CHAPTER - 6

FINDINGS, CONCLUSION &
RECOMMENDATION
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6.1. MAJOR FINDINGS TO THE STUDY

After analyzing data with appropriate tools, inferences and observations are made which are incorporated in this chapter. Following are the topic-wise major findings listed in a below manner:

A. General Findings:

❖ In the Context of the Selected SEZ units, all the Units are categorized ranging under: Service, Manufacturing, Construction, Multi – Product, Wholesaler / Retailer, Packing & Packaging and Transportation. Out of the respondents, one-fourth (25%) is from Manufacturing, (43%) is from Service, (18%) is from Multi-Products, (7%) is from Wholesaler/Retailer, (3%) is from Construction and (4%) is from Packing & Packaging Categories.

❖ The First Group of the respondents consisted of 88 Managers which comprised 16% of total sample respondents of Selected SEZ Units. Next in the respondents are from 100 Engineers comprised 18.18%, while the third respondents are from 119 Supervisor comprised 21.63%. Fourth in the respondents are from 87 Instructors which is covered 15.82% and fifth in the respondents are from 156 Workers which is covered 28.37% of the total number of respondents from Selected SEZ Units.

❖ As a Performance Measurement of the Selected SEZ units is concerned, it is observed that the Units have adopted the new mechanism of the BSC approach to evaluate their Performance. All the respondents of the respective cadre give their opinion; but they are not given more importance to evaluate the real Performance Measurement, on which that they have ignore the Customer Centric Service.

❖ Under the units from Kandla SEZ and Mundra SEZ; Mundra SEZ unit’s respondents are aware 316 (74.52%), while 108 (25.48%) are not aware from total 424 sample respondents.
Kandla SEZ unit’s respondents 96 (76.19%) are aware about BSC technique from 138 sample respondents while 30 (23.81%) are not aware.

Respondents from Kandla SEZ Units are found that and the sample respondents of d.b.c sons (Gujarat) pvt. Ltd. company comprises only 39 respondents which representing (78%) of the total 50 sample respondents are aware about BSC technique compared to Rishi Shipping company; while Rishi Shipping company has find that 57 respondents which representing (75%) of the total 76 sample respondent are also aware about BSC technique.

In d.b.c sons (Gujarat) pvt. Ltd. company, it is found that company comprises 4 Managers (80%), 11 Engineers (78.57%), 6 Supervisior (85.71%), 8 Instructors (88.88%) and 10 Workers (66.67%) are aware about BSC technique.

Out of d.b.c sons (Gujarat) pvt. Ltd. company, it is found that company comprises only one Manager (20%), 3 Engineers (21.42%), one Supervisor (14.28%), one Instructor (11.12%) and 5 Workers (33.33%) are not aware about BSC technique.

In Rishi Shipping company, it is found that company comprises 5 Managers (83.33%), 9 Engineers (81.82%), 12 Supervisor (75%), 8 Instructors (72.72%) and 23 Workers (71.88%) are aware about BSC technique.

Out of Rishi Shipping company, it is found that company comprises only one Manager (16.67%), two Engineers (18.18%), 3 Supervisor (25%), 4 Instructors (27.28%) and 9 Workers (28.12%) are not aware about BSC technique.

Respondents from Mundra SEZ Units are found that and the sample respondents of Adani Ports & Special Economic Zone company comprises only 69 respondents which representing (75.82%) of the 91 total sample respondents are more aware about BSC technique compared to Adani Wilmar & Adani Power company; while Adani Wilmar company has find that only 81 respondents which representing (74.31%) of the total sample 109 are aware about BSC technique. In other hand, Adani Power company has find that only 166 respondents which representing (74.10%) of the total 224 respondents are also aware about BSC technique.
In Adani Ports & Special Economic Zone company, it is found that company comprises 6 Managers (85.71%), 9 Engineers (90%), 17 Supervisor (77.27%), 8 Instructors (72.72%) and 29 Workers (70.73%) are aware about BSC technique.

Out of Adani Ports & Special Economic Zone company, it is found that company comprises only one Manager (14.29%), one Engineer (10%), 5 Supervisor (22.73%), 3 Instructors (27.28%) and 12 Workers (29.27%) are not aware about BSC technique.

