

CHAPTER – 7

GROWTH, MARKET SHARE, PROFITABILITY AND CUSTOMER SATISFACTION

7.0 Introduction

The main aim of any business organization is to maximization of return for the stakeholders. However, achieving the organization's long-term ultimate objective (e.g., profits) will obviously depend on the degree to which its organizational performance is reached organizational performance is usually indicated by index such as:

- *Effectiveness*: if the organization meets its business objectives
- *Efficiency*: if the organization uses the minimum possible resources to meet its objectives
- *Development*: if the organization is developing in its capacity to meet future opportunities and challenges.
- *Satisfaction*: of all participants; stakeholders, employees, and customers
- *Innovation*: for products and processes
- *Quality*: percentage of products of high quality

The present study aims to examine the impact of human resources system on the performance of the organisation. In order to measure the impact it is important to measure the impact in terms of mainly growth, market share, profitability and customer satisfaction in addition to other indices stated above. In this chapter presents analysis of answers of respondents with respect to growth, market share, profitability

and customer satisfaction. In the beginning of this chapter introduction is provided which is followed by discussion of empirical evidence on the basis of analysis of data.

7.1 Empirical Evidence

Growth, market share, profitability and customer satisfaction are measured with the help of the statements of responses collected with the help of structured questionnaire. The percentage is measured at 5 points scale. Separate tables are given to show the status in all the sample organizations.

The data collected represent the snapshot view and the situation at the time of survey. There is a possibility that the scenario in different organizations might have been drastically changed or improved.

Table 7.1: Revenue growth

Organization	At an all time low level		Worse		Same		Better		At an all time high level		Total
	Resp	%	Resp	%	Resp	%	Resp	%	Resp	%	
Reliance Ind.							132	79.04	35	20.95	167
Blue Star					1	1.44	43	62.31	25	36.23	69
Bilag Ind.					50	100					50
Micro Inks			2	1.43	26	18.70	95	68.34	16	11.51	139
Aarti Ind.					6	6.18	58	59.79	33	34.02	97
Raymond	2	1.61	2	1.61	14	11.29	105	84.67	1	0.80	124
Hindustan Lever							17	22.66	58	77.33	75
Enercon			5	5.15	4	4.12	84	86.59	4	4.12	97
Blossom Ind.							21	60	14	40	35
Paper Products					50	59.52	34	40.48			84
Total	2	0.21	9	0.96	151	16.11	589	62.86	186	19.85	937

Revenue growth of an organization is an important indicator of its performance. When asked about the revenue growth as compared to the last five years, majority of the respondents were on the positive end of the scale. All

respondents from Blossom Industries, Hindustan Lever Ltd. and Reliance Industries gave a positive response. Other organizations like Blue Star Ltd., Aarti Industries and Enercon had 98.55, 93.81 and 90.72 percent of respondents respectively stating it was much better as compared to the last five years. Raymond and Micro Inks had 85.48 and 79.86 percent respondents also expressed similar views. 59.52 percent respondents from Paper Products were of the opinion that it was the same as compared to the last five years whereas 40.48 percent respondents were of the opinion that it was better than the past five years forming a mixed response which indicated the revenue growth is marginally better as compared to the past five years. In Bilag Industries, 100 percent respondents felt that the revenue growth was same. Overall, all the organizations had a good revenue growth as compared to the last five years.

Table 7.2: Market Share

Organization	At an all time low level		Worse		Same		Better		At an all time high level		Total
	Resp	%	Resp	%	Resp	%	Resp	%	Resp	%	
Reliance Ind.					4	2.39	99	59.28	64	38.32	167
Blue Star					1	1.44	28	40.58	40	57.97	69
Bilag Ind.					50	100					50
Micro Inks	3	2.15	2	1.43	31	22.30	92	66.18	11	7.91	139
Aarti Ind.					6	6.18	69	71.13	22	22.68	97
Raymond	1	0.8	1	0.80	13	10.48	105	84.67	4	3.2	124
Hindustan Lever							11	14.66	64	85.33	75
Enercon	5	5.15			20	20.61	50	51.54	22	22.68	97
Blossom Ind.							24	68.57	11	31.42	35
Paper Products					39	46.42	45	53.57			84
Total	9	0.96	3	0.32	164	17.50	523	55.81	238	25.40	937

Market share plays an important role in determining the growth of an organization. When asked about the market share as compared to last five years, 100 percent respondents from Blossom and Hindustan Lever were of the opinion that it is

at the peak as compared to last five years. Blue Star, Reliance and Aarti Ind followed with 98.55, 97.6 and 93.81 percent respondents on the positive end of scale stating it was better as compared to the last five years. For Raymond, Enercon, Micro Inks and Paper Products majority of the respondents were on the positive end stating it was better as compared to the last five years. All the respondents from Bilag Industries were of the opinion that it was same as compared to the last five years. 5.15 percent respondents from Enercon, 3.6 percent respondents from Micro Inks and 1.61 percent respondents from Raymond were on the negative end.

