

# Managerial effectiveness in indian organizations management essay

[Profession](#), [Manager](#)



**Purpose-** This paper seeks to explore the dimensions of managerial effectiveness within the context of Indian organization and to analyze the impact of experience and level of manager (senior, middle, junior) on their overall effectiveness, and also to compare the female and male counterparts.

**Design/Methodology/ approach-** This study based on Mott's scale to explore the dimensions of managerial effectiveness adopted by managers while discharging their functions and responsibilities. The scale is used to analyze overall effectiveness and also subsets of effectiveness i. e. productivity (three items), flexibility (three items), and adaptability (two items).

**Findings-** Results of study presents a pattern of relationship between dimensions of managerial effectiveness within the context of Indian organization.

**Practical implications-** Study through its empirical evidences provide a clear picture of managerial effectiveness perception of Indian managers at different level and further help managers to improve his/her managerial performance.

**Originality/ Value-** The study enrich the existing literature and theories of managerial effectiveness and provide understanding of the issue of managerial effectiveness in Indian organization.

**Keywords-** Managerial effectiveness, Indian organization, productivity, adaptability, flexibility, responsiveness, resources.

Paper Type- research paper.

## **Introduction**

With Increasing cut throat competition and dynamic business environment around the globe Organizations require a team of effective managers to run the day to day operations. Managers play significant role in the development, formulation, and execution of the organization's long as well as short term strategies that determines the organization's success. As mentioned by the Peter F. Drucker; " Management is a dynamic, life giving element in every business; without it the resources cannot be converted into high production". There are many attributes which are the necessities of time and critical to delivering improved results, effective operations, and programs (Kotter, 1995; Hacker and Washington, 2003). In the ever changing business environment and with increased dependency of business' on information technology, managers are required to sort-out new ways to facilitate production and sustainable growth of self as well as of the organization. Regardless of its increasing importance, the field of managerial effectiveness has been neglected as compared to other issues of management (Willcocks, 1992). So it is the need of the hour to study managerial effectiveness in a new dimension and dynamic business environment.

## **Managerial Effectiveness**

The concept of managerial effectiveness has always been a big issue of concern for academicians, scholars and practitioners. The problem is mostly attributed to the presence of a great deal of misunderstanding and

vagueness regarding “ What is Effectiveness?” and “ who is an effective manager?” (Brodie and Bennett, 1979, p. 14). Due to its complex nature and vast sphere, in literature managerial effectiveness has been defined in different ways (Langford, 1979). Brodie and Benett (1979, p. 14) defined it as, “ results and consequences, bringing about effects, in relation to purpose, and giving validity to particular activities”. Reddin (1974) explained managerial effectiveness as the degree to which managers achieve the output requirements corresponding to their respective positions. In other words it is the act of fulfilling multiple expectations rather than optimizing one (Kirchoff, 1977), while Drucker (1988) termed effectiveness as the foundation of success. Boyatzis (1982, p. 35) underlined effectiveness as qualities, intrinsic abilities or personality strengths of an individual. Mintzberg (1973, p. 24) defined effective manager as one who identifies the need to understand the functions and uses the available resources to carry out managerial functions. Rastogi and Dave (2004) explained effectiveness as something a manager generates from a situation by managing it appropriately, and thereby achieving the targets in every sphere of the organization.

Managers have many resources and authorities at their disposal and the performance of any organization is largely dependent on how well these resources have been utilized (Rastogi and Dave, 2004). So, the ability of the managers and the techniques to increase their degree of effectiveness is becoming important day by day (Analoui, 1997). “ Why organizations need effective and skilled executives?” because effectiveness is a key component

which enables an executive for effectual operation and delivery of complex initiatives (Analoui et al. 2010). Effective managers also provide leadership to the business and help in achieving core objectives of the organization. Drucker (1967, p. 1) explained that an executive is expected to get the right things done and this is simply saying that he is expected to be effective.

So from the available literature study it can be concluded that there have been as many explanations as there are researchers in the field, and there is not a single clear cut definition for managerial effectiveness, which could be single handedly applied in every aspect of management.

