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**ROLE OF MANAGERS IN ACHIEVING CORPORATE EXCELLENCE – A  
COMPARATIVE STUDY OF HIGH ON EXCELLENCE & LOW ON EXCELLENCE  
ORGANIZATIONS IN INDIA**

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## **ABSTRACT**

It is a known fact that an efficient and effective management of organizational resources can lead organizations towards achieving Corporate Excellence. In that process Managers of organization plays a vital role. This is an empirical study and is and it finds out the shift in roles of managers, from traditional to modern time business. As well as it finds out the difference in management techniques adopted by managers in High on Excellence and Low on Excellence organizations, and to trace the pitfalls lying with the managers of low on excellence organizations. The study has it scope for business houses to know their weak points, if they have performance issues. It also gives suggestive measures to low performing organizations to help them in bettering their performance.

**Key Words:** Corporate Excellence, Organizational Resources, Empirical study, High on Excellence organizations, Low on Excellence organizations.

## **ROLE OF MANAGERS IN ACHIEVING CORPORATE EXCELLENCE – A COMPARATIVE STUDY OF HIGH ON EXCELLENCE & LOW ON EXCELLENCE ORGANIZATIONS IN INDIA**

### **1.0 INTRODUCTION**

In today's dynamic business environment organizations needs to be fast, fluid and flexible for their survival, development and attainment of Corporate Excellence. It is a known fact that survival of organizations is unimaginable without resources, no matter what category they belong to. Resources can be defines as “the tangible and intangible assets a firm uses to choose and implement its strategies” (Barney, 2001: 54), and both category of assets needs to be preserved and should be taken care of. Here starts the role of management, as every distinct category needs to be dealt by the expert of that field, whether it is logistics, finance, production, product/services or human resource

The paper focuses on the role of Human Resource Managers in Indian organizations, who manage the most valuable asset of the organization, i.e. People of the organization, which has evolved over a long period of time right from the period of scientific management by Frederick Winslow Taylor. The label used to describe the management of people at work has been in a state of flux in response to the dynamic business environment. It began as labor administration at the turn of the 20th century, and then changed to labor and staff administration in the 1920s. The label later changed to personnel administration in the 1950s. In the 1960s the descriptor for people management changed to personnel management. In the 1980s as a result of the influence of globalization, the adopted descriptor for the management of people changed to human resource management.