In Adani Wilmar company, it is found that company comprises 16 Managers (80%), 15 Engineers (75%), 17 Supervisor (80.95%), 16 Instructors (76.19%) and 17 Workers (62.96%) are aware about BSC technique.

Out of Adani Wilmar company, it is found that company comprises 4 Managers (20%), 5 Engineers (25%), 4 Supervisor (19.95%), 5 Instructors (23.81%) and 10 Workers (37.04%) are not aware about BSC technique.

In Adani Power company, it is found that company comprises 42 Managers (84%), 36 Engineers (80%), 41 Supervisor (77.35%), 25 Instructors (71.42%) and 22 Workers (53.65%) are aware about BSC technique.

Out of Adani Power company, it is found that company comprises 8 Managers (16%), 9 Engineers (20%), 12 Supervisor (22.65%), 10 Instructors (28.58%) and 19 Workers (46.35%) are not aware about BSC technique.

In Both SEZ units, it is found that units comprises 73 Managers (82.95%), 80 Engineers (80%), 93 Supervisor (78.15%), 65 Instructors (74.71%) and 101 Workers (64.74%) are aware about BSC technique.

In Both SEZ units, it is found that units comprises 15 Managers (17.05%), 20 Engineers (20%), 26 Supervisor (21.85%), 22 Instructors (25.29%) and 55 Workers (35.26%) are not aware about BSC technique.
B. **Findings- Based on Financial & Non-Financial Performance Measures:**

- It is found that selected SEZ Units put equal importance to Financial Measures and Non Financial Measures; It is found that Mundra SEZ & Kandla SEZ Units are given more importance to Increasing in Profits is 1st rank from Financial Measures, and Improve the Quality of Products/Services secured 1st rank in Non-Financial Measures.

**Findings- Based on Financial Performance Measures:**

- From, the result of Financial Performance Measures, it is found that Mean Value for Increase Profits is 4.57 and in the agreement scale a significant $X^2$ is observed (X$^2$=269.94, P=0.000). So, Increase Profits is most considerable Indicator in Financial Measures.

- From, the result of Financial Performance Measures, It states the Mean Value of Increase Sales is 4.32 and the value of significant $X^2$ is observed (X$^2$=97.46, P=0.000). Hence, it is reveals that Increase Sales is a considerable Measure for the Kandla and Mundra SEZ units as it comes with 4th Rank.

- Furthermore, it also asserts that the Mean Value of Increase Market Share is 4.26 and in the agreement scale a significant $X^2$ is observed (X$^2$=70.36, P=0.000). So, Kandla SEZ and Mundra SEZ units have given importance to Increase Market Share with securing 5th Rank.

- At last, it founds that the Mean Value of Increase Revenue is 4.15 and the value of significant $X^2$ is observed (X$^2$=86.64, P=0.000). So, Both SEZ units have given importance to Increase Revenue with securing 6th Rank.

**Findings- Based on Non-Financial Performance Measures:**

- From, the result of Non-Financial Performance Measures, it is found that Mean Value for Improve the Quality of Products/Services is 4.36 and in the agreement scale a significant $X^2$ is observed (X$^2$=39.83, P=0.000). Hence, Kandla SEZ and Mundra SEZ units have given standard importance to improve the Quality of Products/Services.
From, the result of Non-Financial Performance Measures, It is found that the Mean Value of Customer Satisfaction is 4.35 and the value of significant $X^2$ is observed ($X^2=104.08$, $P=0.000$). Hence, Kandla SEZ and Mundra SEZ units have given an ideal importance to Customer Satisfaction Securing with 3rd Rank.

In addition, It is found that the Mean Value of Increase the Number of Customers is 4.08 and in the agreement scale a significant $X^2$ is observed ($X^2=71.30$, $P=0.000$). Hence Both SEZ units have give importance to respective measure with 7th Rank.

Furthermore, It is also found that the Mean Value of Improve the Employee’s Skills is 4.04 and the value of significant $X^2$ is observed ($X^2=10.92$, $P=0.000$). So, Both SEZ units have given an equal importance to Improve the Employee’s Skills as it secured 8th Rank.

