5.1 INTRODUCTION:

The objectives of research were to find various factors influencing the effectiveness of the target setting process and productivity and to make a comparative study between the Public sector and Private sector companies. In particular, this chapter identified the control considerations, which were largely associated with the target setting process and its effect on productivity.

The control considerations covered under this study were –

- Clarity of targets,
- Clarity of target setting system,
- Organisational internal environment,
- Working of target setting committee,
- Participative attitude,
- Superior - subordinate communication,
- Commitment,
- Achievement motivation and
- Reward / Punishment.

Taking these considerations, the hypotheses were formulated and using the statistical techniques – Pearson’s Bivariate Co-relation and Factor Analysis, the hypotheses were tested. The analysis supported some hypotheses.
and some were not supported by the results. This study aimed at building a framework for understanding the role of control considerations in target setting and productivity through testing a number of hypotheses regarding these considerations and their effects on target setting process. The overview of control considerations in target setting and productivity, the major findings, suggestions and scope of further study are brought together in this chapter.

5.2 OVERVIEW OF CONTROL VARIABLES:

The control considerations in target setting and productivity were analysed by applying the statistical tools and techniques. It is expected that by paying greater attention to relatively important considerations a target setter can bring into the target setting system more desirable features. The control considerations applied and studied were discussed as follows -

5.2.1 Clarity of Target Setting System

The clarity of the target setting system was defined as clarity about the objectives, concepts and methods of the system. When the objectives, concepts and methods were clear to the officers, they showed a favourable attitude towards the system. The top-level managers should be particular in providing a clear picture of the target setting system to the executants. In case of both the Public and Private sector companies, clarity of the system was found to bring favourable attitude towards the system. This consideration should be given
prior importance. The targets and objectives should be clearly stated and doubts of the executives should be clarified through discussions. The officers should be updated with target setting literatures, manuals and guidelines from time to time. Training and refresher courses should be arranged for awareness of the executives.

5.2.2 ORGANISATIONAL INTERNAL ENVIRONMENT

'We become like our environment and our environment becomes like us'. The results indicated that when organisational internal environment is satisfactory, it would bring favourable attitude and commitment towards the target setting system. Apparently, the organisational internal environment induced a person to spend longer time in the organisation, obtain satisfaction from discussing organisational issues and appreciate organisational problems. This symbolised commitment towards the organisation in general and target setting system in particular. In case of Private sectors, it was found that satisfaction about organisational internal environment led to higher commitment. Because here the executives were supposed to achieve the targets which were well defined and required to be achieved in time and the satisfaction from the organisational internal environment helped them to work as a team and to work towards the targets with greater commitment. But in case of Public sector, the organisational internal environment was less favourable.
The targets to be achieved were not very well defined. This might be the reason that executives of Public organisations showed no commitment towards targets.

5.2.3 WORKING OF TARGET SETTING COMMITTEE

If everyone perceived every thing the same way, things would be a lot simpler. The study revealed that many executives who have participative attitude accept working of a target setting committee. For proper functioning of the committee, executives with participative attitude should be taken as members of the committee. A team desires and often demands adequate control over its affairs. People are more likely to be productive when they are enjoying their work. It is the task of the management to support people oriented teams to realise their full potential. A sense of involvement will bring in a greater degree of commitment from the team members. Since teamwork demands more from the employees, they need more support, not interference from the management. Hence the target setting committee should reduce its control over the teams so that they can work more democratically where the members should shoulder more and more responsibility voluntarily. 'United we stand, divided we fall' theory should be adopted. Because individualistic performance cannot enable the organisation to stand in the globalised economy, team spirit should be inevitable for success and productivity of the organisation.
5.2.4 Participative attitude

As Galileo said, "you cannot teach a man anything, you can only help him discover it within himself". The more authoritarian a boss is, the more conflicts and problems are likely to arise. If too much power is concentrated in the hands of the boss, he may act like a dictator who disregards the feelings of his subordinates. The study indicated that the participative or non-participative attitude of executives had a strong effect on their views regarding the working of target setting committee. Executives who were having participative attitude liked to work in a group. As target setting committees envisaged working in groups they also liked to work in target setting committees. In sharp contrast, the non-participative oriented executives did not like target setting committee at all. This seemed to suggest that proper attitudinal orientation would be a vital factor determining one's disposition towards working of target setting committees. The group process was considered supportive when it helped to sort out problems jointly, when colleagues provided adequate help in course of work and when there was a feeling of mutual respect towards each other. When group process is found to be supportive, executives tended to find the environment of the organisation satisfying in case Private sector undertakings. The relation was not significant in case of Public sector.
5.2.5 SUPERIOR - SUBORDINATE COMMUNICATION

