

CHAPTER VI

S U M M A R Y

- Importance Findings
- Recommendations

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Samuel Bockett wrote that often "life ends long before death." This statement holds true to many organisations today, may be the concern in which most of us are working has long lost their vitality and only awaits final interment. Often the sad story can be explained by one simple word: ineffectiveness - organisational ineffectiveness. What is organisational effectiveness? Is it possible to measure organisational effectiveness in behavioural or objective terms or both? What are those variables which may be positively or negatively correlated with Organisational Effectiveness? Can OE be predicted in terms of certain independent variables? Can organisations be compared with regard to OE? Particularly, what are those behaviours of managers that positively correlate to the effectiveness of organisations? Similarly, how centralization and its various factors correlate OE and its various dimensions. Also, how formalization and its various factors correlate OE and its various dimensions. Can OE and its various dimensions be predicted in terms of independent variables such as managerial effectiveness; centralization and formalization.

Based on the questions posed above a new generation research on OE involving several variables have emerged. It provides directions along which further efforts should be channelled for bringing about quality improvement in the

effectiveness of organisations. The variables are being conceptualized & researched. In India the work on OE, i.e., its criterion measures, its relationship with certain other variables and its prediction through certain independent variables is yet in its embryonic stage. The present study is directed to bridge the research gap in this area.

IMPORTANT FINDINGS:

1. The public, private and co-operative sector sugar mills do not differ significantly from each other in the matter of Organisational Effectiveness on overall basis. However, the private sector sugar mills fare better than public and co-operative sector sugar mills in the matter of productivity. Also the private sector sugar mills performs better than public and co-operative sector sugar mills in the matter of profitability. However, public and Co-operative Sector Sugar Mills go hand in hand in regard to organisational effectiveness on overall basis as well as on factorwise basis.
2. The Managers of private sector sugar mills are more effective than their counter-parts in the public and co-operative sector sugar mills on overall basis as well as with regard to several dimensions of ME, particularly with regard to proactivity, creativity, influence and growth. However, the public and co-operative sector sugar mills are more or less

identical with regard to managerial effectiveness on overall basis as well as with regard to most of the dimensions of ME.

3. The public sector and co-operative sector sugar mills are more centralized than private sector sugar mills. Also, the middle level decision making power as well as lower level decision making power are more restricted in public and co-operative sector sugar mills than is the case in private sector sugar mills. The public and co-operative sector sugar mills are identical with regard to centralization on overall basis as well as on factor wise basis.
4. The Public and Co-operative Sector Sugar Mills are more formalized on overall basis as well as with regard to all the three dimensions of formalization than is the case in private sector sugar mills. However, Public and Co-operative Sector Sugar Mills are identical in the matter of formalization on overall basis as well as on factor wise basis.
5. Managerial Effectiveness on overall basis is positively and significantly correlated with most of the dimensions of organizational effectiveness in the sugar industry as a whole as well as in its three segments, viz., public, private and co-operative.

6. Managerial Effectiveness dimensions: Centrality, integration, proactivity, influence and growth are positively and significantly correlated with most of the dimensions of OE in Sugar industry as a whole as well as in its three segments; super-ordination is positively and significantly correlated with most of the dimensions of OE in Public and Co-operative sector sugar mills; inter-role-linkage and helping relationships are positively and significantly correlated with the most of the dimensions of OE in public sector and creativity is found positively and significantly correlated with planning, cohesive and satisfied work force aspects of OE in Co-operative sector alone.
7. Centralization on overall basis is negatively and significantly correlated with the most of the dimensions of OE in the sugar industry as a whole as well as ⁱⁿ its public and co-operative sectors.
8. Centralization dimension 'Middle level managers decision making power restricted' is negatively and significantly associated with the most of the dimensions of OE in sugar industry as a whole as well as in its public sector; 'lower level managers decision making power restricted' is negatively and significantly correlated with the most of the dimensions of OE Sugar Industry as a whole and in its co-operative sector .