Moreover, From the result of Non-Financial Performance Measures; It is also highlights that the Mean Value of Increase Employee’s is 4.00 and in the agreement scale a significant $X^2$ is observed ($X^2=31.12$, $P=0.000$). Hence, Both Kandla SEZ and Mundra SEZ Units have given importance to respective indicator as secured with 9th Rank.

At last, It is also found that the Mean Value of Increase Productivity is 3.80 and the value of significant $X^2$ is observed ($X^2=37.06$, $P=0.000$). Hence, Both SEZ units have considered as a least considerable measure as secured with last Rank.

**Findings- Based on Hypothesis Testing for Financial & Non-Financial Performance Measures:**

From, the all result of Financial and Non-Financial Performance Measures; it is found that Null Hypothesis is accepted; Hence Both Financial and Non-Financial Performance Measures are important for both Kandla SEZ and Mundra SEZ units.
From, the result of T-Test of Financial Measures with Mundra & Kandla SEZ, it is found that the Both Mundra SEZ and Kandla SEZ units having significant value 0.763 and 0.761 respectively. So, Both Units have given an ideal importance to Financial Measures.

From, the result of T-Test of Non-Financial Measures with Mundra & Kandla SEZ, It is found that the Kandla SEZ and Mundra SEZ units having significant value at 0.484 and 0.485 respectively. Hence, Both Kandla SEZ and Mundra SEZ units give common importance to Non-Financial Measures.

From, the result of ANOVA Table, It is found that Kandla SEZ and Mundra SEZ units have significant value 0.865 and 0.503 respectively. Hence it states that Both Kandla SEZ and Mundra SEZ units have been given a significant importance to Financial & Non-Financial Measures both.

C. Findings- Based on Balanced Score Cards (4)Perspectives:

The first are Financial Measures to describe past actions and the second are Non-Financial Measures on Customer, Internal Business Processes, and Learning and Growth Perspectives. This indicates that the measures of this technique represent a balance between External Measures for Stakeholders and Customers, and Internal Measures for Internal Business Processes, Learning and Growth. These Measures are balanced between the Outcome Measures and the Measures that drive Future Performance.

These Forty One Factors are further categorized into 4 Perspectives as: Factors contributing to Financial Perspective, Factors contributing to Learning and Growth Perspective, Factors contributing to Internal Business Process Perspective and Factors contributing to Customers Perspective.

From the all Perspective’s result; It is found that Return on Earnings and Net Profit are playing an important role for Financial Perspective on the based on their Mean Score.
In addition, it is also found that Employee’s Productivity and Employee Satisfaction are playing an important role for Learning & Growth Perspective on the based on their Mean Score.

Further, it is also found that Productivity & Cost Reduction and Relationship with Employee’s & Externals are plays an important role for Internal Business Process Perspective on the based on their Mean Score.

Moreover, it is also found that Customer Loyalty and Commercialization are plays an important role for Customer Perspective on the based on their Mean Score.

From, the result of Learning and Growth Perspective’s KPI, It is found that the value of significant $X^2$ of Employee Productivity and Employee Motivation are measured as 226.83 and 73.03. So, here researcher has states that the all respondents are giving more importance to Employee Productivity and Employee Motivation.

From, the result of Internal Business Process Perspective’s KPI, It is found that the value of significant $X^2$ of Productivity & Cost Reduction and Team Motivation are considered as 222.21 and 217.03. So, here researcher has indicates that the all respondents are giving more importance to Productivity & Cost Reduction and Team Motivation.

From, the result of Customer Perspective’s KPI, It is found that the value of significant $X^2$ of Customer Loyalty and Customer Satisfaction are measured as 191.75 and 73.03. So, here researcher has considers that the all respondents are giving more importance to Customer Loyalty and Customer Satisfaction.

From, the result of Financial Perspective’s KPI, It is found that the value of significant $X^2$ of Cash Flow and Quarterly Sales Growth are measured as 265.15 and 129.79. So, here researcher has reveals that the all respondents are giving more importance to Cash Flow and Quarterly Sales Growth.
Findings- Based on Hypothesis Testing for BSC’s Perspectives:

From, the result of T-Test of Learning and Growth Perspective with Mundra & Kandla SEZ, it is found that both SEZ units having significant value at 0.932 and 0.931. Hence, Kandla SEZ and Mundra SEZ units are giving significant importance to Learning and Growth Perspective. Hence there is no difference amongst Learning & Growth Perspective in Kandla SEZ and Mundra SEZ Units.

