. We have to ‘think locally’ and ‘act globally’ retorted by Naisbitt (2002). The main impact of globalization is that it is creating more hazards and more opportunities for everybody, hazards in terms of a more volatile environment and more competition. And opportunities in terms of more markets and bigger markets. This truly brings out focus on leadership: as it is only through leadership that true development and nurturing a culture which is adaptive to change can be achieved. The ‘action plan’ and process mechanism of human resource can only transform/convert input into output culminating in real throughput or productivity. And for this alongwith other traits/techniques we have to heavily bank upon, and resort to ‘flexible system management’. Strategic HR should work as a ‘force-multiplier’ in present day business scenario.

1.2.3 Organizational Behaviour
The human behaviour is a function of values, belief and faith. ‘Trust’, environment, nature and economic incentives have motivational and behavioural dimensions of an individual. Rather these provide a basic philosophy for achieving success, and also provide a common platform for direction/guidelines for individual’s day-to-day behaviour. Also, the group behaviour differs and that’s why organizational behaviour (OB) is essential to know as human psyche and how he works collectively in the organizations/companies. It is essential that apart from individual behaviour, if they are working in groups have shared values, interpersonal relationship and work in a ‘mission-mode’ for desired productivity.

For 21st Century leader apart from having the leader’s traits a leader also has to continually reinvent, redesign and recompose his leadership style all the time. To have an
incredible performance executive have to have extraordinary adaptability/flexibility. A leader should continue to ‘learn’—be a student all the time and should be prompt ‘decision-taker’. As per Kotter (2002), he shortly defines “management as to cope with complexity” and leadership is to cope with change. Other ingredients he has mentioned in his famous book ‘what leaders really do’. Thus, also opined by Bennis (1994) that tomorrows’ leader will have to learn how to create an environment that actually embraces change, not as a threat but as an opportunity. The major challenge for leaders in the 21st century will be how to release/unleash the brain-power of their organizations. In this regard performance models have been developed in the present work for converting the organizations into a ‘passionate organization’. For doing this, a leader must create and have a ‘shared vision with meaning’. Thus, we observe that by creating a ‘shared sense of meaningful purpose’, the power of an organizations, will be ‘shared sense of purpose’, and it can achieve anything. A word of caution, lot much has been said about leadership; followership also has to be practiced and one has to decidedly think a goal and purpose beyond oneself—organizations are greater than individuals’.

1.2.4 21st Century Leadership: Passion for Success
If we examine the statistics of the performance of companies operating in India during the last decade, we will notice that a large number of companies had dwindling performance and slipped to lower ranks on various performance parameters, while during the same period a few companies not only sustained but also surpassed many others to achieve much higher rank.

Passion and Commitment for Ambitious Goals and Urge for Supremacy was reflected in clearly spelt out highly ambitious goals to be among the best and leading organizations in the industry. The passion and commitment of the leadership, energy and excitement to achieve such ambitious goals, and the deep urge for supremacy were felt across the organization. These were the driving forces that distinguished these companies. Their passion for success and ambitious goals were unlike and distinctly different from the ‘marginal growth and survival paradigm’ of most other organizations. They were dynamic, in the sense that they were highly energetic, willing and able to change to meet the new challenges and requirements. One common thread clearly visible in all outstanding organizations was people-centric and team oriented leadership. More than on any other resource, they bet on the talented people.
A very high priority was given to search, attract, retain, develop and leverage the talent and leadership across the organization. The style of leadership generally was more personal, open, persuasive, and role-modeling, rather than impersonal, rigid, command and control, or bureaucratic. There was, at the same time, no compromise on performance and results. They initiated, valued, supported, and institutionalized innovativeness in products, processes, and all other aspects of management.

And also, fifth level leadership of Jim Collin’s (2001)—Humility—Management by Human Values. For tackling newer technology and changing business landscape some of the newer concepts of quality and management have been attempted as below to achieve better throughput/performance:

1. Six-Sigma philosophy/technique
2. HR Balance Scorecard (BSC) method

In both the above concepts/techniques, it will be observed that training for the individuals is essential for meeting the probable date of completion (PDC) of any project/programme. All the management gambit/practices start with `self-management’.

The concept of ‘Six-Sigma’ is one tool, which may, help in this direction. As is well known, there is no perfect person and a perfect system, therefore a perfect or nearly perfect organization has yet to be evolved. Decision-making is the crux of a leader and top-managerial job, Balance Score Card (BSC) technique can measure the performance of people and thus a very important and promising tool now a days in our hands. Jack Welch (2005) along with six sigma has utilized BSC method for achieving amazing results in GEC (General Electric Company).

Thus, we observe that in designing a new organization, one has to ask for its aim, objective, `purpose, environment-external/internal linkages etc. Some of the following ingredients may require full attention:

- Organizations should be in harmony with individuals’ objective and vice-versa.
- Organization which can be controlled.
- Delegation of authority as much possible.
- Shortest possible time of communication.
- Smallest possible allocation of resources to overhead activities.
- Flexibility inbuilt and inherent to cope with the `change`. 
In the present work, some of the above ingredients of good management organizational dynamics of culture and strategic HR developmental aspects have been attempted, analyzed logically and suitably presented. With flexible system management tools, it has been felt that such a tailor-made organization and HR practices can be formulated to give maximum throughput and productivity in the future. Some ground truths and performance measuring techniques support these results.

To achieve excellence, probably we may require a ‘leader of leaders’. They will decentralize power and democratize strategy and involving a rich mixture of different people from inside and outside the organization in the process of inventing the future. Rethinking the future is a never-ending process—tomorrow will always be a moving/fleeting target—which means we have to start all over again.

