

**SELECT ASPECTS OF ORGANIZATIONAL
EFFECTIVENESS IN FOOD PROCESSING ENTERPRISES
- A DIAGNOSTIC STUDY**

By

RUCHI SRIVASTAVA

Department of Management Studies

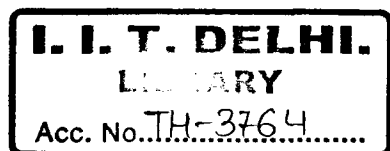
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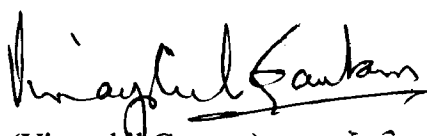


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CERTIFICATE

The thesis entitled 'Select Aspects of Organizational Effectiveness in Food Processing Enterprises - A Diagnostic Study', being submitted by Ms. Ruchi Srivastava to the Indian Institute of Technology, Delhi, for the award of the degree of Doctor of Philosophy, is a record of *bona fide* research carried out by her. She has worked under my guidance and supervision and has fulfilled all the requirements for the submission of the thesis, which has attained the standard required for a Ph.D. degree of the Institute. The results presented in the thesis have not been submitted elsewhere for the award of any degree or diploma.



(Vinayshri Gautam)

Ph.D., FRAS (London)

A. Al-Sager Chair Professor

Department of Management Studies

Indian Institute of Technology

New Delhi-110016

India



(Kirankumar Momaya)

Ph.D.,

Associate Professor

Department of Management Studies

Indian Institute of Technology

New Delhi-110016

India

Place: New Delhi

Date: 21st May 2009

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ABSTRACT

Organizational effectiveness is central to organizational studies because the ultimate objective of any organization is to be effectively doing what it is doing. The concept of organizational effectiveness has not been sufficiently investigated by researchers in the food-processing sector. It is important to conduct research on organizational effectiveness in the food-processing sector because India is one of the major producers of food in the world (ranking first in milk and tea and second in fruits and vegetables) but is still in a nascent stage of development with regard to its food processing industry. The present study attempts to fill this research gap in organizational effectiveness assessment and studies in food-processing enterprises in India.

This study examines organizational effectiveness in select organizations of the Indian food processing industry using an appropriate research framework. The subject organizations are prominent export oriented fruit and vegetable processing enterprises, with their home offices located in Maharashtra and Karnataka. This research is a mix of exploratory, diagnostic and descriptive research. It used a suitable mix of quantitative and qualitative approaches.

The measures of organizational effectiveness were defined according to the participant satisfaction model. Return on Investments, Employee Satisfaction and Customer Satisfaction were studied as the measures of organizational effectiveness. The factors which were studied across organizations for their effect on organization effectiveness are internal communication, human resources development, organizational structure, organizational health and work design. The specialized factors that were studied for their

effect on organizational effectiveness are quality management, agri-resource acquisitions, customer orientation, technology and product innovation. For the former set of five factors, factor analysis, correlation and regression analysis was done. Internal communication was determined as the most important factor impacting all the three measures of organizational effectiveness. If the weightage of employee satisfaction, ROI and customer satisfaction, for assessment of organizational effectiveness, are taken as equal, then the order of importance of the five factors is : internal communication > work design > organizational structure > human resources development > organizational health. Based on this statistical analysis, triangulated with qualitative analysis, a number of recommendations have been made for the food industry.

The specialized factors were studied using non-parametric testing and the results were corroborated with the findings of qualitative analysis. Agri-resource management clearly stood out as a function very critical to organizational effectiveness. Customer orientation and quality management were found to be higher priority factors than product innovation and technology in the gherkin processing companies. The possible justifications have been provided.

A comparative analysis of organizational effectiveness of the three comparable organizations, namely X, Y and Z , was done for the status of five specialized functions. It was determined that organization X was more effective than Y, which was more effective than Z on all the three measures, namely, employee satisfaction, ROI and customer satisfaction. This result was supported by qualitative and quantitative findings regarding the five specialized factors.

A validated framework is presented, which can be used for assessment of organizational effectiveness or action research in food processing companies. The study would have implications on the food processing enterprises in India. Organizations that endeavour to enhance their effectiveness can opt for effectiveness study of their company and map the grey areas where they need to improve. This study can be gainfully utilized to provide policy recommendations to the Ministry of Food Processing Industries also.