Comprehensive review of literature reveals the three important perspectives of research areas of the managerial effectiveness are Conventional Perspective, Organizational level proficiency based perspective and individual level competency based perspective. Conventional approach stresses the ability to set and achieve goals (Bartol and Martin, 1991, p. 11) and explains that it is the managerial effectiveness which is responsible for organizational effectiveness. The organizational level proficiency based theory explains that internal and external factors have influence on long term future orientation of the organizations. Organization's mission, vision, and strategic plan formulation plays vital role in achieving future goals. This approach further divulges that any organization incorporates the internal resources i. e. man, material, money, machinery, know-how and the external surroundings as a system to accomplish tactical intent. The individual competency approach focuses upon the individuals rather than the

association of external actors and puts stress on the enhancement of convenient management skills and tactics.

Katz (1974) allied manager's job with three major dimensions-technical, conceptual, and human. So it can be said that the efficiency of any organization can be amplified by the effective union of all the above three dimensions. Analoui (1995, 1997, 1999, and 2007) proposed following eight parameters (i. e. Managerial perception; The need for managerial skills; Organizational criteria; Motivation; Degree of " demands" and " constraints"; Presence of " choices" and " opportunities"; Nature of intra- and inter-organizational relationships; and Dominant managerial philosophy) of managerial effectiveness and explored that personal, organizational and environmental contextual factors influenced these parameters significantly. Mott (1971) also developed an instrument to measure managerial effectiveness and identified productivity, adaptability, flexibility as the dimension of managerial effectiveness, while in another study, Jain (1999) has recognized three dimensions of executive effectiveness namely functional, interpersonal, and personal effectiveness.

Drucker (2006) further identified the following eight factors : need identification, familiarity with organization culture and climate, development of action plans, responsiveness towards decisions, effective communication, taking advantage on opportunity, productive meetings and, team work, which are very common and enables the executive with required content knowledge and also helps him in translation of this knowledge into advantageous output. Sen and Saxsena (1999) enrich the list by adding i. e.

do right things; focus on self contribution; time handling; motivational aspect; management of change; value system and ethics; as some important traits of an effective manager. In another study, Bao (2009) explored that provisions of necessary resources, appropriate staffing, training, and setting achievable goals are the factors that are able to promote managerial effectiveness. Stewart (1991, p. 102) pointed that demand, constraints, and available choices of jobs are three important elements that are required in order to be an effective manager.

The above discussion suggests that different researchers have highlighted different dimensions and aspects of managerial effectiveness and also suggests mapping of the degree of effectiveness of any individual basis not only on his skills, knowledge and personal competencies but also on his interpersonal interactions and the ways how he manages his team.

### **Scope of the study**

Managers have been defined as those who organize business activities and every organization depends on managers. With growing competition, boom in information technology and availability of substitute products and services, job of a manager has become very complex and important. Not only the organization but also the development of any nation depends upon the effectiveness and contribution of its people. India is being a rapidly growing country and with different dynamic market forces (i. e. science and technical breakthrough, economical growth, infrastructure development, flow of FDI, Global Mergers and acquisition of firms etc.) increasing in number and tendency, needs organizations equipped with effective and efficient

managers who can optimally utilize the available resources, and can contribute in the national development. So, it is very important to explore the perception of Indian managers towards different dimensions of managerial effectiveness.

## **Objectives and Aims of Study**

Main objective of this paper is:

To explore the perception of managers towards dimensions of managerial effectiveness.

To investigate the managerial effectiveness perception of managers at different level (senior level, middle level, and junior level)

To compare managerial effectiveness perception of male and female managers in Indian organization.

## **Research Methodology**

### **Sample, Size and Instrument**

The study targeted all level of managers (senior, middle, and junior level) in large public and private sector companies in India and based on primary data. A survey was carried by means of a self administered and open ended scale developed and validated by Mott (1971). The scale basically divided in to three subscales (productivity, adaptability, and flexibility) consisting of eight items. The Cronbach alpha for the present scale is . 78 as overall effectiveness scale. After establishing rapport, the subjects are asked to tick mark his or her choice against any of the five statements in each set. Scoring



for the scale was done manually after getting response. There is no right or wrong answer to the statements or items. A total 63 response collected from 16 Indian (Service and manufacturing both) organizations (Details given in Table I).

After collection of response data was initially administered by using Factor analysis, average and means. Factor analysis was used to reduce the dimensions of the factors and also to explain the variance in the observed variables in terms of latent factors (Kundu, 2003). Finally mean of the overall scale used to interpret managerial effectiveness with experience, position held by executive.

