Managerial work is undergoing such enormous and rapid change that many managers are reinventing their profession as they move forward. With little precedent to guide them, they are watching hierarchy fade away and the clear distinction of title, task, department, even corporation blur. Faced with extraordinary levels of complexity and interdependency, they watch traditional sources of power erode and the old motivational tools lose their magic.

The emerging economic environment in the present century brings in a lot of responsibility and stress to the lives of managers compared to the last century (Nickols, 2008). They are expected to produce results irrespective of whether the situations are in their favour or not and also they need to think of solutions for the various challenges that crop up very often. Challenges like limited budget, reassignment of staff, reorganization of units, withdrawal of finance, lack of availability of resources, changes in government policies etc. keep cropping up every now and then. As a result, the importance of people who have the ability to lead masses has increased all the more in order to survive the impact of current challenges and future changes.
The pre-1991 business context in India was very unique in many ways due to the fact that we are a nation that built its economic strength on one of the most diverse workforce in the world. The country recognised no less than eighteen official languages, and each major state insisted on its own regional language in schooling. The country was also divided among six major ethnic groups, scores of smaller ones, and an undesirable caste system that has yet to disappear completely. For more than forty years after India gained its political independence from the ‘British Raj’, the commonly referred business barrier, ‘license raj’ was a reality to Indian economy. The state dominated approach remained India’s accepted practice until the late 1980s, when limited attempts to transform the economy were tested. The turning point from this state of affairs to the present stage came in 1991 with a radical reduction in the role of the state popularly known as ‘Liberalisation, Privatisation and Globalisation’ (LPG).

Consequently India witnessed a set of watershed economic reforms in 1991, opening a new world of far less domestic regulation and far more international competition. Suddenly deregulation, rapid economic growth, mergers and acquisitions, privatization and other changes swept across the country placing an increasing premium on managerial competency in the Indian business environment. The context to which Indian organisations had adapted so well underwent dramatic change. Individual and collective performance of managers has been identified as a major source of competitive advantage by Indian organizations. The global economic slowdown reiterated the fact that it is imperative to develop sustainable business models benchmarking with the best of practices and processes from across the globe. One of the most significant challenges identified by Indian organisations during this period is to have a competent group of
professionals to take the managerial leadership in this emerging business scenario. Devising more effective ways of managing the performance of key managerial employees has become a cornerstone of development in recent years. Human Resource Management departments in India are under severe pressure to bring about large-scale professionalised changes in their organizations in order to cope with the challenges brought about by economic liberalisation (Rao, Rao & Yadav, 2001; Som, 2002). There has been evidence of a general need among the managerial cadre to build capabilities, resources, competencies and strategies to respond proactively to the environmental pressures caused by economic liberalization.

1.1 Managerial Performance

Managerial Performance (MP) is widely regarded as a key source of organizational performance in Behaviour and Human Resource Management literature (Cavazotte, Moreno, & Hickmann, 2012). Managerial performance is often defined as managerial behaviours believed to be optimal for identifying, assimilating and utilising resources, including human resources toward sustaining the organizational unit for which a manager has responsibility (Oh & Berry, 2009). Discussion on managerial task and contextual factors are accepted in management literature as evident from the discussions of researchers such as Borman and Brush (1993) who proposed a taxonomy of eighteen factors. Viswesvaran and Ones (2000) noted that the eighteen factors can further be grouped into four broad managerial performance dimensions such as leadership and supervision, technical behaviours and mechanics of management, interpersonal facilitation and job dedication. Johnson (2003) further argued that Viswesvaran and Ones’ four dimensions can be classified into task and contextual performance factors. This will also fall perfectly into Van
Scotter and Motowidlo’s (1996) two factors of managerial contextual performance: interpersonal facilitation and job dedication, respectively. Campbell, McCloy, Oppler, & Sager (1993) proposed an eight-factor model of job performance, with two of these factors related to managerial performance: supervision or leadership and management or administration. According to Campbell et al.,(1993), the former represents behaviours directed at influencing the performance of subordinates through face-to-face interpersonal interaction and influence, and the latter represents behaviours directed at major elements in management that are distinct from direct supervision; i.e., things such as monitoring progress or obtaining additional resources.

