Chapter-3
3.0 Introduction

This chapter provides a description of the research strategy covering objectives of the study, the research sample, research instruments, pattern of analysis and the statistical tools employed in the research.

3.1 Problem Statement

It has been observed that self-centered approach is increasingly becoming prevalent in today’s organizations and otherwise. This leads to degeneration of trust. The review of the literature helped ascertain the need for investigating characteristics and process of development of trust and the need for investigating managerial roles that influence performance. Whether trust has a bearing on managerial performance is a moot question. Is there a variation in outcome of trust and managerial performance in organizations belonging to public or private sector? Does age also influences trust and managerial performance?

The quantitative performance of managers does not truly reflect the managerial effectiveness as some external factors beyond the control of the manager are likely to affect the quantitative performance. These factors include economy, market (customer) changes, government policies, competitor’s actions, conditions in the particular industry, control over proprietary technology. This study focuses on qualitative measures to judge the performance of managers.

3.2 Objectives of the Study

This research study explores the relationship of an important human variable-trust with the qualitative measures of managerial performance.

The research study, specifically, seeks to:
• Evaluate and compare the levels of trust and its different attributes across organizations selected for the study.

• Evaluate and compare the levels of trust and its different attributes between public and private sector.

• Explore differences on levels of trust and its different attributes between public and private sector across industry groups as well.

• Evaluate and compare the managerial performance across organizations selected for the study and explore differences between public and private sector on this account.

3.3 Hypotheses

Ho1 : There is no difference of trust levels and its attributes across organizations.

Ho2 : There is no difference of trust levels and its attributes between public and private sector.

Ho3 : There is no difference of trust levels and its attributes between public and private sector in banking industry.

Ho4 : There is no difference of trust levels and its attributes between public and private sector in communication industry.

Ho5 : There is no difference of managerial performance across organizations.

Ho6 : There is no difference of managerial performance between public and private sector.

Ho7 : There is no difference of managerial performance between public and private sector in banking industry.

Ho8 : There is no difference of managerial performance between public and private sector in communication industry.

3.4 Organizations selected for the study

A sample of 160 respondents was drawn from four top performers, two leading organizations each from public and private sectors. In keeping with the word given to organizations' management for collection of data, their identities have not been disclosed. Yet a brief profile of these organizations is presented to
provide an idea of scale of operations and range of activities undertaken by each of them

### Table 3-1: SELECTED ORGANIZATIONS

<table>
<thead>
<tr>
<th>S.NO.</th>
<th>Industry Sector</th>
<th>Public Sector</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Banking</td>
<td>A</td>
<td>B</td>
</tr>
<tr>
<td>2</td>
<td>Communication</td>
<td>C</td>
<td>D</td>
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</table>

The profile of these organizations is as follows

**Organization–A:** This leading public sector banking organization operating since 19th century is India's largest bank in terms of branches, deposits, employees, assets and profits. It has approximately 9000 branches spread all over India and having nearly 2,00,000 employee strength, out of which approximately 50,000 are officers. In Delhi and NCR region, there are about 300 branches and 1800 officers. Besides personal banking, the organization offers home loans, personal loans, commercial & institutional banking, agricultural & industrial loans and also deals with foreign exchange. This bank is also the premier bank for government business. It also has branches in the remote areas all over India. In addition, the bank also has associates and subsidiaries for offering the services to customers. This bank also offers ATM facilities to the customers.

**Organization–B:** This bank is India's second-largest bank and is also listed at NYSE. This leading private sector bank has a network of approximately 600 branches & extension counters, 2,000 ATMs and having an employee strength of nearly 24,000. In Delhi and NCR region, there are about 50 branches and 300 officers for promoting banking services to customers. The bank offers from project finance to diversified financial services to corporate and retail customers, in the areas of investment banking, life and non-life insurance, venture capital and asset management both directly and through a number of specialized subsidiaries and affiliates. Besides personal banking, personal loans, agricultural finance, SME also contribute a significant proportion in the growth of business.
**Organization-C:** This is India’s leading public sector undertaking and one of Asia’s largest telecom operating companies. It was set up in 1986 by the Govt. of India in Delhi and Mumbai. This organization with an employee strength of nearly 60,000 has a customer base of around 5 million. This public sector undertaking was the first Indian PSU to be listed at NYSE. In Delhi and NCR region there are about 2450 officers. The exchanges have an equipped capacity of 7.40 million and digitalization of exchange network is 100%. Besides Landline telephone services, the organization focused on widening the cellular and CDMA based WLL customer base and increasing the number of broadband customers and increased its area of operation for cellular services also to NCR region of Delhi. The organization currently has customer base of 8.8 lacs for GSM cellular and 10.37 lacs for Internet services.