9. Formalization on overall basis is positively and significantly correlated with the most of the dimensions of the OE in the sugar industry as a whole as well as in its public and cooperative sectors.

10. Formalization dimension 'extent to which rules and regulations are put in writing' is positively and significantly correlated with the most of the dimensions of OE in sugar industry as a whole as well as in public sector.

11. ME has emerged as a significant predictor in the sugar industry as a whole as well as in all its three segments, formalization also becomes significant predictor in the sugar industry and its public sector, decentralization proves significant predictor in sugar industry as a whole as well as in its public and cooperative sectors, to predict OE on overall basis.

12. ME has come out as significant predictor variable in the sugar industry as a whole as well as in its three wings, formalization also proves significant predictor variable in the sugar industry as a whole as well as in its public sector to predict planning aspect of OE.

13. ME has emerged as a significant predictor variable in the sugar industry as a whole as well as in its public and cooperative sector, decentralization becomes significant predictor variable in cooperative sector sugar mills to predict productivity aspect of OE.

14. ME emerges a significant predictor variable in the sugar industry as a whole as well as in its public and private sectors, formalization becomes a significant

predictor in the public and cooperative segments of sugar industry and decentralization proves significant predictor in sugar industry as well as in its cooperative sector to predict flexibility aspect of OE.

15. ME is significant predictor variable in the sugar industry as a whole, as well as in its public and private sectors, formalization is a significant predictor variable in the public and cooperative sectors of sugar industry and decentralization becomes significant predictor in cooperative sector sugar mills to predict growth aspect of OE.

16. ME emerges as a significant predictor variable in the sugar industry as a whole as well as in all its three wings, formalization proves significant predictor variable in the sugar industry as a whole as well as in its public sector and decentralization proves significant predictor in the sugar industry as a whole as well as in its public and cooperative sectors to predict cohesive work force dimension of OE.

17. ME emerges as significant predictor variable in the sugar industry as a whole as well as in its public and private sectors, formalization also emerges as significant predictor variable in the public sector of sugar industry and decentralization proves significant predictor in the sugar industry as a whole as well as in its public and

cooperative sectors to predict satisfied work force aspect of OE.

18. ME is a significant predictor variable in the sugar industry as a whole as well as in its three sectoral parts, formalization is a significant predictor variable in the sugar industry as a whole as well as in its public sector and decentralization becomes significant predictor in public sector sugar mills, to predict communication aspect of OE.

19. ME emerges as a significant predictor variable in the sugar industry as a whole and in its public sector, formalization emerges as a significant predictor variable in the sugar industry as a whole as well as in its public sector, to predict stability aspect of OE.

Recommendations

A perusal of the present study makes it evident that the investigator attempted to make new grounds in research on effectiveness of organisations. The focus on 'an integrated view of effectiveness' constitutes new dimensions of research on organisational effectiveness. The findings of the present study reveal some important industrial implications for planners/owners/managers/researchers and all those who are interested in the quality improvement of effectiveness of organisations.

Organisational effectiveness should be seen in correct perspective. Organisations are multi-facet phenomena and so is the effectiveness of organisations. It is right time to think as to what really constitutes effectiveness of organisations. Is it profitability alone which counts effectiveness or something else which should be looked into? In fact, output (ends) variables, such as, productivity, growth, satisfied work force and stability, which in essence constitute short term goals, as well as process (means) variables, such as, planning, flexibility, cohesive work force, communication/availability of informations, which in essence constitute long term goals should be incorporated in the domain of organisational effectiveness so that present as well as future worth of organisations can be judged upon in toto. In fact, such an integrated approach takes into account, the rational

goal model's view point [planning (Means), productivity (Ends)] as well as human relationists model's view point [cohesive work force (Means), satisfied work force (Ends)], it also takes into account the internal process model's view point [availability of information (Means), stability (Ends)] as well as open systems model's view point [flexibility (Means), acquisition of resources (Ends)]. Moreover, the behavioural measures should be supplemented/ corroborated by objective measures to the extent possible.

