SYNOPSIS SUBMITTED TO
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PERFORMANCE MEASUREMENT BY MODERN TECHNIQUES
OF CORPORATE SECTORS IN PUNE REGION

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SYNOPSIS

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1.1 Background

Most organizations start competitively and later turn out into mediocrity, losing the collective outstanding performance momentum after initial higher achievements. Recent decades have witnessed dramatic shifts in the role of Human Resource (HR) Architecture. Even though 85 percent of a corporation’s value is based on intangible assets, this asset is least understood, least prone to measurement, and hence, least susceptible to the management. The ever changing technological aspects, strategic HR and performance are the most dominant factors for measuring the productivity of any organization.

The common constant factors for any organization to achieve competitive advantage are: leadership, free and open communication, strategic flexibility, decision-making, passionate work culture etc. 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 things.” 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, but who help to raise society as a whole to higher levels of motivation and morality.

One of the tools suggested in this work for upshot performance is ‘Power of Full Engagement’ – adopting as a work-culture, apart from the Balanced Scorecard (BSC) principles. Balanced Scorecard developed by (Kaplan and Norton, 1996) emphasizes on measurement of performance of the organization. Primarily Balanced Scorecard complements financial measures of past performance with leading indicators of future performance.

Furthermore, the study has culminated into four important analyses and working models as under:

- Strategic harnessing of EQ and Power of Full Engagement manifestations.
- Linkage-network model for total organizational excellence.
- Holistic Engagement Score analysis for achieving organizational excellence.
- High Performance typology model.
Further, some salient points arrived at in this work have been deliberated upon and suitably presented in the succeeding paragraphs.

1.2 The Scope of the study

The following are the hypothesis, objectives, as well as methodology for the present research work.

- **Hypothesis 1 (H-1)**
  “The dynamic organizations, work on ‘Balanced Scorecard’ principles to identify key HR performance drivers for achieving organizational excellence.”

- **Hypothesis 2 (H-2)**
  “The dynamic organizations follow an attitude of “cultural acceptance of change” for achieving higher performance.”

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

- **Objective 2**  To study whether organizational culture impacts on the employees motivation or not.

- **Objective 3**  To study the impact of cultural acceptance of change on employee’s performance.

1.2.3 Purview of the research work

The scope of the study is restricted to the corporate sectors as well as educational institutions in the Indian context. The following significant parameters have been considered for the present study:

More focus has been laid on monitoring and guiding the strategy of a company, using the balanced scorecard.

- Techniques for better measuring innovation, employee capabilities, information system alignment, climate and culture within the organizations.

- Identifying the drawbacks/limitations in educational institutions which are hindering for quality teaching process.

- Role of Organizational flexibility in management has been studied.
• More focus has to be imparted for teaching-learning process of the various academic institutions.
• Better techniques for Performance improvement to be evolved.
• Resistance to acceptance of cultural change.
• Ingredients of good organizational dynamics/culture to be studied.
• HR developmental aspects to be critically examined, training norms and performance appraisal evaluated for better productivity of the organization.
• The quality of education has to be maintained in the wake of quantitative increasing indiscriminate growth of institutions.
• Faculty development Programmes for availability of talented teachers, with lack of talented students availability.
• Educational quality is more important factor to be addressed than the quantity.
• Student’s feedback system for improvement of teaching pattern.
• Push-Pull Technique of teaching methodology should be applied for attracting the students.

1.2.4 Methodology of the Study

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

• Detailed questionnaire surveys to obtain primary data / secondary data from Senior Managers, Managers, Executives, Senior Supervisor and Supervisor in various organizations large, medium and small set ups.
• Interviews with top management to synthesize their creative thinking towards performance management system.
• Evolving flexibility and other evaluation techniques for organizational excellence & HR productivity.
• Some norms for training and development have also been evolved.

For the purpose of the study, different organizations located in Pune region were visited to have an overview and know the status of their HR practices. Organizations were divided into two categories:
as corporate/industry and Academic institutes. These were selected for the study. Thus the employees working in the selected organizations formed the basis of this study. Data analysis was done by using various statistical techniques such as tests of significance (t-test), Correlation and Multiple regressions, etc.

- **Sample Plan for Corporate sectors /Industry**

The total numbers of companies selected were 28. From each company random selection of 4-5 executives / managers was done. Thus total data collected was 140 respondents.

The designations of these five respondents are senior managers, managers, executives, senior supervisor, and supervisor. One from each designation is selected.