**Organization-D:** This leading private sector telecommunication industry deals with mobile services, fixed line tele-ventures, national and international long distance services, internet services and network solutions. This organization has two main groups namely Mobility leaders business group and Infotel leaders business group. The mobile group provides GSM mobile services in all the 23 telecom circles of India. The Infotel group provides broadband and telephone services, long distance services and enterprise services. This organization has an employee strength of nearly 15,000. In Delhi and NCR region, there are about 600 officers for providing telecommunication services to customers. The services include cellular, basic, internet and national long distance services. The organization has over 21 million customers.

**3.5 Sampling Frame**

In order to identify comparable ‘organizational sets’, the sets were selected on the basis of similar work profile and scale of operations. Respondents were selected to ensure representations of both public and private sector in banking as well as communication industry. The geographical location was also taken into account. The operational parameters such as, number of
officers in Delhi and NCR region was also considered for finalizing the sampling frame

3.6 Sample Selection

Sample selection has been so designed that the samples are broadly representative of workforce diversity in the defined population. The following criteria were adopted.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Organization</th>
<th>Category</th>
<th>No. of Respondents</th>
<th>No. of officers in defined population**</th>
<th>Sampling Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>*A</td>
<td>Public Sector (Banking)</td>
<td>50</td>
<td>1800</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>B</td>
<td>Private Sector (Banking)</td>
<td>30</td>
<td>300</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>*C</td>
<td>Public Sector (Communication)</td>
<td>50</td>
<td>2450</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>D</td>
<td>Private Sector (Communication)</td>
<td>30</td>
<td>600</td>
<td>5</td>
</tr>
</tbody>
</table>

* Public sector organizations have massive staff strength and therefore sample size is adequate to ensure their representation

**Strength of officers in Delhi and NCR regions only

a Samples selected for banking sector organizations included various functional areas, such as, finance, sales & marketing, personal banking, foreign exchange, home loans, personal loans commercial & institutional banking, SME, agricultural finance, computers, human resource management

b Samples selected for communication sector organizations included various functional areas, such as, finance, sales & marketing computers, switching, telecom network, direct sales associates, credit risk management, customer care, human resource management

c The different age-groups, were included in the sample. The age-groups included are (1) 25-35 years (2) 35-45 years (3) >45 years
d) Stratified sampling was done for the defined population as per (a) & (b) above.

e) Disproportionate stratified sampling was resorted to between public and private sector ‘organizational sets’ to take care of the varying officers’ base.

The focus of the entire effort was to ensure that the ‘organizational sets’ are comparable and the sample selected is broadly the representative of the defined population.

3.7 Pilot Study

A preliminary and pilot survey was conducted in the organizations. One officer from each of the functional areas in each organization was contacted. The purpose was to explain to the participants of the survey the objective of getting the questionnaires filled and to find out whether the setting of questions keeping our respondents in mind necessitated any changes.

The concept of Bi-Polar scale for the measurement of trust (questionnaire-I) was explained to the participants. The total score for each item was 5, which was to be distributed between two statements for each item. The participants enquired about the flexibility of distributing the score between two statements for which the details were explained as it minimizes the subjectivity of response, the total score being limited to 5. This was an important outcome of the pilot study.

The seven-point scale for the measurement of managerial performance via roles (questionnaire-II) was also explained to the participants. The score for each item was to be marked between 1-7 for which the participants were explained to mark the response for the different items.

3.8 Data Collection

Questionnaires were distributed to the officers in the different organizations for which a number of visits were made. The respondents were briefed in person about the details of both the questionnaires. The purpose of the research was explained. The respondents were given an option to disclose.
or not to disclose their identity. Some of the respondents in spite of the instructions could not fill up the questionnaires correctly and another set had to be given to them. The respondents were further impressed upon that their participation and frank opinions would help to evaluate the outcome of trust on managerial performance in organizational setting.