An organisation can survive its worst crisis provided it has invested wisely in good communication system. Communication is the bridge between the superior and subordinate for achieving organisational goal. There should be free communication between them about what they want, when they want and about the obstructions which are to be removed. Communication also enables the subordinates to get their grievances and difficulties ventilated to the superiors. For achieving the organisational purpose and particularly the targets, there should be free communication between them. This in itself brings a healthy environment which tends to increase the employees motivation.

We found that in case of the Public organisations, the hypotheses failed to find any support. This might be due to the nature of work in the Public sectors, where the executives, without waiting for the communication from the superiors, were authorised to take their decisions. No doubt regular flow of information from a management helps in telling the employees about the targets. But at the same time the management must take steps to open up channels of communication with its employees so that it can get a timely feedback. Instead of too much of a top-down communication, a bottom-up approach, can pay rich dividends by way of improved rapport with the employees, absence of which is the crux of a communication gap.
5.2.6 COMMITMENT

The dedication that an individual may have towards the target setting system is called commitment. In today's world of professionalism, commitment is not fully expected. Employees committed to their duties or profession will give a sense of stability to the organisation. Who are committed to the organisation in mind and spirit will bring in positive and constructive change to achieve the targets. Job satisfaction is the important consideration, which motivates job involvement and promotes organisational commitment. It is a state in which an employee identifies himself with a particular organisation and its goals and wishes to maintain membership of that organisation. The study revealed that employees who were having consistency in style of working were found to be more committed towards the system. In case of Public sector companies, the commitment was found to have strong association with favourable attitude. Thus, it appeared that commitment is an important consideration and requires reasonably adequate attention. A person who is an achiever wants to do something new all the time and is bubbling with ideas. The Private sector companies stressed on reward and punishment to create better commitment and favourable attitude towards achievement of targets. In the long run commitment leads to increased productivity. Employees who are
loyal to the organisation in mind and spirit will bring in positive and constructive change to it in the long run.

5.2.7 ACHIEVEMENT MOTIVATION

Make common man do uncommon things. The supply of genius being limited in any organisation, it has no option but to enlist support of ordinary people who have the potential to do uncommon things, given the right training and motivation. There is no unique or best motivational tool, which suits everyone on all occasions. That is the reason why one must make a study of all the available tools of the trade so that one might adopt a suitable one, which might meet the needs of the day. Targets are often used as means for affecting motivation, behaviour and task performance. It was found that some employees had strong achievement motives in case of Public sector undertakings. The extent of such motives was however different from employee to employee. People are more likely to be productive when they are enjoying their work. Though better superior – subordinate communication can accelerate the achievement motivation in organisations; this consideration lags behind in Public sector companies due to heavy workload and short period of action.

5.2.8 REWARD SYSTEM

It was found that the reward system in an organisation is one of the major forces providing motivation towards achievement. Rewards encourage officers to improve upon their performance and therefore should be given
adequate attention. However, in Public sector it was observed that executives many times were suspicious about fairness of the reward system itself. Accordingly, the executive's belief about the fairness of the system of the system itself was an intervening feature. On probing this aspect it was found that officers, who perceived that rewards were given strictly on the basis of performance, were of the opinion that reward was a motivating factor. On the contrary, when officers felt that rewards were given not on the basis of performance but on other considerations, they were of the view that rewards were not motivating factors. The study revealed that if rewards are taken as motivating factors, these should be designed as a reasonably fair system and efforts should be made to ensure transparency.

5.2.9 Clarity of Targets

The study indicated that when the targets were clearly stated, officers worked towards their achievement with a greater pursuit. The officers in such cases demonstrated positive feelings about achieving target and also put in substantial extra effort towards its achievement. Besides, they were also willing to requisition extra resources for the purpose. The targets in order to be clear needed to be properly communicated and the most effective way of communication were written orders, circulars and notices. Written communication was considered as the best way of communication, because it
tended to be specific and clear. It was also found that where target itself was not very specific, understanding of the target was difficult. In such cases pursuit of the target was not strong. This particularly was observed in Private organisations, where the scope for stating targets clearly was understandably a difficult task.