## **2.0. THE CONCEPT OF CORPORATE EXCELLENCE:**

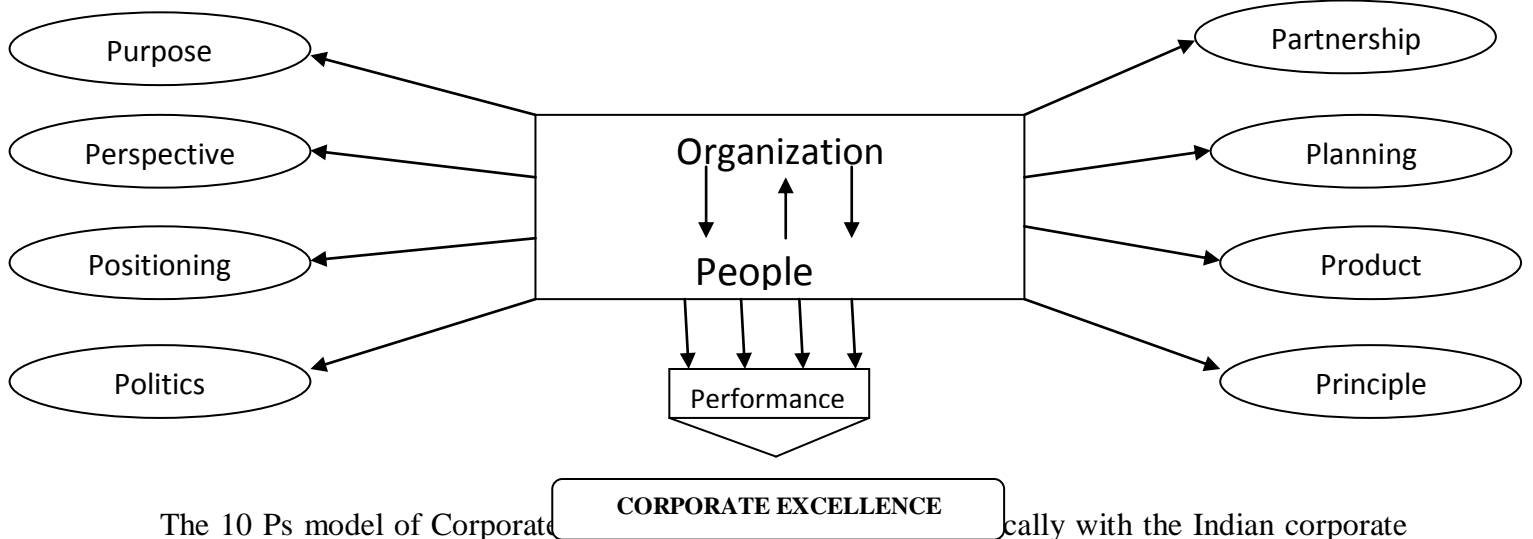
Corporate Excellence has several connotations. Excellence denotes outstanding performance, superior quality, and consistently extraordinary service especially in the face of severe hardships. The word conveys a value driven approach consisting of respect for humanity, compassion, and a creative, positive attitude towards solving problems while achieving rapid growth. Excellence is perfection in a skill.

Corporate Excellence is achieved when an organization is generating the maximum level of profitability possible given the human, capital, financial and other resources it possesses (Luftig, 1998). It is the single most important factor that will separate a global respected company from others who are just about surviving.

### **2.1. 10 Ps Model of Corporate Excellence:**

In any organization the 10 P's are considered to be most important to bring excellence. They are clearly depicted through 'Corporate Excellence Model' (Pattanayak, Biswajeet, Institute of Business Administration & Training Bhubaneswar, (2004), Human Resource Management, Second Edition). The model is as under:

### 10 Ps MODEL OF CORPORATE EXCELLENCE



The 10 Ps model of Corporate Excellence is locally with the Indian corporate executives and found to be reliable and valid. The above model clearly shows that there are various drivers of Corporate Excellence, viz.: Purpose, Perspective, Positioning, Politics, Partnership, Planning, Product, Principles & Performance. But People are at the central position; it is so because people working for the organization play a very important role in planning, strategizing and executing all the above said factors contributing towards Corporate Excellence. As in, the top level management delineates the Purpose and Perspectives of the organization, lay down rules, regulations, norms and guidelines for the people working towards accomplishing organizational goals, plan their activities, design innovative and cost-effective products and guide their people for giving form to the designs, and develop effective positioning strategies of their products, provide adequate respect to the values, culture and beliefs of others in the organization. Indulge into favorable interpersonal relationship with other business partners, and

up bring their employees with same skills in them. Oversee the performance, match them with the standards, mark deviations and take timely corrective actions. Hence, this concludes that all the activities mentioned above are essential for successful functioning of the organization and they depend on the people factor or the Human Resource. Therefore, this can be said that the responsibility of making any organization more or less excellent is shouldered by the people of organizations, and the whole sole responsibility of managing Human Resource lies with Human Resource Managers of the organization, who with their skills make optimum utilization of human resources for the accomplishment of their organizational goals and along with that also nurture the people working under them, guide their performance, mark deviations and also correct them so that their performance can meet the organizational standards.

### **3.0. OBJECTIVES OF THE STUDY:**

- 1) To trace the relationship between Human Resource Management and Corporate Excellence.
- 2) To find out the role played by Human Resource Managers in achieving Corporate Excellence.
- 3) To find out the difference in the functioning of Human Resource Managers in High on Excellence and Low on Excellence organizations.
- 4) To find out the weak points of management in Low on Excellence organization, and provide suggestive measures to bridge the gap between the two.

