

**ORGANIZATIONAL EFFECTIVENESS : A STUDY ON A PUBLIC SECTOR
AND A PRIVATE SECTOR ORGANIZATION**

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SUBMITTED

**IN FULFILMENT OF THE REQUIREMENTS FOR DEGREE OF
DOCTOR OF PHILOSOPHY**

**TO THE
INDIAN INSTITUTE OF TECHNOLOGY
NEW DELHI**

DECEMBER 1984

C E R T I F I C A T E

This is to certify that the thesis entitled "Organisational Effectiveness : A Study on a Public Sector and a Private Sector Organisation" being submitted by Usha Sunderarajan to the Indian Institute of Technology, New Delhi for the award of the degree of Doctor of Philosophy is a record of bonafide research work carried out by her. Usha Sunderarajan has worked under our guidance and supervision and has fulfilled the requirements for submission of this thesis, which to our knowledge has reached the requisite standard.

The results contained in this thesis have not been submitted in part or in full to any other University or Institute for award of any degree or diploma.

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ACKNOWLEDGEMENTS

This thesis has been possible due largely to the able guidance of my supervisors, Dr. Purnima Mathur and co-supervisor Dr. Anuradha Sharma. Their deep insight and wide knowledge of the subject helped me immensely. Their comments have also been invaluable in refining the thesis.

Thanks are due to Hindustan Cocoa Products Limited (Cadbury India Limited) for awarding me a scholarship without which I would not have been able to undertake the thesis.

The two organisations from which I collected data have been most co-operative. In spite of the preoccupation with their jobs, all the managers contacted devoted considerable time for my work.

Mr. B.S. Nagi of the Council for Social Development provided invaluable assistance for computer analysis of the data.

I would not have been able to complete the thesis within this time without the help of my parents who looked after my children, my husband who painstakingly went through every draft of the thesis and my children who patiently put up with their mother's preoccupation.

It is not possible to mention names of all others who gave willingly of their time - some patiently typed numerous drafts of the thesis and others helped in procuring reference books.

This thesis is truly a reflection of others' efforts that not only eased my load at moments when I needed respite most but also provided me with the motivation to carry on despite difficulties at several stages. I cannot adequately express my gratitude to all these people for their support and inspiration.

ABSTRACT

The study of Organisational Effectiveness has acquired great importance in recent times because of an organisation's contribution to national development.

A review of literature on organisational effectiveness reveals that there are various approaches and numerous indicators of effectiveness depending on the objectives of the study and type of organisation. However, there is no consensus on factors which contribute to effectiveness.

Therefore, this study has been undertaken with the objectives of determining factors which

- a) contribute to effectiveness of organisations and
- b) account for difference in effectiveness of public and private sector organisations.

A model was developed with structural, policy, behavioural, climate and environmental factors as correlators of effectiveness. Measures of effectiveness used were profits, turnover, customer evaluation and room occupancy.

Data was collected from 276 managers of a public and private sector hotel organisation by means of a questionnaire and personal interviews.

Statistical and multivariate techniques were used to analyse the data separately for public sector and private sector. On factor analysis, five factors emerged as possible predictors of effectiveness entitled Management style, Decentralization, Risk-taking ability, Communication and Leadership style. These factors along with Job Involvement were used in correlational analysis.

In public sector Management style was found to be significantly correlated with room occupancy and Leadership style with profits and turnover. In private sector Decentralization and Job Involvement were significantly correlated with profits, turnover and room occupancy and Risk-taking ability with turnover and room occupancy. Factors which were significantly different in public and private sector were Management style, Risk-taking ability, Communication and Leadership Style. Some differences were also observed between managers grouped on the basis of age, work experience, frequency of promotions, level of need fulfilment and type of job. Thus, some of the hypothesis formulated for the study were substantiated.

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