### **Profile of Respondents: Position, Gender and Age**

A large fraction (Table II) of the respondent were male (N= 52; 82. 5%) and female comprise small fraction (N= 11; 17. 5%). Age profile of respondent varies with the youngest manager at 24 and oldest executive at 57 years old with average age of 40 years. All the respondents have some experience of work which varies between a range of 1 year to 34 years and with an average value of 16 years of experience. Most of the respondent (N= 30) held senior level position, small portion (N= 10) held junior level position and remaining (N= 23) belongs to the middle level position.

### **Analysis and Results**

Since the objective of this study is to find out the dimensions of managerial effectiveness. To achieve this, factor analysis has been used for data analysis. Before employing factor analysis data was examined whether the

size of sample is adequate to run factor analysis and outputs shows that the Kaiser-Meyer-Olkin (KMO=. 703) value is near to 1 and indicates that the patterns of correlations are condensed. Bartlett's test of sphericity with approximated chi square value 91. 068 and with 28 degree of freedom, which is significant at the 0. 05 level and held the factor analysis appropriate.

A total of 8 variables regarding perception of managerial effectiveness were subjected to principal component analysis with varimax rotation by using the factors with eigen value more than 1. 00 were retained. Harman (1976) indicated that factors with Loading score greater 0. 29 at the 0. 05 level were significant but in this study the factors having loading greater than 0. 4 were considered and included to define the factor. Factor analysis has extracted a good amount of variance with values of communalities vary from 0. 465 to 0. 838. Three factors were extracted on the basis of eigen value criterion more than 1 (ranging from 1. 058 to 2. 790) and explaining 63. 334% of variance. Table III gives rotated loading of variables for extracted three factors, Eigen value, and variance explained by each factors.

At last on the basis of results from statistical analysis (Table III) of primary data a total of three factors are extracted and explained hereunder.

## **Productivity**

This is first factor which shows highest value of variance and measure the productivity in terms of physical output of product and service delivered.

This factor also includes using new method of production for capacity

enhancement, optimum and efficient utilization of resources, and problem anticipation.

### **Adaptability**

Second important factor with variance value 15. 237% includes the variables i. e. acceptance of new system & design, and adjustment to new work situation.

### **Quality & Flexibility**

The last one includes two variables each for quality and flexibility and measure the perception of employees towards work quality, and coping with new emergencies rapidly and successfully.

Table IV shows the pattern of correlation between the items/variables measured reveals the correlation among eight items/variables used in the study. It can be observed that variable 6 (acceptance of change) has highest correlation with Variable 7 (adjustment to new situation) with a correlation coefficient of . 450 ( $p > . 01$ ) followed by variable 1 (productivity) with variable 5 (change management). Table further reveals that highest correlation is observed among variable 2 (quality) and variable 8 (damage control) with a value of . 405 and followed by variable 1 (productivity) and variable 4 (problem solving) and further with variable 4 and variable 5. Overall correlation matrix reveals the association among variables is statically significant.

Table V shows the mean value of overall managerial perception of managers held different position and having varying work experience. It shows

managers at senior level (with mean value 3.42) have significant in compare to junior level (with mean value 3.06) but very little low than managers at middle level (mean value 3.5). The overall mean value of scale is (with mean value 3.40) very near to mean value of senior managers but significantly differ in the case of junior level managers. Their managerial perception lies below the average score. Managers at middle level have larger value than total mean value of overall scale and they also show greater perception than both other levels. But it gives contrary results with increasing work experience, from junior to middle level it increases but from middle to senior level it falls again. Results also show that mean value (3.42) of overall perception of managerial effectiveness remains above from mean value of total sample (3.40) and the mean value of male participants (3.36) remains little somewhat lower than mean value of total sample (3.40). Average work experience of male (26) and female (9) participant support that it has no a significant impact on overall managerial perception.

## **Discussion**

This study provides an overview of managerial (senior, middle, and junior level) effectiveness perception. A scale consisting of subscale (productivity, adaptability, and flexibility) and eight variables used to get responses from the sample. Mott (1971) grouped these eight variables under three factors i. e. productivity (three items/variables production output, optimum utilization of resources, and adoption of new method of production), adaptability (three items/variables i. e. quality, problem anticipation, and acceptance of changes) and flexibility (it includes two items/variables adjustment to new

situation and cope with emergencies readily and successfully). Luthans et al. (1988) in his study also explained the same variable and describe a model of managerial effectiveness.