- **Sample Plan for Academic Organizations / Educational institutions**

The total numbers of academic organizations selected were 15. From each organization random selection of 8 respondents has been done. Total data collected is thus 120 respondents. The designations of these respondents are Director, Professor, Assistant Professor and Lecturers.

### 1.3 Balanced Scorecard and Organizational Alignment

For studying and analyzing the data of corporate sectors Balanced Scorecard technique has been used. Balanced Scorecard has mainly four perspectives as follows:

- Financial aspect
- Customer perspective
- Internal process
- Learning and Growth

Each of these four perspectives is linked in a chain of cause - and- effect relationships

Learning and Growth has two parts:

- *Lag indicators*: Measures that provide outcomes of actions previously (past) taken are called lag indicators.

- *Lead indicators*: Balanced Scorecard complements these lag indicators with the drivers of future economic performance known as lead indicators. Lead indicators are more important aspects (they emphasize future course of actions, rather than the past) of the study and have been aptly used in the study.
Balanced Scorecard suggests a seven step model (Becker et al; 2001) for strategic mapping of the organizations, these are:

Step 1: Clearly define business strategy.

Step 2: Build a business case for HR as a Strategic Asset.

Step 3: Create a strategy map.

Step 4: Identify HR deliverables within strategy map.

Step 5: Align the HR architecture with HR deliverables.

Step 6: Design the strategic HR Measurement system.

Step 7: Implement Management by measurement.

Most organizations contain multiple business & support units. Highly trained and experienced executives as well as talented employees play a major role in leading to organizational excellence. However, due to lack of coordination i.e. working at cross – purposes and having conflicting goals leads to failure of the organization. Such organizational misalignment has to be corrected not only within a company but between the firm and its board of directors, investors, customers and suppliers.

It is a common practice that the responsibility for organizational alignment lies with the corporate headquarters. They guide how top executives can build a corporate level strategy map and scorecard which will depict the company’s “enterprise value proposition” graphically. The top executives also help in showing the path how the organization can create synergies from its business units and use the Balanced Scorecard management system to set, coordinate and oversee implementation of high level strategy.

1.4 An approach to Strategic System Thinking

‘System thinking’ (Senge, 1999) and ‘principle of leverage’ is the bottom line of execution and changes leading to significant enduring improvements. A system basically means a set of things working together as a mechanism or network. Senge emphasizes that system thinking is a conceptual framework, a body of knowledge and tools that has been developed over the past 50 years, to make the full pattern clearer, and to help us see how to change them effectively. Systems thinking also need disciplines of building shared vision, mental models, team learning and personal mastery to realize the potential.
Senge stresses on ‘personal mastery’ trait which is a pre-requisite for executive leadership, suggesting a special level of proficiency, which in turn is the discipline of continuous learning, clarifying and deepening/focusing our energy and seeing reality objectively. The current reality and the gap in vision are more relevant and is source of energy. If there was no gap, there would be no need for any action to move forward towards the vision. This gap is the source of ‘creative energy’ and Senge calls this gap as ‘creative tension’. The principle of creative tension is the central principle of personal mastery, integrating all elements of discipline. Creative tension is positive energy for all innovative solutions.

Strategy requires vision, execution and alignment. Tactics in brief is short-term plan and strategy a long-term plan. Strategy process defines where a business wants to go and the people process defines who’s going to get there. Operating plans provide the path for those people, breaking long-term outputs into short term targets (Bossidy et al, 2002; de Bono, 2001). For any product there is a product strategy for its full development. There are many types of visions - a company follow however ‘Core Strategic Vision’ (CSV) which is of prime importance. Thus, CSV provides the destination and the general direction from where we currently stand. A good CSV must ask three questions for its completeness (McGrath, 2001) as under:

- Where do we want to go?
- How will we get there?
- Why we will be successful?

The above three questions helps in achieving the organization’s futuristic course of action or benchmark from where they stand today.

1.5 Leadership Manifestations

To achieve excellence, probably we may require a ‘leader of leaders’. They will decentralize power and democratize strategy and involve 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 fleeting target—which means we have to start all over again.

Decision-making is the crux of a leader and top-managerial job and the Balance Score Card technique can measure the performance of people and thus a very important and promising tool now a days in our hands.

Leadership has become more challenging today due to availability of more knowledge workers. Effective manager is certainly a leader. Leadership is based on three programmes like selection,
challenge and mentoring. Intelligence quotients (IQ) and Emotional quotients (EQ) are dire essential prerequisite for bringing in positive work-culture in any organization. Intelligence quotients (IQ) and Emotional quotients (EQ) and their manifestations have been amply described by Daniel Goleman (1998). 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 indominant 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.