3.9 Instruments of Data Collection

Two ‘Close-ended structured questionnaires’, one pertaining to trust – measurement (Questionnaire-I: Appendix-A) and the other one pertaining to managerial-performance (Questionnaire-II: Appendix-C) were administered to the executives.

a) Trust Orientation Profile (Questionnaire-I)

This instrument developed by Chartier (1991) has been used to measure trust and its attributes. It helps measure scores on each attributes as also the total score. These scores can be plotted on a linear scale. These scores can then be used to compare level of trust across organizations, sectors etc.

This instrument was administered to assess the climate of trust in an organization. Trust orientation profile takes into account the following attributes:

<p>| | | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>Open</td>
<td>7.</td>
</tr>
<tr>
<td>2.</td>
<td>Willing to take Risk</td>
<td>8.</td>
</tr>
<tr>
<td>4.</td>
<td>Accepting and Warm</td>
<td>10.</td>
</tr>
<tr>
<td>5.</td>
<td>Expert</td>
<td>11.</td>
</tr>
<tr>
<td>6.</td>
<td>Accountable</td>
<td>12.</td>
</tr>
</tbody>
</table>

In this questionnaire, ‘Bi-Polar Scale’ is used for marking the response of the respondents. The guidelines for marking the responses are as follows:

1. If A is completely characteristic of the views and B is completely uncharacteristic, 5 is written under A and 0 under B.
2. If A is considerably characteristic of the views and B is somewhat characteristic, 4 is written under A and 1 under B.

3. If A is only slightly more characteristic of the views than B, 3 is written under A and 2 under B.

4. Each of the above three combinations are also reversible. If the view is that B is slightly more characteristic than A, 2 is written under A and 3 under B, and so on for A=1 and B=4, or A=0 and B=5.

The numbers assigned to each pair of A and B adds up to 5.

For each of the situations described in the questionnaire, 5 points were to be distributed between two alternatives, A and B. The responses are based on how the respondents actually behaved or felt or perceived the situation. The respondents were explained to assign more points to the alternative that is more representative of the personal experience of the respondent. The various responses have been accounted for the evaluation of trust versus mistrust as per the scoring matrix (Appendix-B).

‘Bi-Polar Scale’ is aimed at minimizing subjectivity. The points against a particular situation are given against A and immediately thereafter, response is marked against B in the same stretch. In the process of response-marking, the respondent had the chance to change the relative points for A and B but keeping the total as 5, thereby minimizing subjectivity.

The scores on the twelve attributes of trust have been computed according to the methodology detailed in scoring sheet (Appendix B). Thereafter the total score on trust has been computed by adding up scores on twelve attributes.

b) Managerial Role Profile (Questionnaire–II)

This instrument indicates the profile of a manager. It assesses manager’s performance on the eight managerial roles.
It is important to note that this instrument does not give a total score of managerial performance which can be plotted on a linear scale. Yet, it provides a holistic picture of performance of a manager.

The scores obtained through this instrument are interpreted in the following manner:

- The closer the score to seven, the more that role is emphasized, the closer the score to one, the less that role is emphasized.
- Master managers (i.e., most effective and productive managers) have scores that are in balance (i.e., all scores rated around four).
- Any role that scores over five can be considered a “strength”, unless it is the only very high score and is coupled with several scores under three. It means that the manager over-utilizes his preferred role at the expense of the other necessary roles.

This instrument relates to the study conducted at the University of New Mexico for the measurement of managerial performance via managerial roles takes into account eight different roles:

<table>
<thead>
<tr>
<th></th>
<th>Role</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Director</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>Producer</td>
<td>6</td>
</tr>
<tr>
<td>3</td>
<td>Monitor</td>
<td>7</td>
</tr>
<tr>
<td>4</td>
<td>Coordinator</td>
<td>8</td>
</tr>
</tbody>
</table>

This instrument measures managerial performance on a ‘seven-point scale’. For each of the situations described in the questionnaire, a respondent manager is required to mark the response based on the degree of perception by the manager, ranging between 1-7 against each item. Almost never has been marked as 1 and almost always has been marked as 7. The methodology of computing scores is detailed in appendix-D.