Results of present study reveals the grouping of variables under the factors, factor analysis sorted the three important factor which are explained as productivity (including four items/ variables production output, optimum utilization of resources, and problem anticipation, and adoption of new method of production) As result shown in Table III, productivity has the maximum variance with 34. 881% it shows that managerial productivity is highly related with managerial effectiveness and it is measured by the extent of their output (Laufer and Jenkins 1984; Reddin 1970; Campbell et al. 1970). Analoui (1997) explained that managerial effectiveness is depends on the extent of output of productivity. Dayal also (1984) in his study identified the developing capability of employees as an important dimension; the present study also identified the efficiency of employees as important variable for managerial effectiveness. Productivity of employees in this study includes items i. e. output of products and services, optimum utilization, problem anticipation and adoption of new method for production, these all variables can be concluded under competence of mangers and competence is identified by Gupta (1996) as one of significant dimensions of managerial effectiveness. Labbaf et al. (1996) referred competence as key stone of managerial effectiveness and also mean for improved organizational performance and effectiveness, and this competence further considered to reiterate the overall capability of management.

Another important dimension of managerial importance which appeared from the study is the adaptability (includes two items i. e. acceptance of changes, adjustment to new situation) and it shows some contrasting results from the literature (Mott 1971; Chauhan et al. 2005; Luthans et al. 1988) and only two variable shows significant rotation loading (0. 6978, 0. 907) with factor two adaptability with a variance of 15. 237%. The third factor which evolved from the factor analysis has been named as quality concern and responsiveness and include two variable i. e. quality of services and products, and cope with new emergencies readily and successfully with a variance value of 13. 226%.

The important findings from the study are that this study reassembles the variables/items of original scale with significant alpha value and correlation pattern for perception of managerial effectiveness. The study also (table V) found that effectiveness perception has little significant effect of work experience and position held and increases with the experience. Mean value for overall effectiveness increases from junior level (3. 06) to middle level (3. 5) and again falls from middle to senior level (3. 42). These findings are in tune with Sriastva and Kumar (1984) who explained that junior level executive are less effective than middle level executive. The study also found that overall managerial effectiveness of female managers (mean value 3. 42) is more than their male counterpart (mean value 3. 36) and their overall effectiveness is also greater than the average effectiveness of the whole sample (with mean value 3. 40) and support the view of Schwartz (1992) that if a company attract, promote, reward and values women it will

speaks directly and also provide a evidence for equal opportunity on employment. Overall mean value for the effectiveness remains close to the senior level and middle level and it proves that degree of effectiveness raises with respect to the position of managers in the hierarchy of the organization. Results further explain the if all variables are considered independently than Variable like adjustment to new situation, quality, and optimum utilization of resources (Table III) shows the higher loading value (0.8 <), so it can be concluded as important items which can significantly increase the effectiveness.

## **Conclusion and implications**

The present study aimed to explore the dimensions of managerial effectiveness within the context of Indian organization and to analyze the impact of experience and level of manager (senior, middle, junior) on their overall effectiveness, and also to compare the female and male counterparts.

Results of the study support the findings of other studies and suggest that effectiveness of managers at work place is generally a function of items, and importance of these items vary form manager to manger and from organization to organization, and it is, therefore assumed as the extent to which a mangers achieves. Findings from the study indicate the changed perception of managers in Indian organization from past, the reassemblies of items and emergence of responsiveness as new factor shows it clearly. Each of three factor shows a good value of Cronnbach alpha (productivity 0.78, adaptability 0.69, and quality and responsiveness .74) and validate the

reassembly of items in the factors i. e. productivity, adaptability, and quality and responsiveness.

Furthermore, the study reveals that there is a clear indication that female managers are more effective as compared to their male counterparts and hence strives for increased number of female managers in Indian organization at all level.

Another important finding of the study is that effectiveness is not associated with the age of managers (it increases from junior to middle and again fall from middle to senior level). In case of junior manager the study support that training and development programs can play significant role to raise their effectiveness.

On the basis of review of referred literature and empirical evidence from the study it is concluded that managerial effectiveness can be referred as continuous improvement of the output and it plays an important role in overall organizational effectiveness.

## **9. Scope for Future Research**

The present study is based on the limited number of subjects and targeted organization, and also restricted to geographical boundaries. Further research can be done with large sample size and with more number of organizations. One more important aspect untouched by the study is the moderators and mediators of managerial effectiveness; these can be studied within same context with their degree of influence on effectiveness. Many scholars devised the items to measure the effectiveness (i. e. Analoui, Gupta,



Dhar) but present study based on Mott' scale. More research can be done with other available parameters also.