From, the result of T-Test of Internal Business Process Perspective with Mundra & Kandla SEZ, it is found that both SEZ units have significant value at 0.707 and 0.706. So, Kandla SEZ and Mundra SEZ units are gives the response in favour to Internal Business Process Perspective. Hence, there is no difference amongst Internal Business Process Perspective in Kandla SEZ and Mundra SEZ Units.

From, the result of T-Test of Customer Perspective with Mundra & Kandla SEZ, it is found that both SEZ units having significant value at 0.910 uniformly. So, Mundra SEZ and Kandla SEZ both are give an equal importance to Customer Perspective. Hence, there is no difference amongst Customer Perspective in Kandla SEZ and Mundra SEZ Units.

From, the result of T-Test of Financial Perspective with Mundra SEZ & Kandla SEZ, it is found that both SEZ units have significant value at 0.771 and 0.769 respectively. Hence, Kandla SEZ and Mundra SEZ units are given significant importance to Financial Perspective. Hence, there is no difference amongst Financial Perspective in Kandla SEZ and Mundra SEZ Units. So, Null Hypothesis is accepted in Financial Perspective.

From, the result of ANOVA Table, It is found that both SEZ units are gives favour to importance of all Perspectives having significant value 0.989, 0.956, 0.988, 0.990. Hence, there is no difference amongst all BSC’s Perspective in Kandla SEZ and Mundra SEZ Units.
D. **Findings-Based on Analytical Hierarchy Process:**

- It is found that Financial Perspective (1), Learning & Growth Perspective (2), Internal Business Process Perspective (3) and Customer Perspective (4) is classify ranked after developing AHP method, also found that all criteria and sub criteria having value of Means are greater than 3, ranging from 3.36 – 4.32.

- The Final result of the importance of rating (Relative Weight) revealed that the Financial Perspective is considered the most important (46.97%) among the four given Performance Indicators by the BSC, followed by Learning and Growth Perspective (32.79%), Internal Business Process Perspective (13.19%), Customer Perspective (7.05%).

- In the assessment of use of the Performance Measures of Financial Perspective; Net Profit Ratio, the percentage is located at a Relative Weight of 36.75%, while Return on Investment Earnings is at 34.52%, In addition, Cash Flow & Working Capital Management is at 21.12% and Budget is at 7.61%.

- After getting the result of all perspective, researcher has found that in Financial Perspective, Key Performance Indicators are ranked Based on Analysis of the Global Weights of BSC measures with AHP Method in below manner: Net Profit Ratio (1), Return on Investment and Earnings (2), Cash Flow and Working Capital Management (4) and Budget (8).

- In reflecting on the evaluation of the Key Performance Indicators used to Measure Employee’s Continuity & Satisfaction in Learning and Growth Perspective in the SEZ units, the percentage is placed at a Relative Weight of 40.94%, while Employee’s Educational Training with Workshop is at 24.91%, In addition, Perceived Value is at 27.73% and Manufacturing Learning & Technology Leadership Relative Weight is at 6.39%.
It is also found that in Learning and Growth Perspective, Key Performance Indicators are ranked Based on Analysis of the Global Weights of BSC Measures with AHP Method in below manner: Employees’ Continuity & Satisfaction (3), Employee Educational Training with Workshop (6), Perceived Value (5) and Manufacturing Learning and Technology Leadership (13).

In the evaluation of using the Performance Measures of Product & Service Quality with On-Time Deliveries in Internal Business Process Perspective, the percentage is placed at a Relative Weight is 52.16%, while R & D Efficiency is at 25.79%. In addition, Internal Design Policy is at 17.96% and Productivity and Cost Reduction Relative Weight is at 4.09%.

It is also found that in Internal Business Process Perspective, Key Performance Indicators are ranked Based on Analysis of the Global Weights of BSC Measures with AHP Method in below manner: Product & Service Quality with On-Time Delivery (7), R & D Efficiency (9), Internal Design Policy (12) and Productivity and Cost Reduction (15).