### **4.0 METHODOLOGY:**

The study was taken up with a question that how managers and their management techniques plays an important role in making an organization excellent. On the other hand the study is also taken up to find out if there exists any difference in the functioning of managers of High on Excellence and Low on Excellence organizations.

#### 4.1 Sample of the Study:

For the present study responses were taken from the top level managers of Six High on Excellence and Six Low on Excellence Organizations with the help of a questionnaire. The sample size was 7 managers from each company, making a total of 42 managers in High on Excellence Organization category and 42 managers in Low on Excellence Organization category, which makes 84 managers on the whole. The criteria for including selected companies in the sample are shown in the table below:

**Table1: Shows the Criteria for selection of Sample for Research**

<b>HIGH ON EXCELLNCE</b>	<b>LOW ON EXCELLENCE</b>
Turnover- Above 100 crores	Turnover- Below 100 crores
Net Profit- 20% hike in net profit in current years (2009-10 & 2010-11)	Networth- Does not show any change, or show minimal hike
Employee Turnover- Employee turnover is more than 10,000.	Employee Turnover is less than 1000
Reach- Company braches distributed in many cities of India and even in foreign countries	The reach is within few cities of India but not working in foreign countries
Brand Image- Company is known for its brand	Brand is not very much known and renowned
Awards & Accolades- Company bagged many awards for Company Performance & Excellence	The company history and reports does not show any such award in the name of the company.

## 4.2 Data Collection:

Data was collected with the help of a questionnaire, specially constructed for conducting this study. The tool was based on the 10 P's Model of Corporate Excellence (Pattanayak, Biswajeet, Institute of Business Administration & Training Bhubaneswar,(2004), Human Resource Management, Second Edition). The Questionnaire consists of nine sections and forty-seven questions. The nine sections of this questionnaire depict Nine P's of Model of Corporate Excellence, leaving one P that denotes People; it is so because questions in all the above mentioned categories revolve around the people itself.

## 4.3 Piloting:

After construction of the tool it became necessary to calculate the reliability of questionnaire to find out that how stable and trustworthy the tool is. Reliability of the questionnaire was calculated using Cronbach's Alpha and Split Half reliability methods. For this an initial piloting was done and responses were taken from 32 managers. Value of Cronbach's Alpha was found to be (0.920) showing Excellent Internal Consistency. Similarly value for Split Half Reliability was found to be (0.02= 0.4748, 0.01= 0.5200, 0.002= 0.6070) showing reliability at all the three levels. Thereafter, Final Survey was done with both High on Excellence Organizations and Low on Excellence Organizations. They organizations were:

### High on Excellence Organizations:

1. Steel Authority of India Ltd. (SAIL)
2. Indian Oil Corporation of India Ltd. (IOCL)
3. Power Grid Corporation of India Ltd.

4. Luxor Pens & Writing Instruments

5. Maruti Suzuki Ltd.

6. Mahindra Lifespaces

### Low on Excellence Organizations:

1. ITI Ltd.
2. Scooter's India Ltd.
3. MTS Telecommunications
4. S&P Infrastructures
5. Bentex Switchgears
6. InfoSoft Technologies

## 5.0. HYPOTHESIS TESTING AND INTERPRETATION:

For testing the above mentioned hypothesis, analysis of the collected data was done by applying statistical tools. The tool applied for the present study is independent sample t test, which assesses whether the means of two groups are statistically different from each other. This analysis is appropriate whenever we want to compare the means of two groups. Further in this section a detailed interpretation of the analysis is given for each hypothesis one after the other.

Hypothesis 1: There will be a significant difference in the clarity of purpose in managers of High and Low Excellence organizations.