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. A good and dynamic teacher must possess the leadership qualities for due motivation of students as well as igniting their minds.

1.6 Synthesis of the proposed study

A holistic approach of the present work has been done logically and a recommended framework has been suggested for ushering in organizational excellence. The organizations basic problem has been about linking people, strategy and the people’s performance. Finally, the most-important goals for adopting the two hypothesis and management framework is to promote the growth of individual and organizational capabilities.

A final synthesis of all the ingredients under two hypotheses has been attempted and a relationship among them has been tried out to establish as a measure of performance.

The ‘new age of innovation’ reveals that the key to creating value and the future growth of every business depends on accessing a global network of resources to co-create unique experiences with customers, one at a time. This requires harnessing business processes, social and technological
architecture to create an ongoing innovation advantage. This certainly demands for a motivational leadership, which has a vibrating effect on the individuals. The key message to managers is simple: “Fold the future in” which requires creative imagination, a passion for value-creation, and the ability to convert concepts into detailed steps. The whole crux in any organization is ‘about learning by doing’, no organization, knows all the futuristic course of actions ahead of it.

Six sigma (George Ecke, 2001) further addresses ‘change’ acceptances and quality production. Six Sigma is a management philosophy that attempts to improve upon customer satisfaction to near perfection. A simple but powerful formula has been given as equation (1), for finding out performance evaluation, and giving much focus on the third component of six sigma, that is, ‘cultural acceptance of change’.

\[ E = Q \times A \]  

where,

\[ E = \text{Performance evaluation (refers to the extent a company achieves six sigma as a technical measure of performance)} \]

\[ Q = \text{Quality refers to strategic and tactical elements of six sigma initiative)} \]

\[ A = \text{Cultural acceptance of change (refers to cultural acceptance of the strategic and tactical elements of six sigma)} \]

Without ‘cultural acceptance’, the change effort might begin with initial enthusiasm and excitement but will quickly fizzle out. Herein, management of change should also be inbuilt, incessant and inherent (3Is). If the value of E is measured and is answered 60 per cent then cultural transformation takes place but requires reviewing and only after 80 per cent of E value, the transformation of an organization takes place—a world-class six sigma organization comes to stay. At around 40 per cent, only cultural transformation visibility starts, which requires lot of initiative to be taken, otherwise it will die down.

1.6.1 Study of Corporate sectors

In the present study around 28 companies have been taken up for the study. From the organizational data obtained during the present study some main thrust points on various parameters like customer focus, leadership, participation, decision-making, training & development etc. from various questionnaires are enumerated below:

- Customer focus on medium-term basis is found to be 72% based on responses.
• About 53% people participate in planning and control of the activities, which is considered one significant performance HR drivers.

• 39% of participative and committed leadership drives may be counted as positive finding.

• Majority i.e. 76% of personnel agree for internal T&D programmes, which may be reckoned towards learning and growth.

Finally, analytical study has culminated into two successful work-culture enhancement models for achieving organizational excellence. These are:

• Strategic harnessing of EQ and Power of Full Engagement manifestations.

• Linkage-network model for total organizational excellence.

Both the above emerging models have been briefly described in the succeeding paragraphs.

a) Performance model: Strategic harnessing of EQ and Power of Full Engagement manifestations

Working with full commitment and full concentration has been Indian ethos from very beginning. Rather, ‘India is a way ahead in manifestations of emotional quotient (EQ) and working on intuitive and spiritual levels and even stronger in its manifestations of energy source and its management. In fact, the crux of full engagement system starts with connecting purpose to spiritual energy and its further manifestations. High positive energy is the fuel for higher performance.

Emotional Quality Management (EQM) harnesses a synergetic work culture into an amazingly powerful ‘Organizational Excellence’ work culture.’ Once the ‘power of full engagement’ and ‘EQ Manifestations’ are combined with EQM (Emotional Quality Management) and ‘Evolvability’, it gets further upshot with experience-centric HR performance drivers into achieving dominant competitive advantages leading a firm to ‘organizational excellence’.

b) Linkage-network model for total organizational excellence.

Throughout, the entire work and its further development, it has been understood that the three main ingredients—rather thrust points—which are the common constant factors for any organization are: leadership; strong communication; and decision–making. These, parameters should be inherent, inbuilt and incessant in any organization.
It is observed herein, that, the total organizational excellence model, primarily deals with people, strategy and their performance and links their interconnected vital activities more centrally to HR Architecture and has to be given due weightage.