Above observations imply that management or administration duties represent more core job tasks with behaviours focused on structuring work and getting things done, and supervision or leadership duties have a more interpersonal focus. Behaviours focused on structuring work and getting things done resemble managerial task performance, and performance behaviours with a more interpersonal focus resemble managerial contextual performance. It is interesting to observe that these models are discussing about a set of behaviours that resemble broader task performance factors and contextual performance factors.

In order to sustain the competitiveness in the changing business environment, it is imperative for the organisations to be continuously innovative in whatever they do. This prompts the managers to exhibit behaviours which are innovative in nature (Janssen, 2000) over and above the commonly prescribed in-role and contextual behaviours. Thus effective performance of managers needs to reflect all these dimensions of behaviours on an ongoing basis.
1.2 Middle Level Managers and Organisations

The present study proposes to focus on middle level managers of organisations to understand the dynamics of managerial performance. Hierarchy and structure go through a never ending process of change as a result of conflicting and supplementing evidences from the practitioners and theoreticians on the usefulness of one approach over the other. In spite of all discussions, the division of managers into frontline, middle and top levels continue to be a prominent label accepted across organisations. Top managers are generally considered to be important in determining firm performance, as evidenced by many studies on top management teams (Bertrand & Schoar, 2003; Hambrick, Cho & Chen, 1996; Wiersema & Bantel, 1992). This impact is based on the expectation that the cognitive and personality differences among the most powerful executives in a firm have an influence over strategies and outcomes (Hambrick & Mason, 1984), and so would ultimately explain variation in performance of the firms they lead. Unlike top managers, middle managers are more constrained by existing organizational context and variation among mid-level managers can affect their subordinates at the wider scale of organizational performance.

Mollick (2011) in his study found that variation among middle managers’ performance has a particularly large impact on firm performance, much larger than that of those individuals who are assigned formal leadership and innovative roles. Significance of middle level managers in firm performance as evidenced by this study is in tune with similar observations made by earlier researchers in various contexts (Bidwell & Burton, 2006; Katz & Allen, 2004; Larson & Gobeli,
Taking into account these factors, it is evident that in any organisation, the role of a middle level manager who is sandwiched between the top and frontline managers is critical to the overall performance of organisations. When their performance is not up to the mark, the top management will not be able to translate their strategies into actions and the lower level managers will not be able to achieve the operational efficiencies leading to poor overall performance. This has prompted the researcher to focus the study on the middle level managers in organisations.

1.3 Business Environment in Kerala

Kerala was predominantly a rural agrarian economy growing at low rates of development compared to the other states of India like Maharashtra, Gujarat or Tamilnadu, which were getting industrialised much faster. Since early 1990s, a remarkable transformation has been taking place in Kerala and it has become a high growth service-oriented economy and also one of the high ranking states in terms of per capita income. On the demographic front, Kerala has successfully transitioned from the early stages of demographic transition to the matured stage. On the social front, Kerala has been the forerunner of a new developmental model that focused on the basic facets of ‘human development’ without getting bogged down with the usual trappings of economic growth. Kerala has also effectively been utilized as a laboratory of political, social, welfare and governance experiments aimed broadly at empowering people and bringing them under safety nets. These changes have been taking place in the larger context of liberalization and globalization of the Indian economy as a whole. While the effects of globalization of the Indian economy has had generalized effects, one of the specific ways through which the Kerala
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The economy was affected was through its attempts towards creation of investor friendly business environment in the wake of international competition and foreign investment flows.