In the Valuation the Importance of Key Performance Indicators to Measure Brand Image and Reputation in Customer Perspective, the percentage is at a Relative Weight of 41.46%, while CSR Policy is at 34.20%, In addition, Customer Satisfaction & Reduction is at 18.31% and Responsive Supply of Detailed Feedback Relative Weight is at 6.03%.

It is found that in Customer Perspective, Key Performance Indicators are ranked Based on Analysis of the global weights of BSC Measures with AHP Method in below manner: Brand Image and Reputation (10), CSR Policy (11), Customer Satisfaction & Retention (14) and Responsive Supply of Detailed Feedback (16) have been considered.
6.2. CONCLUSION

Present Scenario of the Study, Summing up with that Performance Measurement are so required to check consistency or growth of any industries; SEZ Units plays a vital role to develop the country’s economy and attract more companies participation after revolutionary changes in the rules and implementing SEZ Act, 2005; Despite recent advances in Performance Measurement, Top Levels and Experts have continuously needs to check its Performance on regular intervals not only Financial Measures i.e. Traditional Approach but Non-Financial Measures also.

Performance Measurement is more suitable and necessary to evaluate and make sure about SEZ Units are performs steadily or not, for that the Balanced Scorecard techniques is considering a suitable to evaluate its Perspectives with all criteria and its sub-criteria which are framed and screen out selection of factors as a Key Performance Indicators. Organizations initially adopted the Balanced Scorecard Techniques for various reasons like clarifying and gaining consensus on strategy, and so on. The Balanced Scorecard Techniques provides a framework for selecting multiple Key Performance Indicators that supplement Traditional Financial Measures with Non-Financial Measures of the Present Study, comes with that Financial Perspective, Learning & Growth Perspective, Internal Business Process Perspective and Customer Perspective are to be developed and evaluate each Key Performance Indicators. Gujarat SEZ Units have initiated to adopt the use of the BSC; So many organizations of Indian origin have tasted success with the help of BSC. At the same time, Many Consulting Groups are providing services to ease successful implementation of the BSC. Since, Previous Performance Measures have focused on Financial Factors; they do not include other important Non-Financial areas that need to be addressed.

With a view in Both Kandla SEZ and Mundra SEZ units, BSC Techniques are famous and familiar to utilized appropriately; also it derived that a majority of Managers and Engineers are aware but Workers and Instructors are less aware. Increase in Profit from Financial Measures and Increase Productivity from Non-Financial Measures as a Considerable Outcomes as an Objectives. To develop dimension of BSC Techniques, Employee Productivity as an Important Indicator in Learning & Growth Perspective;
while Productivity & Cost Reduction is considerable factor in Internal Business Process Perspective; whereas the outcomes from Customer Perspective, Customer Loyalty is most important factor but the result from Financial Perspective Return on Earnings consider as an Important Indicator addressed as Key Performer from BSC technique.

To check out which Key Performance Indicator with all criteria are most influenced for consistency, under Analytical Hierarchy Process (AHP) method is used to ensure the relevance with each factors or not. To conclude with which the most Key Performance Indicator is affected, relatively concerned or not, and summing up with result that Net Profit & Return on Investment & Earnings are scored highest from Financial Perspective, Employees’ Continuity & Satisfaction, Perceived Value are ranked maximum from Learning & Growth Perspective, R & D Efficiency and Product & Service Quality with On –Time Delivery scored at top from Internal Business Process Perspective, Brand Image & Reputation and CSR Policy are secured as maximum ranked from Customer Perspective.

The Outcome from AHP method it is clearly shows that Customer Perspective having lower priority with a reason those SEZ units is not directly concerned with Customer as they are engaged with Export and Import activity mostly.

The results indicated give support to the existence of links between the Perspectives and their Measures with the Strategic Choice of the Selected SEZ Units. Thus, the Learning and Growth Perspective and Internal Business Processes Perspective and the Customer Perspective and the Financial Perspective have a positive relationship with the Balanced Scorecard Approach. Gujarat SEZ Units may also come out with their own formula for Performance Measurement. This is very essential not only for their survival but also for healthy growth at a global level and to face competition for survival. BSC is the need of the hour; as such every SEZ Units must ponder whether it will opt for the mega implementation of it, and when; as Birch (1998) said it best when he indicated that “The Key Point to Remember is that what get measured gets managed”.
6.3. MAJOR RECOMMENDATIONS FOR INDUSTRIES

Following are the Major Suggestions to improve the Performance Measurement of Selected SEZ Units and to achieve vision and mission which they have set up.