Eventually, the most important HR Architecture and its characteristics performance drivers require more candidness, more candour, professionalism and decidedly passionate work-culture for taking up any organization to higher heights.

c) Case study from corporate sector

A format of appraisal system was given to all concerned personnel (senior managers, managers, executives, senior supervisor, and supervisor) and explained what is required out of them and how to fill up. From the calculation and further validation from individual higher value of performance was found to be 90% and average as 54%. This clearly shows that six sigma cultures, is setting in the unit.

1.6.2 Study of Educational Institutions

A study was made on 15 educational institutions in Pune region. In educational institutions leadership and motivation is of paramount importance and it has been seen that the motivational effect of individuals as well as team/group is very effective. Today in the cut throat competition and breakthrough technological changes one has to be updated with Information technology. We are today constantly being bombarded by management web 2.0, Google, social net-working, IT revolution and knowledge workers. Some social values are changing every moment which has an immense impact on education system. The web 2.0 combined with management innovation imparts a system aggregating and amplifying efforts for any organizational success. Management 2.0 covers the entire social as well as technological networks, internet potential, video conferences etc. for further improvement of the firms.

a) Holistic Engagement Score (HES) model: HR performance drivers for achieving organizational excellence.

A training of 30 respondents was taken into consideration. Their performance evaluation before training and after training was taken by filling up the format given.

It has been observed that in the analytical model before training and after training the average percentage enhanced output is 29% under the related factors for evaluation of HES i.e. Hands, Mind, Heart & Spirit. Thus, it has been observed that the jobs that engage the hand, mind, heart and spirit of an employee are truly holistically engaging and thus inherently motivating the employees.
It is clearly evident from above that the performances of subjects (personnel) have been enhanced after the training. Thus, it is observed that motivational and a leadership effect imparts an upshot in the performance of the personnel, thereby improving throughput of the organizations.

The lead institutes recognize that there is competition for talent and the talent pool requires four distinct tasks:

- Increase the number of skilled people.
- Challenge the institutional norms about the way work is done.
- Create an excitement around your firm and your skill needs.

All the above strategies are being followed by the leading edge institutions.

**b) High Performance Typology model**

With flexible system management tools, it has been felt that a tailor-made organization and HR practices can be formulated to give maximum throughput and productivity in the future. Breaking down strategy to actions-plan, course of actions and finally implementing with passion, is considered one infallible tool for synergizing human capital into High Performance Work System (HPWS) mechanism.

The study focused on the impact of systems viz; Compensation-based strategy system, Personnel, Strategic Alignment system on performance and motivation leading to High Performance Work System.

From the study the following motivational performances emerged:

- Institutes pursuing a High Performance strategy had 52% impact of motivation on performance and had higher market value than an institute using either the Personnel or Strategic alignment strategy.

- Institutes using only the compensation based system had a 46% impact of motivation on performance and had a higher market value than similar institute’s using the Personnel strategy.

- Institutes using the Personnel system had only 20% impact on motivation and performance. It has been observed that such organizations work in a traditional way and makes no efforts in motivating employees and improvement in performance level.
Thus, it has been observed by the case study that performance substantially increases with dynamic planning of strategy and motivational compensation system.

c) Case study from Educational Institutes

Herein, three educational institutes from Pune region have been taken randomly as a case study of personnel’s feedback for performance evaluation. It has been observed that in all the three institutes “Higher Performance Culture” is setting in, but requires reviewing for survival/sustenance. Hence

- The quality of education has to be maintained in the wake of quantitative increasing growth of indiscriminate institutions.
- Herein, we are more worried about good availability of talented teachers, with also lack of talented students’ availabilities.
- Thus, we observe that in the educational system quality is the fundamental factor to be addressed than the quantity.

Thus, it is seen that validations of research hypothesis and objectives have been suitably validated from the above research findings.

1.7 Summary of Research Findings

The various dimensions of organizations and educational institutions have been studied in chapters seven, eight and nine which discuss about qualitative analysis, (interviews); case–studies and empirical study (Questionnaire analysis). The important parameters of HR performance drivers and related ingredients, show a deep insight about the problem areas, which need to be improved.

A summary of the important findings emerged out of the study from Corporate sectors are enumerated below:

- Employers should lead by example, “Leadership by Example” and creating a role model.
- To build long-lasting and strong organizations, encouraging shared leadership is very important in any organization. Thus a proper bonding has to take place between the employees and employers in the organization.
- The personnel should have pride in the organization in which they are working and rather develop a citizenship of the organization.
• For High Performance Work Practices (HPWP) organizations must align and integrate the objectives and Key Performance Indicators (KPI’s) vertically and horizontally. The organization should work in matrix fashion.