1.3 Objective of the Study

**Objective: 1**
To study the impact of HR performance drivers for achieving organizational excellence.

**Objective: 2**
To study that whether organizational culture impact on the employees motivation or not.

**Objective: 3**
To study the impact of cultural acceptance of change on employees performance.

1.4 Issues Covered
Some of the broad issues taken up in this study are:

(i) Ingredients of good organizational dynamics/culture to be studied.

(ii) HR developmental aspects to be critically examined, training norms and performance appraisal evaluated for better productivity of the organization.

(iii) Identification of drawbacks in few organizational case studies for its structure/culture and human resource angle.

(iv) Flexibility in HR practices enhances the motivations and commitment of employees in a dynamic environment.

(v) For evaluation of organizational excellence principles and propositions have been included. These are: Six Sigma and HR Balance Score Card (BSC).
(vi) Appreciating such other problems and suggesting a dynamic organizational structure/culture and a successful productive HR developmental practice culminating in a study model.

1.5 Scope of the Study
The scope of the study is restricted to the organizations in Indian context. The following parameters are taken up for study:

(i) Focus More on monitoring and guiding the strategy of a company, using the balanced scorecard
(ii) Techniques for better measuring innovation, employee capabilities, information system alignment, climate and culture within the organizations.
(iii) Identifying the drawbacks/limitations in educational institutions which are hindering for quality teaching.
(iv) Role of flexibility in management - Organization flexibility
(v) More focus has to be imparted or given to teaching-learning process
(vi) Better techniques for Performance improvement to be evolved.
(vii) Resistance to acceptance of cultural change

1.6 Methodology of the Study
The research methodology encompasses the following aspects in an interactive and integrative manner to carry out the study:

(i) Detailed questionnaire surveys to obtain primary, data from Senior Managers, Managers, Executives, Senior Supervisor and Supervisor in various organizations large, medium and small set ups.
(ii) Interviews with top management to synthesize their creative thinking towards performance management system.
(iii) Evolving flexibility and other evaluation techniques for organizational excellence & HR productivity.
1.7 Organization of the Thesis
The thesis has been divided into eleven chapters. **Chapter one** deals with the objectives of the study, identification of research work and inherent key issues. Finally, it outlines the research methodology.

**Chapter two** deals with literature review and some central themes of leadership and other propositions briefly. It also covers HR Architecture, historical background of management and emerging modern trends in HR. Apart from briefly discussing HRM dimensions it also covers HR measuring and its alignment aspects and integration into a business performance system.

**Chapter three** exclusively deals with Balanced Scorecard and Six Sigma as its central theme and its manifestations ‘Performance’ is the only one single-most dominant factor, which is inbuilt and is inherently found in all the issues of management. This is the one determinant which leverages ultimately Human Capital, co-creation of value system into an organizational excellence. This chapter also briefly covers various manifestations of performance measurement and management.

**Chapter four** deals with harnessing of Emotional Intelligence for transforming corporate excellence. This chapter also briefly covers various manifestations of intelligence and emotional quotients.

**Chapter five** deals with leadership manifestations. The study includes fundamental concepts of leadership, creating a learning organization, Emotional Intelligence ushering into leadership and much more.

**Chapters six** deals with strategic mapping of performance for HR competencies alongwith teaching-learning process leading to effective performance

**Chapter seven** study design and evolution of research plan. Herein two hypothesis are evolved namely (i) HR Balance Score Card (BSC) and (ii) Six Sigma. Then it describes methodology of entire study culminating into synthesis and proposed study framework.

**Chapter eight** deals with case-studies bringing out revealing findings from the institutes. The evolving thought process from the studies suggests workable HR performance drivers for achieving organizational excellence.

**Chapter nine** deals with empirical studies (questionnaire analysis). This chapter brings out revealing findings from the selected organizations. The evolving thought process from the studies suggests workable HR performance drivers for achieving organizational excellence.
Chapter ten deals with synthesis and discussion of results of the entire study. The dominant issues influencing the success of emerging determinants, their linkage maps have been evolved. The emerging determinants reveal that adequate interchangeability, continuum management and HR flexibility exists in the organizations. The linkages significantly provide and successfully correlates/co-creates the human capital values as well as HR performance drivers and evolves into four powerful performance models for achieving organizational excellence.

Chapter eleven presents a summary of the major findings and the recommendations for implementation of high performance work practices (HPWP). The significant research contributions made in this work have been highlighted and the limitations of the study are also brought out. Specific suggestions have been made regarding possible areas of future research work. It is hoped that this research work may provide an efficient-framework and platform for the various organizations for imparting them much needed upshot in the work-culture.

1.8 Concluding Remarks
In the present study, some ingredients of good organizational dynamics/culture and HR developmental aspects have been attempted under changing business scenario and analytically presented. Identification of flexibility needs and creating flexibility in management systematically for higher productivity has been attempted. Development of a few case studies of educational institutes, large and small size organizations and also successful and failure aspects have been discussed in an interactive and integrative fashion for enhancing productivity. While evaluating organizational excellence, other principles and propositions like Six Sigma have also been attempted, analyzed and learning issues for passionate work-culture brought out. Finally, the study culminates into few innovative measures of essential determinants for achieving organizational excellence.

Eventually, it will be observed from the present study that this research methodology and findings may help in better functioning of the organizations and may provide a good platform for further specific research activities in more detail. A review of the literature on related aspects of the study is presented in the next chapter.