TABLE OF CONTENTS

CERTIFICATE	i
ACKNOWLEDGEMENTS	ii
ABSTRACT	iv
TABLE OF CONTENTS	vii
LIST OF FIGURES	x
LIST OF TABLES	xii
ABBREVIATIONS	xiv
 CHAPTER I: INTRODUCTION	 1-13
1.1 Introduction	2
1.2 Need for the Study	5
1.3 Research Questions	9
1.4 Objectives of the Study	9
1.5 Scope of the Study	10
1.6 Focus of the Study	10
1.7 Brief Outline of the Methodology	11
1.8 Organization of the Thesis	11
1.9 Closing Remarks	13
 CHAPTER II: REVIEW OF LITERATURE	 14-37
2.1 Introduction	15
2.2 Definition of Organizational Effectiveness	15
2.3 The Concept of Organizational Effectiveness	17
2.4 Models of Organizational Effectiveness	21
2.5 Viewpoints on Organizational Effectiveness - A Snapshot	29
2.6 Criteria of Organizational Effectiveness	31
2.7 Evaluation of Organizational Effectiveness	32
2.8 Problems in Measuring Organizational Effectiveness	33
2.9 Lack of Consensus and it's Justification	35
2.10 Guidelines for Circumscription of Organizational Effectiveness	36
2.11 Closing Remarks	37
 CHAPTER III: RESEARCH FRAMEWORK AND METHODOLOGY	 38-73
3.1 Introduction	39
3.2 Circumscribing the Construct of Organizational Effectiveness	40
3.3 Measures of Organizational Effectiveness	42
3.4 Factors Affecting Organizational Effectiveness	43
3.5 Organizational Effectiveness in Food Processing Enterprises: Measures, Factors and a Research Framework	46
3.6 Closing Remarks on Research Framework	54

3.7	Methodology	55
3.8	Research Design	61
3.9	Respondents Profile	65
3.10	Closing Remarks	73
CHAPTER IV: FOOD PROCESSING SECTOR AND CASE PROFILE		74-128
4.1	Introduction to the Food Processing Sector	75
4.2	Fruit and Vegetable Sub-Sector	76
4.3	Political – Economical – Socio-cultural – Technological (PEST) Analysis of the Food Processing Sector	79
4.4	Gherkin and Fruit Processing Sub – Sectors	86
4.5	Case Profiles	87
4.6	Merit of Selection of Subject Organizations	88
4.7	Case Profile: Organization A	90
4.8	Case Profile: Organization X	100
4.9	Case Profile: Organization Y	109
4.10	Case Profile: Organization Z	116
4.11	Select Learning from Case Profiles	124
4.12	Closing Remarks	128
CHAPTER V: ANALYSIS OF SOME FACTORS STUDIED ACROSS THE ORGANIZATIONS		130-173
5.1	Introduction	131
5.2	Hypotheses Formulation	131
5.3	Data Reduction	133
5.3.1	Human Resource Development	134
5.3.2	Work Design	137
5.3.3	Organization Structure	140
5.3.4	Internal Communication	143
5.3.5	Organization Health	146
5.3.6	Employee Satisfaction	149
5.3.7	Customer Satisfaction	151
5.4	Pearson Correlation	153
5.5	Regression Analysis	156
5.5.1	Employee Satisfaction	157
5.5.2	Customer Satisfaction	161
5.5.3	Return on Investments	165
5.6	Testing of Hypotheses and Discussion of Results	169
5.7	Closing Remarks	173

CHAPTER VI: STUDY OF SOME SPECIALIZED FACTORS AND A COMPARISON OF ORGANIZATIONS: AN EFFECTIVENESS PERSPECTIVE 175-193

6.1	Introduction	176
6.2	Non-Parametric Testing	176
6.3	Organizational Effectiveness of X, Y and Z	177
6.4	Kruskal-Wallis Test for Agri- Resource Acquisition	178
6.5	Kruskal-Wallis Test for Quality Management	181
6.6	Kruskal-Wallis Test for Technology	183
6.7	Kruskal-Wallis Test for Product Innovation	187
6.8	Kruskal-Wallis Test for Customer Orientation	189
6.9	Discussion of Results	191
6.10	Closing Remarks	193

CHAPTER VII: SUMMARY OF FINDINGS, RECOMMENDATIONS AND IMPLICATIONS 194-205

7.1	Introduction	195
7.2	Summary of Findings	195
7.2.1	Measures of and Factors Affecting Organizational Effectiveness	196
7.2.2	Framework for Assessment of Organizational Effectiveness for Indian Food Processing Enterprises	196
7.2.3	Statistical Models of Performance of Measures of Organizational Effectiveness and Prioritization of Factors from an Effectiveness Perspective	197
7.2.4	Comparison of Organizations X, Y and Z	198
7.3	Recommendations	200
7.4	Implications of the Study	203
7.5	Limitations of the Study	203
7.6	Significant Research Contributions	204
7.7	Directions for Future Work	204
7.8	Closing Remarks	205

REFERENCES 206-213

APPENDICES A-H 214-232

CURRICULUM VITAE OF THE AUTHOR 233