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11.1 INTRODUCTION

Success is the driving force behind all the organizations for their survival and continuous growth. The objective of this research work is to identify the managerial functions responsible for the success of an organization. The outcome from this work will help any organization to orient their functions to achieve success.

A review of literature on research to assess organizational success identified the following criteria: (i) Profitability (ii) Productivity (iii) Satisfaction of individual needs and (iv) Adaptability of the organization to environment. Also, to identify the influence of variables on organizational success, researchers have considered different combinations. Still, there is scope for research with all the organizational variables taken together and their combined effect on organizational success.

With this background, a research model is proposed in this work based on the McKinsey 7-S model and subjected to empirical tests. The 7-S stands for Style, Skill, Structure, Strategy, System, Staff and Shared values. For each one of the seven variables suggested in the 7-S model, several factors were selected based on the literature review of previous researchers. On the basis of the theoretical relevance and empirical evidence, performance measures were conceptualized as indicators of success.

The methodology developed to evaluate the proposed model has the following four main objectives: (i) To classify organizations into highly successful and less successful groups (ii) To compare the prevailing factors in high and less successful groups and to find if there is any significant difference between them (iii) To find out the factors that
significantly contribute to the difference in performance of the two groups of organizations through stepwise multiple regression and two group discriminant analysis. (iv) To identify the factors which discriminate between both the groups.

11.2 CLASSIFICATION OF ORGANIZATIONS

Engineering organizations in south India were classified into highly successful and less successful groups based on the standard residuals obtained from the stepwise multiple regression analysis using their financial performance data for the years 1991-1996. The financial variables chosen for the analysis were: Return on Assets as dependent variable and Return on Sales, Return on Investment and Growth in Assets as independent variables.

11.3 FACTORS PREVAILING IN COIMBATORE ENGINEERING ORGANIZATIONS

Professional entrepreneurial style, Professional management style, Bureaucratic, Conservative traditional and Middle-of-the-road styles were followed by managers of Coimbatore engineering organizations. Professional management and Professional entrepreneurial styles were pursued in high successful organizations. Bureaucratic, conservative traditional styles were prevalent in less successful organizations. All four types of strategies were being pursued by the engineering organizations of Coimbatore. Organizations following Reactor strategy were less successful than other three strategic type followers.

There was domination of skills in Financial management, Production, Distribution, Marketing, Product research, Engineering and General management in highly successful organizations. Among the Less successful organizations, there was dominance of skills in
Production facilities, Engineering, Distribution and General management. The importance given for organization commitment, System adaptiveness and Organizational cultural was high in highly successful organizations than in less successful organizations.

11.4 FACTORS CONTRIBUTING TO THE SUCCESS OF ORGANIZATIONS

There is significant difference between high successful and less successful organizations with regard to the following factors:

1. Technocracy and long range planning
2. Participation
3. System adaptiveness
4. Organizational commitment
5. Individual autonomy
6. Authority - Responsibility match
7. Supervisor support
8. Performance Reward
9. Risk tolerance
10. General management
11. Financial management
12. Marketing research
13. Product research
11.5 MOST INFLUENCING FACTORS THAT CONTRIBUTE TO THE SUCCESS OF ORGANIZATIONS

From the stepwise multiple regression analysis performed on the variables, it is observed that the factors namely Risk taking, Technocracy, Skill in Financial Management and Engineering and Performance Reward were found to be significantly influencing the success of organizations. In order to confirm the magnitude of influence of the factors on success, discriminant analysis was carried out.

This analysis identified the following factors that were responsible for the success of organizations,

1. Technocracy and long range planning - 43 %
2. Performance reward - 15 %
3. Financial management - 7 %
4. Distribution - 8 %
5. Production facilities - 5 %

The analysis also brought out a discriminant function and group mean values which can be used to classify any organization as highly successful and less successful, based on the factor values prevailing in that organization. This function will give a clue to any manager to improve the functioning of an organizations to bring it to the successful group.

The research work has clearly brought out the managerial factors responsible for the success of organizations and a discriminant function useful to find the success level of any organization. The results of this work cannot be generalized for any organization anywhere in the world as the environment conditions may be different. This limits the usefulness of the
results to industry with similar environment. However, the methodology adopted to arrive at these results can be used for any organization with further addition or deletion of some more variables or factors to suit any conditions.