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	40.45	3.437	82	9.870	< .001
Low on Excellence	29.36	6.423			

This clarifies that Managers from organization High on Excellence perceive the purpose as a norm and follow it with alacrity and clarity. As these purposes are based on foresights which are tested from before, they find themselves fit with the Mission & Vision of their organization and find them contributing towards their personal growth plans. On the other hand organizations Low on Excellence are not very high on profitability. Hence, they are always experimenting with new purposes, and do not possess clarity and surety in terms of paths of Excellence. Hence, hypothesis H<sub>1</sub> is accepted.



Hypothesis 2: There will be a significant difference in the clarity of perspectives in managers of High and Low Excellence organizations.

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	22.52	2.006	82	7.737	< .001
Low on Excellence	17.38	2.937			

The findings reveal that the managers of High on Excellence organizations were significantly high on clarity of perspectives regarding their goals as compared to managers of Low on Excellence Organizations. The former rarely find perspectives of their employees conflicting with their organizational perspectives. It is also found that managers of High on Excellence organizations are more people oriented as compared to Task oriented managers of Low on Excellence organization. Therefore, the hypothesis  $H_2$  is accepted.

Hypothesis 3: There will be a significant difference in positioning strategy of managers of High and Low Excellence organization

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	21.76	2.438	82	9.294	< .001
Low on Excellence	15.29	3.802			

Significant difference was observed between managers of High and Low on Excellence Organizations in term of the image of their company and the products they are selling in the market. Managers of High on Excellence organization also involve their employees in creating their brand image, and the employees themselves take initiative to do so. But

managers of Low on Excellence organizations give lesser chance to their employees to give their say in this aspect of business; hence, employees also do not take initiative by themselves. Therefore, the hypothesis H<sub>3</sub> is accepted.

Hypothesis 4: There will be a significant difference in clarity of policies in managers of High and Low Excellence organizations.

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	21.57	2.931	82	5.185	< .001
Low on Excellence	18.36	2.748			

This shows that Managers of High on Excellence Organizations differed significantly from managers of Low on Excellence organizations in keeping a check on employees so that they strictly adhere to the rules, regulations and policies of the organization and the employees indulge into judicious expedient behavior. But the scenario is found to be contradictory with Managers of Low on Excellence organizations, where not much importance was given to providing rewards for adherence of rules, regulation and policies, and punishments for disobeying the same. Therefore, the hypothesis H<sub>4</sub> is accepted.

Hypothesis 5: There will be a significant difference in the partnership polices adopted by managers of High and Low Excellence organizations

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	21.17	4.161	82	8.655	< .001
Low on Excellence	16.26	3.069			

The findings reveal that managers of High on Excellence organizations were capable of building much favorable public relations; they indulge in successful joint businesses with other similar organizations and also sustain the partnership. Often they build partnership with their own employees by issuing shares of the company to them. They initiate in building joint businesses together with rising organizations and not only established organizations. On the other hand managers of Low on Excellence organization lag behind in building favorable public relations, they don't indulge much in joint business and face hurdles in sustaining it. If they get into joint businesses they prefer established organizations to shake hands with. Therefore, Hypothesis H<sub>5</sub> is accepted.

Hypothesis 6: There will be a significant difference in planning process adopted by managers of High and Low Excellence organizations.

	Mean	SD	df	T	Sig. (2 tailed)
High on Excellence	19.83	2.388	82	6.571	< .001
Low on Excellence	16.02	2.901			

This shows that Managers whether of High on Excellence or Low on Excellence organization consider planning to be a very important step for efficient management. But a significant difference occurs when it comes to molding their employees to execute those plans well by providing proper assistance to them and also in translating their plans into business policies. It is also found that managers of High on Excellence organizations were more open to make

flexible plans to incorporate changes if required, unlike managers of Low on Excellence Organizations. Therefore, the hypothesis H<sub>6</sub> is accepted.