### 3.10 Pattern of Analysis

The research study has analyzed the data from the four organizations for comparison under following heads:

a. All the four organizations taken together
b. Both public sector organizations.
c. Both private sector organizations.
d. Both public sector organizations compared simultaneously with both private sector organizations.
e. Both organizational sets (A, B) and (C, D) each comprising of one public sector and one private sector, respectively from banking and communication industry.
f. All the four organizations taken individually.

The analysis has been done under the following two broad groups:

**A) Analysis of Trust Profile**

- Trust and the scores of trust attributes across organizations, and the influence of age on trust and its attributes.
- Trust levels for public vis-à-vis private sector organizations.
- Trust levels of public and private sector in banking and communication industry.

**B) Analysis of Managerial Performance**

- Managerial performance via managerial roles across organizations and the influence of age on performance.
- Managerial performance for public vis-à-vis private sector organizations.
- Managerial performance for public and private sector in banking and communication industry.

The survey data for all the four organizations (A, B, C, D) has been detailed at Appendix – E, wherein the different age-groups viz. (25-35), (35-45), (>45) have been numbered as 1,2,3 respectively. The twelve attributes of trust as detailed in Appendix –B, have been numbered as 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12. The different managerial roles have been abbreviated as Me, Fa, Cc, Am, Pr, Dr, Co, Mo.
The methodology of analysis is as follows:

1- Trust-ranges have been calculated for determining the number of respondents across organizations.

2- Trust and its attributes across organizations has been tested for significant difference.

3- Influence of age on trust has been tested for significant difference.

4- Trust and its attributes between public and private sector has been tested for significant difference.

5- Trust ranges have been calculated for determining the number of respondents who fall in the category of high trust and low in public and private sector.

6- Trust-ranges have been calculated for determining the number of respondents in banking industry and communication industry who fall in category of high trust and low trust in public and private sector.

7- Trust and its attributes has been tested for significant difference in banking industry between public and private sector.

8- Trust and its attributes have been tested for significant difference in communication industry between public and private sector.

9- Managerial performance of average manager in our sample has been evaluated using the competing values framework.

10- Managerial performance across organizations has been tested for significant difference.

11- Influence of age levels on managerial performance has been tested for significant difference.

12- Managerial performance of an average public sector and an private sector manager has been compared.

13- Managerial performance between public and private sector has been tested for significant difference.
14- Managerial performance on an average public and private sector managers in banking industry has been compared

15- Managerial performance in banking industry between public and private sector has been tested for significant difference

16- Managerial performance on an average public and private sector managers in communication industry has been compared

17- Managerial performance in communication industry between public and private sector has been tested for significant difference

3.11 Statistical Tools

The following statistical tools have been used and SPSS software has been adopted for calculations

1- Student’s t-test has been used for testing significant difference of,
   a  Trust between public and private sector
   b  Attributes of trust between public and private sector
   c  Attributes of trust between public and private sector in banking industry
   d  Attributes of trust between public and private sector in communication industry
   e  Manageral performance between public and private sector

2- Anova-F test has been used for testing significant difference of,
   a  Trust and its attributes across all organizations
   b  Influence of age on trust and its attributes in public and private sector
   c  Managerial performance across all organizations
   d  Influence of age on managerial performance in public and private sector
3.12 Limitation of the Study

The research study has been conducted using questionnaires. For the measurement of trust, Bi-Polar scale has been used and the response marked against one statement for each item of the questionnaire is not independent and is tied together with the response marked against the second statement for the same item so that the total score of the responses against both these statements for each item is 5. This measurement technique minimizes subjectivity. Yet, the process of filling questionnaire in this manner becomes a bit complicated. Therefore, it might be difficult for some respondents to comprehend this scheme of marking.

The questionnaire used to assess managerial performance does have its share of difficulties in filling appropriate responses. In this questionnaire mid score of 4 indicates better responses. The respondents might have been tempted to give higher score on the assumption that higher score may be more desirable response. Although every care was taken to provide uniform set of guideline to respondents yet, there might have been some variation in briefing by some enumerators deployed for the study.

The study is limited in the context of number of industries. The study is limited in terms of sample size, although every effort has been made to draw the representative samples. The study is confined to Delhi and NCR region and could be extended to a wider geographical area. Therefore findings may not be generalizable for other geographic segments and other industry groups.