Only by adopting proper measures of OE that meaningful comparisons can be made among different organisations/sectors/industries, with more or less similar characteristics and if they differ, then in what constituent part/parts of OE they differ can be traced out. For instance in our study, though three types of sugar mills (viz, public, private and cooperative) do not differ significantly on overall basis, yet in the matter of productivity the private sector sugar mills are decidedly better than public and cooperative sector sugar mills. Also, in the matter of profitability, the private sector sugar mills fares better than both, public and cooperative sector sugar mills. Now, it is for the owners/managers of public and cooperative sector sugar mills to see as to how to fill the gap.

The effectiveness of managers or management effectiveness is another important issue which calls forth urgent attention. Conceptualizing the term ME and its

criterion measures are the difficulties to be sorted out, first. What traits a manager should possess (trait theory) or what skills a manager should have in order to be effective is only half truth. Managerial effectiveness can be better judged in terms of certain behavioural attitudes of managers regarding their respective roles in the organisation. If a manager perceives that his role is creative, proactive, problem facing, growth oriented, integrated with other roles, self-role linked, influencing, superordinated, central and helpful, he will be more effective in his role. It is on these lines that our study finds that private sector managers are more effective than public and cooperative sectors managers on overall basis as well as with regard to most of the dimensions of ME, particularly, proactivity, creativity, influence and growth. Now, it is for the public and cooperative sector managers to realise as to how to overcome their shortcomings so that they can match their performance with that of private sector managers.

Structural properties of an organisation play a vital role in the effectiveness of an organisation. The two important properties of organisation structure are centralization and formalization. Our study finds that private sector sugar mills are less centralized than both public and cooperative sector sugar mills on overall basis as well as with regard to two dimensions of centralization,

viz, middle level managers decision making power restricted and lower level managers decision making power restricted. Also, private sector sugar mills are less formalized than both public and cooperative sugar mills on overall basis as well as with regard to all the three dimensions of formalization. How do these two properties help in predicting organisational effectiveness will be seen a little later.

The relationship of managerial effectiveness with organisational effectiveness has been studied. ME is positively and significantly correlated with OE on overall basis as well as with regard to most of the dimensions of ME in sugar industry as a whole as well as in its three segments. It means that either ME positively contributes to the effectiveness of organisations or vice-versa. These relationships are clear indicators that both ME and OE should be enhanced for the growth and development of managers and organisations. A further study of prediction suggests that ME positively contributes to the effectiveness of organisations, in sugar industry as a whole as well as in its three segments. Thus, ME can play a vital role in the improvement of effectiveness of organisations.

The relationship of centralization with organisational effectiveness suggests that centralization on overall basis as well as with regard to most of its dimensions is negatively correlated with most of the

dimensions of OE. A further study of prediction suggests that centralization negatively contributes to the effectiveness of organisations. Thus, centralized organisation structures should be done away with to the extent possible.

The relationship of formalization with organisational effectiveness suggests that formalization on overall basis as well as with regard to most of its dimensions is positively correlated with most of the dimensions of OE. A further study of prediction suggests that formalization positively contributes to the effectiveness of organisations. Thus, formalization should be encouraged for the effective growth of organisations.

It can be emphasized here that our findings are applicable to the sixty-six sugar mills operating in northern part of our country. However, these findings can be applied to other organisations of public, private and cooperative sectors in a loose manner. That, these findings can be strictly applicable to the whole industrial set-up of our country, a further plan of research is suggested as under:

- i) A number of samples should be drawn industrywise as well as a composite sample from the aggregate of industries.
- ii) The study should also be conducted according to the perceptions of lower level managers and higher level managers.

iii) The study should also be conducted according to the perceptions of marketing managers, financial managers, stores, purchase managers etc.

iv) The study should be conducted according to the perceptions of managers of different age groups, having different sorts of qualifications, putting in different years of experience.

The study should be done within the same approach and framework as we have done. A consolidate view would emerge from the findings of these studies. At present we can hope that our findings may not be far away from the proposed findings.