5.3 MAJOR FINDINGS:

- When the targets were clearly specified, employees worked towards its achievement with a greater pursuit.
- With higher involvement in target setting, executives reflected a more positive attitude towards the system.
- Satisfactory working environment brings favourable attitude and higher commitment towards the target.
- Officers having participative attitude liked to work in a group. The public sector executives were more non-participative, leading to less productivity.
- Insufficient senior-subordinate communication in Public sector companies results in less productivity as compared to Private sector companies.
- Private sector executives showed a greater commitment towards achievement of targets in comparison to Public sector executives.
The study revealed that when rewards were linked with achievements, executives were better motivated towards attainment of targets.

It is found that political impact and game playing are rampant in most public organisations. Executives misuse the power given to them distorting the organisational processes for selfish ends.

5.4 SUGGESTIONS:

- The targets should be clearly communicated in an effective way i.e. written orders, circulars and notices. Written communication is considered the best, because it is specific and clear.

- Where target itself is not very specific pursuit of target is not strong. So, targets set for different levels should be unambiguous and clear.

- Clarity in the target setting system should be given prior importance. The goals, targets, objectives and process should be clearly stated and any doubt on the part of the executives should be clarified through target setting discussions. Executives should be provided with target setting literatures from time to time.
❖ The Public sector companies should maintain a satisfactory internal environment at par with Private sectors for better achievement motivation.

❖ Proper communication enables the subordinates to get their grievances and difficulties ventilated to the superiors. For achieving the organisational purpose and particularly the targets, there should be free communication between them.

❖ A reward system is considered as the link between the organisational targets and individual targets of the employees. A target setting system without rewards would fail to generate an atmosphere of challenge and motivation for the employees.

❖ Spending more time with subordinates in discussing their problems can help the executives in target setting committee to develop a team spirit.

5.5 CONCLUSION:

We found that among the control considerations, some were relatively more and some less important. The important considerations are superior-subordinate communication, views regarding working of target setting committee, reward and punishment, clarity of the target setting system and participative attitude. The less important considerations are achievement
motivation, commitment, usefulness of the target setting system, satisfaction
about organisational internal environment and clarity of targets. Besides, there
are many considerations that are not taken in this study. Those are – corporate
culture, social responsibility, technology, standardisation, loyalty, economy
and change.

Target setting is considered as one of the very important processes in the
organisations. The accuracy of receipts and payments of the organisations and
subsequent control are dependent on the effectiveness of this process. The
success and failure of an organisation depends to a major extent on the success
of this process. This study brings out how in practice the target setting system
can be enriched, by attaching more little emphasis to different variables,
depending on their relative importance.

Public sector has now emerged through out the world as a fact of
economic life. Most of the countries in the world today, are depending on the
development and growth of Public sector for rapid transformation of their
economy. The new Industrial Policy’s move for Liberisation, Privitisation and
Globalisation showed several challenges before the Public sector organisations.
They have to improve their efficiency, competitiveness and productivity to
avoid disinvestments by the Govt. The political behaviours and game playing
are rampant in most Public organisations. They are misusing the power given
to them and distorting organisational processes for selfish ends. To sustain the development of Public sectors political interferences should be avoided. Our Prime Minister Dr. Manmohan Singh has stressed, “Privatisation for the sake of privatisation is not acceptable.” It is the need of the hour to evaluate need-based policy for the effective functioning of Public Sector.

5.6 SCOPE OF FUTHER STUDY:

This study was conducted in two Public and two Private sector organisations. The target setting system in the organisations being different from one organisation to another, the results and findings, which were obtained, are expected to hold true in case of sample organisations only. Before any generalisations are made to extend findings, further studies may need to be carried out. The study depended primarily on verbal discussions and data collected through a questionnaire. The answers were generally in the ordinal scale and not in ratio or interval scale. As in ordinal data in general, the perceptions and personal bias of respondents could distort the data, and as a consequence, the analysis. In a larger study, possibly other considerations can also be included. The study implies that future research could be undertaken to unravel and analyse the control considerations in target setting and productivity. More and more efforts could be put to analyse the work environment in both the sectors. A successful organisation always cares for its
human resources, plan activities for their growth and development, encourages through several measures and their self-development efforts. Future research in this area could focus on developing strategies to promote healthy perceptions for better productivity in all types of organisations.

“Success is handy when journey is planned.”