• Organizations should continually enhance employee core competence through identification of output-related training and development needs and strategies. EQ (Emotional Quotient) helps in imparting full throttle performance.

• A long-term focus with short-term actions is the essence of organizational transformation.

• A positive work environment can improve morale of employees and encourage them in congruence to accomplish the job done. As has been observed from the case studies high level motivation helps immensely for the performance of the people.

• Multi-skilling and job- rotation is helpful for the organization.

• The non-clarity of decisions at various levels- top, middle and working level- hampers the quality functional aspects.

A summary of the important findings emerged out of the study from Educational institutions are enumerated below:

• Due to lack of supporting staff (non-teaching) the teachers have to devote more time on routine jobs like Pravesh Niyantar Samiti (PNS), Shikshan Shulk Samiti (SSS), Local Inquiry Committee (LIC) etc. This saps out their energy and hinders their quality performance in the teaching.

• Students have impressionable minds; therefore, teachers must take initiative in shaping / moulding them to become better citizen.

• Execution is dire essential and the innovative / imaginative ideas / technology should be implemented as far as possible.

• It has been found that teachers at times do not possess some good reference / text books than the routine syllabus books which also hinder the deliverables.

• Teachers should be in the continuous process of learning.

• Teachers should motivate/ demonstrate the subject themes to the students.

• Teachers should be in “thinking mode” and ignite minds of students as well.

• Teachers should apply pull technique more, out of push-pull techniques and create a conducive learning environment for students.
• Teacher should possess the leadership qualities for motivation of students.
• Students must maintain attendance up to the mark and should be well disciplined.
• Students /teachers should use management web 2.0 and search Google more for informative knowledge.

1.8 Major Recommendations and Implications

The major recommendations and implications of the research are summarized as follows:

• After the vast analysis of data, it was found that people should develop more positive attitude.
• The personnel of the organization should unleash their brainpower and work with more zeal and passion.
• To achieve greater customer satisfaction, ‘Higher Performance Work Practices’ (HPWP) is required.
• A higher motivational leadership demonstration is essentially required by the teachers with their own character at the top.
• Leaders and managers at all levels should co-ordinate their efforts for synergizing human as well as non-human resources and should strive for excellence as far as possible.
• The teachers and managers should learn to take faster decisions.
• Student’s feedback system for improvement of teaching pattern.
• Push-Pull Technique of teaching should be applied for attracting the students.

1.9 Limitations of the Study

This study has also had some limitations as follows:

• Sample size was found to be a constraint.
• Due to limitations of data and confidentiality of the institutes/departments, the hypothesis could have been more authenticated further.
• Various advanced electronic techniques available today; the evolving design techniques could be done in better ‘fashion’.
There was sometimes discrepancy/ gap found, between top management and lower management interviews.

1.10 Further Suggested Research Work

- More data analysis and deliberations, thereof, are required for imparting implementable programmes.
- More temporal and spatial pattern is desirable for futuristic emerging outcomes.
- The models emerged in this study, certainly makes better place for futuristic research of the functional aspects in similar organizations / institutions.
- A more innovative and vibrant environment is conducive for facilitating the present research work.

1.11 Concluding Remarks

The present study has also brought out many powerful determinants and learning issues. A linkage map of dominant ingredients has been evolved. It significantly provides a successful tool for establishing the relations and co-creating the human capital values as well as HR performance drivers.

The present work has also touched upon the various issues at a suitable designed level for the framework of this research. This can now be used as a starting point for further detailed as well as more specific studies in the select key areas. The gap can be certainly bridged by breakthrough technologies and by an upshot passionate work–culture. In the present study modern techniques like Balanced Scorecard, Six Sigma and dynamic leadership dimensions have been attempted.

The study analysis has culminated into four analytical important working models as under:

- Strategic harnessing of EQ and Power of Full Engagement manifestations.
- Linkage-network model for total organizational excellence.
- Holistic Engagement Score analysis for achieving organizational excellence.
- High Performance typology model.

If the company can create a work -culture where the employees share their knowledge, get respect as well as recognition and are rewarded for it, the employees will be motivated to share knowledge with other individuals. This will certainly affect the competitiveness of the company positively and will thereby be very valuable. Thus, it is observed that linkages successfully demonstrate their interactive
and interdependent dynamic characteristics of the determinants. Finally, the study has resulted into analytical / innovative passionate work culture models for eventually accomplishing organizational excellence.

Thus, it is observed that this study may further open up fresh avenues for future research work on the subject.

**Bibliography**