As per the statistics published by State Planning Board (2011), Kerala’s GSDP (Gross State Domestic Product) growth rate during every single year of the first four years of the eleventh plan has been higher than the GDP growth rate of the country as a whole. During 2009-10 the contribution from primary, secondary and tertiary sectors to the GSDP at constant prices (2004-05) constituted 12.01%, 21.71% and 66.28% respectively. At current prices, the primary, secondary and tertiary sectors contributed 15.79%, 22.85% and 61.36% respectively to the GSDP during 2009-10. In Kerala, the contribution from primary sector is decreasing but that of the tertiary sector is increasing. Economic growth is directly linked with the development of tertiary sector. Rostow’s (1959) model of economic growth also suggest similar pattern of development as an economy goes through different stages of growth starting from traditional society to the age of high mass consumption. As compared to 1960-61, the contribution from tertiary sector in 2009-10 showed a whopping growth from 29% to 61% while primary sector contribution decreased to 14% from 56%. The analysis of annual sectorial growth rate of Gross State Domestic Product shows that secondary sector recorded the highest rate of growth 16.05 percent in 2009-10 at current prices, followed by tertiary sector (14.84%) and primary sector (11.40%). At constant (2004-05) prices, the tertiary sector recorded a growth rate of 11.51 per cent, secondary sector 9.43 percent and primary sector with 1.27 percent in 2009-10.

In the secondary sector, there are 727 large and medium industrial undertakings in Kerala. Out of these, 590 units are in the private sector.
Manufacturing dominates the secondary sector particularly chemicals and fertiliser, food processing, and construction (State Planning Board, Kerala, 2011).

Globally, the service sector contributes to 63.2% of World GDP. Its share in India and Kerala was 55.2% and 66.28% respectively in 2010, which clearly shows the predominance of the service sector in Kerala. As on March 2010, Kerala has a total number of 4227 bank branches, with as many as 211 new bank branches added over the previous year (State Planning Board, Kerala, 2011). Besides the nationalised and scheduled banks, a number of leading new generation private sector scheduled commercial banks such as HDFC Bank, ICICI Bank, Axis bank, ING Vysya etc. have set up a network of retail branches and ATMs for the residents of the state. The total number of bank branches coming under this category had reached 1329, coming close to the number of nationalised bank branches of 1418, as per the statistics provided by Reserve Bank of India (2012). Besides traditional products, these private firms offer a number of financial services. Mutual funds, financial lending institutions and other such services are also easily available in the state. In fact, the Banking and Financial service is one of the predominant segments of the service sector in the state.

The World Bank revealed in a recent policy Research Working Paper submitted to the multilateral agency by its Finance and Private Sector Development Group that Kerala is now emerging as the ideal investment destination for potential entrepreneurs. The Group has created a new Investment Climate Index (ICI) to study and map the Investment scenario in sixteen Indian States (Gtechindia, 2012). The concept of Investment Climate Index (ICI) is based on the pretext that entrepreneurs look at and
compare a wide range of features of the business climate in each state when deciding on investing. More specifically the paper assumes and also links to the fact that investors take into account a host of factors closely related to the production process such as quality and reliability of infrastructure services, availability of finance, level of corruption, etc.

Therefore, the emerging business scenario in Kerala is conducive for conducting a study assessing the dynamics of managerial performance among the middle level managers of business organisations. This study examines Managerial Performance in terms of the effectiveness with which employees carry out their formally prescribed job responsibilities (in-role behaviour or task performance) as well as their willingness to go above and beyond the call of duty (their Citizenship Behaviour). Along with these measures of performance, in order to capture the extent to which the managers realistically adapt with the changing environment, the study assesses Innovative Work Behaviour of middle level managers.

1.4 Organisation of the Report

The study is organised in six chapters. Chapter I is an introduction to the study. Chapter II presents the review of literature and formulation of the conceptual focus of the study. Chapter III describes the research methodology used in the study. Chapter IV presents the data analysis of Managerial Performance and its selected antecedents. Chapter V illustrates the integrated model linking Managerial Performance and selected antecedent variables. Chapter VI sums up the findings and conclusions.