- Instructor and Worker should be aware about BSC techniques.

- Both Kandla SEZ and Mundra SEZ Units should be realizing the Importance of Striking a Balance (assigning weights) between Financial and Non-Financial Measures.

- Kandla SEZ and Mundra SEZ units should focus on Increase in Profit and Increase its Market Share as an objective to improve its Financial Measures.

- Both, SEZ units should focus on Quality of Products & Services and Customer Satisfaction as an objective to improve its Non-Financial Measures.

- Top Management should focus on Employee Productivity and Employee Satisfaction for improving its Performance in Learning and Growth Perspective.

- Top Management should also focus on Productivity & Cost Reduction and Relationship with Employees as well as External Source for Improving its Internal Business Process Perspective.

- SEZ units should focus on Customer Loyalty and Timing for New Launched Product as indicator for improving its Performance in Customer Perspective.

- Both, Mundra SEZ and Kandla SEZ units should focus on Return on Earnings and Net Profit as Key Performance Indicator for improving its Performance Financial Perspective.

- Both, SEZ Units should refer to the Key Factors; when they develop corporate strategies to create a spirited advantage. The Classification of these suggested factors could be changed as per the needs of various units.
As per AHP Model, Both Kandla SEZ and Mundra SEZ Units should give first Priority to Net Profit and Return on Investment & Earnings as those are main Key Performance Indicators of Financial Perspective.

As per AHP Model, Both Kandla SEZ and Mundra SEZ Units should give first Priority to Employee’s Continuity and Perceived Value as Key Performance Indicators of Learning & Growth Perspective.

As per AHP Model, Both SEZ Units should give first Priority to Product service Quality with On-Time Delivery and R & D Efficiency as main Key Performance Indicators from the point of Internal Business Process Perspective.

As per AHP Model, Kandla SEZ and Mundra SEZ Units should give first Priority to Brand Image & Reputation and CSR Policy as Key Performing Indicator of Customer Perspective.

SEZ Units should focus to Bottom Layer of Workers and arrange Motivational Sessions to Improve Employee Continuity & Satisfaction to explore beneficiary results in Learning & Growth Perspective.

Both, Kandla SEZ and Mundra SEZ Units should consider Healthy Relations with Suppliers to Improve Customer Satisfaction to explore beneficiary results in Customer Perspective.

SEZ Units should work directly with Technological Teams and Experts in Particular Field to Design Transparent Policies for Improving Manufacturing Learning and Technology Leadership to explore beneficiary results in Learning & Growth Perspective.

SEZ Units should work directly with Financial Agencies or Merchant for Improving Return on Investment and Earnings to explore beneficiary results in Financial Perspective.

For the improvement of Performance Measurement in SEZ Units; following suggestion have been given:
❖ Performance must be evaluated, regularly and scientifically, of all employees and at all levels.

❖ Performance rating must be communicated in time to the respective employees.

❖ Both, Mundra SEZ and Kandla SEZ units should take initiative for more Training Programmes on Entrepreneurship Development to encourage young Entrepreneurs especially in the SEZ Sector. As it is a booming zone, it will provide more Employment Opportunities.

❖ The SEZ units will take set off with Creation of Joint Ventures like Amalgamation, Mergers, Holding and Subsidiary companies with local SEZ units with Foreign Companies to attract EXIM policy.

❖ The SEZ units should also recognize that a Business Process should be more transparent to raise Profits Spectacularly by Reformation Operations, Improving Quality, and Eliminating Defects or Mistakes.
6.4. FURTHER SCOPE OF RESEARCH

The Researcher indicates the following as areas of further research:

- Performance Measurement of Indian SEZ – A Comparative Study between Traditional Method (Financial) and BSC (Both Financial and Non-Financial).

- Performance Measurement of Hospital Sector, Bank Sector, and Education Sector applying with Balanced Scorecard Approach – A Study Selected of Hospitals, Banks and Schools & Colleges in Gujarat State.