Hypothesis 7: There will be a significant difference in the principles & value system of managers in High and Low Excellence organizations

	Mean	SD	df	T	Sig. (2 tailed)
High on Excellence	18.60	2.108	82	6.253	< .001
Low on Excellence	15.07	2.983			

The findings reveal that there is a significant difference in the organizational values, culture and philosophy adopted by managers of High on Excellence organization and a Low on Excellence organization. The former give more importance to the ethics that result into lesser disputes and conflicts among their employees as compared to the later. Therefore, the hypothesis H<sub>7</sub> is accepted.

Hypothesis 8: There will be a significant difference in products/service designed by managers in High and Low Excellence organizations.

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	16.83	2.908	82	2.575	< .001
Low on Excellence	15.40	2.183			

This category of findings reveal that the managers of High on Excellence organization innovate more, believe in producing/providing customized products/services, face lesser

complaints about quality of products/services and adopt Just in Time approach in product/service delivery. On the other hand managers of Low on Excellence organization hesitate a bit in innovating and experimenting with their products & services, sometimes face complaints of their customers about the quality of their products/services and also delay in providing services in time. Therefore, the hypothesis H<sub>8</sub> is accepted.

Hypothesis 9: There will be a significant difference in performance management strategies adopted by managers in High and Low Excellence organizations.

	Mean	SD	df	t	Sig. (2 tailed)
High on Excellence	18.74	2.996	82	5.465	< .001
Low on Excellence	15.83	2.419			

The above findings shows that Performance Management strategies are used by managers of both, High as well as Low on Excellence organizations but managers of high excellence organizations revealed significantly higher score on it compared to managers of low excellence organizations. The difference lies in the extent with which managers can sensitize their employees to mend their performance if deviations occur, by providing timely feedback, rewarding high performers and guiding low performers. Therefore, the hypothesis H<sub>9</sub> is accepted.