Table 7.3: Profitability

Organization	At an all time low level		Worse		Same		Better		At an all time high level		Total
	Resp	%	Resp	%	Resp	%	Resp	%	Resp	%	
Reliance Ind.					2	1.19	106	63.47	59	35.32	167
Blue Star					1	1.44	44	63.76	24	34.78	69
Bilag Ind.					50	100					50
Micro Inks			1	0.71	31	22.30	97	69.78	10	7.19	139
Aarti Ind.					6	6.18	66	25.77	25	25.77	97
Raymond					17	13.70	103	83.06	4	3.22	124
Hindustan Lever					8	10.66	23	58.66	44	58.66	75
Enercon			5	5.15	16	16.49	71	63.76	5	5.15	97
Blossom Ind.							24	31.42	11	31.42	35
Paper Products					41	48.81	43	51.19			84
Total			6	0.64	172	18.35	577	61.57	182	19.42	937

When asked about the profitability 100 percent respondents from Blossom Industries were of the opinion that it is far better as compared to the last five years. Not afar were Reliance Industries, Blue Star, Aarti Industries, Hindustan Lever Ltd. and Raymond Ltd., with 98.8 percent, 98.55 percent, 93.81 percent, 89.33 percent and 89.29 percent respectively on the positive end. 100 percent respondents from Bilag and 48.81 percent respondents from Paper Products were of the opinion that it was

same as compared to the last five years. 51.19 respondents from Paper products stated that it was almost better as compared to the last five years. Overall 81 percent respondents were on the positive end.

Table 7.4: Customer Satisfaction

Organization	At an all time low level		Worse		Same		Better		At an all time high level		Total
	Resp	%	Resp	%	Resp	%	Resp	%	Resp	%	
Reliance Ind.							60	35.93	107	64.07	167
Blue Star					1	1.44	29	42.02	39	56.52	69
Bilag Ind.					50	100					50
Micro Inks	1	0.71	1	0.71	19	13.66	90	64.74	28	20.14	139
Aarti Ind.					6	6.18	61	62.88	30	30.92	97
Raymond					15	12.09	87	70.16	22	17.74	124
Hindustan Lever					8	10.66			67	89.33	75
Enercon					4	4.12	64	65.97	29	29.89	97
Blossom Ind.							18	51.42	17	48.57	35
Paper Products					45	53.57	39	46.43			84
Total	1	0.71	1	0.71	148	15.79	448	47.81	339	36.18	937

Customer satisfaction is very important for the growth of any organization. All the respondents from Blossom and Reliance Industries were of the opinion that their customer satisfaction was the highest as compared to the last five years. Blue Star, Enercon and Aarti Industries had 98.55 percent, 95.88 percent and 93.81 percent respondents on the positive end stating it was better as compared to the last five years. Hindustan Lever, Micro Inks and Raymond Ltd. had majority of the respondents on the positive end constituting 89.33, 84.89 and 87.9 percent respondents respectively. 53.57 percent respondents from Paper Products were of the opinion that it was same as compared to the last five years. Bilag Industries had 100 percent respondents stating that it was same as compared to the last five years.

7.2 Summary

Once we look at all the indices we can find that in terms of *revenue growth* all the ten organizations had better market share as compared to last five years clearly showing that all these organizations had growth in terms of their turnover.

In terms of *market share*, all organizations except Bilag had a growth in their market share. In case of Bilag the growth remained constant as the organization supplies all the material produced to its parent German company and unless the capacity is increased there can not be further growth.

In case of *profitability* as compared to last five years, respondents in all the organizations reported that their profitability was better or same. In case of Bilag the profitability remained same as the material produced is transferred on transfer price basis.

Customer satisfaction is very important for the growth of any organization. Most of the respondents stated that the customer satisfaction of their organization was same or better explaining the growth of the organizations.

One can sum up and state that respondents felt on all the performance parameters the sample organizations performed better in comparison to last five years.