

**ORGANIZATIONAL EFFECTIVENESS OF SELECT
INDIAN SOCIAL SECURITY ORGANIZATIONS -
A DIAGNOSTIC STUDY**

By

**SHARAD SINGH
Department of Management Studies**

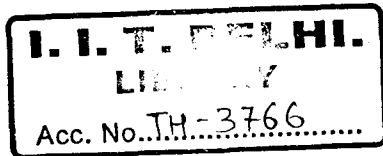
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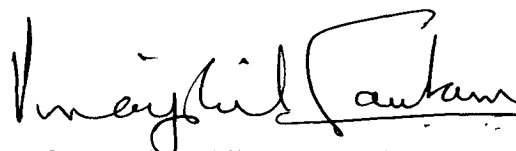
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CERTIFICATE

The thesis entitled “Organizational Effectiveness of Select Indian Social Security Organizations-A Diagnostic Study” being submitted by Mr. Sharad Singh to the Indian Institute of Technology, Delhi, for the award of degree of Doctor of Philosophy, is a record of bona fide research carried out by him. He has worked under my guidance and supervision and has fulfilled all the requirements for the submission of 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.

Place: New Delhi

Dated: 16th March, 2009



(Professor Vinayshil Gautam, Ph.D.)

Department of Management Studies

Indian Institute of Technology, Delhi

New Delhi-110016

India

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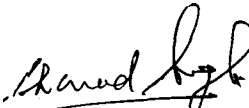
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ABSTRACT

Effectiveness is the ultimate justification for continuance of an organization. Social security organizations in India are facing problems related to increasing number of membership, rising expectations of the customers for better services and higher returns and heightened pressure of stakeholders for reduction in administrative cost. There is a growing concern about the viability and performance of these organizations. The present study was an endeavor to examine the state of organizational effectiveness of select Indian social security organizations (SSOs) through an appropriate model. The select organizations are two largest SSOs in India-Employees' Provident Fund Organization (EPFO) and Employees' State Insurance Corporation (ESIC). The survey for the study included members of all the important stakeholders, like employees of SSOs, members of the schemes being implemented by SSOs and their employers. The methodology adopted for the study was a mix of the quantitative and the qualitative approaches. The study applied the measures of customer (members & employers) satisfaction and employee satisfaction for exploring the state of organizational effectiveness of SSOs in India. The factors that were tested are: (a) customer focus (b) quality of schemes (c) application of ITES (d) select dimensions of organizational structure and (e) select organizational processes. The study validated the satisfaction of customers and employees as determinant of organizational effectiveness of SSOs. The study led to the identification of customer focus as key determinant of customers' satisfaction in SSOs. Significant correlation was found among the variables of customer focus, quality of schemes, select

dimensions of organizational structure and processes and satisfaction of important stakeholders. The study has identified the grievance redressal services as weakest area of operation in the select organizations. The study would have significant implications for SSOs. They would be required to have an effective system of ensuring enhanced participation of and consultation with stakeholders, viz. members, employers and employees in the process of formulation and modification of their schemes. They should strive for technological up gradation to improve the quality of service delivery system including grievance redressal mechanism. There is a valid need to identify core areas and develop related capabilities. Actuarial, investment and accounting capabilities have been found to be specifically relevant for SSOs. Empowerment and competitive compensation system have been identified as major factors of employees' satisfaction that affects the organizational effectiveness of SSOs. There is an observed and verified gap of second line of leadership in the SSOs. This needs to be addressed through devolution of powers and appropriate training and development. Significant zone wise variations in the perception of factors of organizational effectiveness of customers have been observed. Similar variations have been found in the perception of employees of SSOs age and length of service wise. This study has attempted to provide an integrated understanding on the issue of organizational effectiveness with reference to the satisfaction of strategic constituencies of the SSOs and its relationship with variables of quality of schemes, service delivery system, strategic orientation, organizational structure and processes.

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