## 7.0. CONCLUSION & SUGGESTIONS:

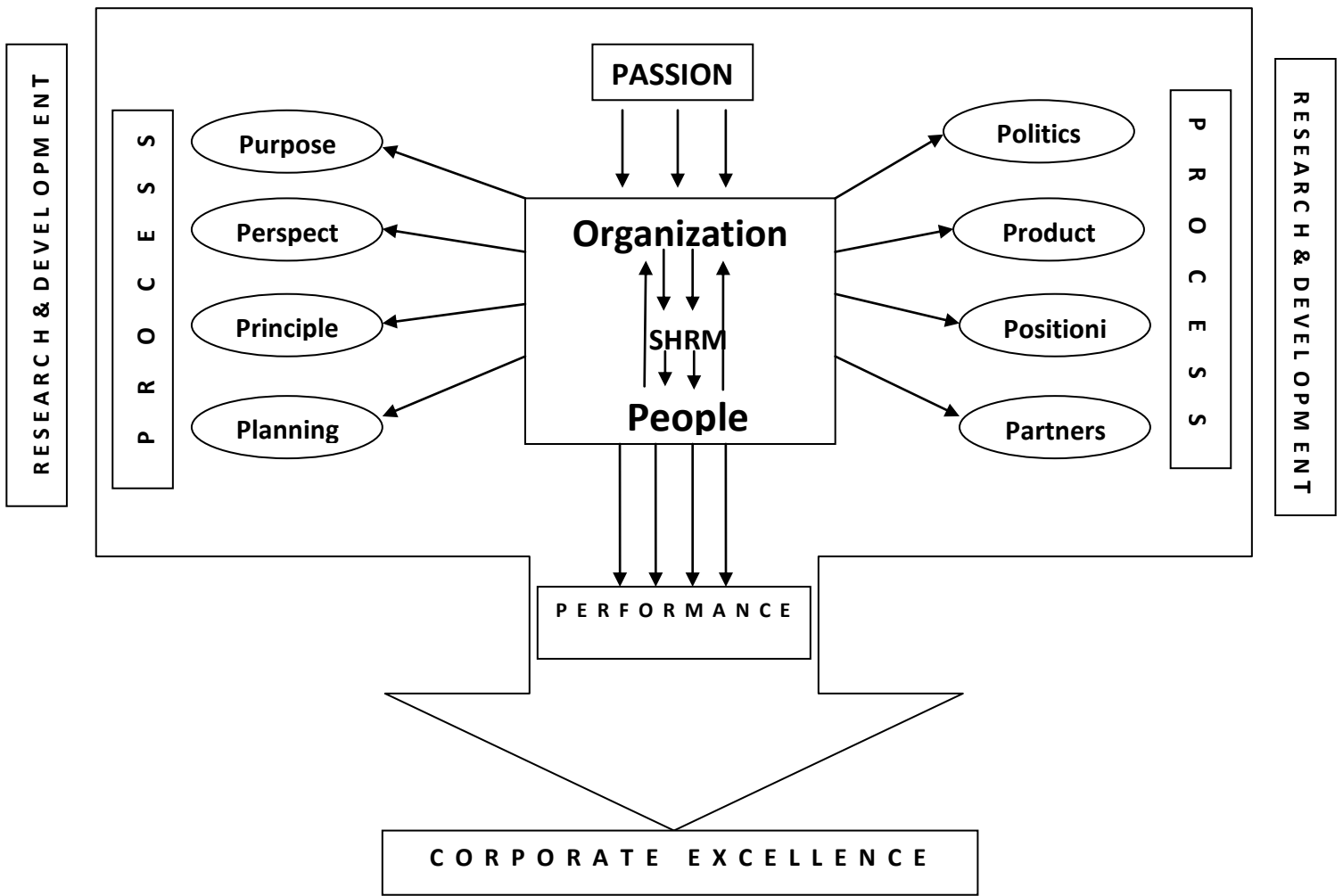
The paper can be concluded by saying that excellence is achievable, only right step in the right direction, at the right time, by the right person has to be initiated, and a Manager's task is to guide people and throw light on the right path. Excellence is efficiency and efficacy of

activities, which a manager will bring in to the organization. It has been rightly said that secrets of Corporate Excellence will be found with few simple knots, like Productivity, Profitability, Effectiveness, Performance, Quality, Innovation and so on. These things will sparingly be achieved when managers will build a system with people having same bent of mind and they place importance to the above mentioned attributes while performing their roles and duties.

In the study a remarkable difference is observed between the two categories of organizations in almost every aspect shown in Corporate Excellence Model, and to bridge the existing gap certain suggestive measures can be suggested for managers of low on excellence organizations, which they may adopt for their betterment. The suggestions are as under:

- 1) The managers should make the purpose, perspectives and policies of the organizations clear to their employees.
- 2) The managers should try to quit old rule of thumb and should be open to adopt innovation in the products and services they are designing..
- 3) The managers should try to indulge into favorable partnership business with excellent firms, so that they can get an opportunity to learn from their experience.
- 4) The managers should try to inbuilt ethics in their employees and should respect the value system of their employees.
- 5) The managers should adopt adequate performance management strategies.

I N N O V A T I O N



Then in the process of collecting responses from the managers, some inputs were gathered from them regarding the factors that can drive excellence even higher in today's time. Hence, getting inspired with that an attempt has been made to incorporate those additional factors in the original 10 P's Model of Corporate Excellence and re-modified it accordingly to make it more appropriate and best fit in today's business world. The Model is shown above.

In the above model firstly, the sequence of the original P's are changed to give it a logical flow. Secondly, two more P's are added i.e. Passion and Process, which explains that only a passionate manager can embed in their employees the same passion towards their work. And Process is placed in such manner that it shows its impact on all the other P's of the model. Innovation and Research & Development are the two other additions were made in the model as two most important ingredients of today's successful business. And lastly, SHRM is placed between people and organization so that HR activities in the organization are more strategized.

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