

Assessing organizational performance on the basis of Demographical variations (A case study of Nestle India Limited, Nanjangud)

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Introduction

Organizational performance comprises of the actual output or results of an organization as measured against its intended outputs. Even though organizational performance is assessed based on financial indicators, the contribution of employees also ought to be important. Hence, it can also be viewed that the performance of an organization depends on the effective and efficient performance of its employees as well. Therefore, performance of employees can also be considered as a predictor of organizations performance.

The performance of employees in organization depends on various factors like Work environment, organizational culture and climate, facilities provided to employees, compensation structure of the organization, recognition for the employees' work and so on. Amongst all these factors, the present study has considered Leadership, Organizational culture and creativity as the performance indicators of organization

Leadership

An organization without a visionary leader is like a boat without a rudder. The work environment prevailing in organizations depends on the vision and direction of a leader. It's a practical skill and an art to get things done the way it needs to be done. Leaders in organizations exhibits different leadership style – Autocratic, Democratic, Transformational, Transactional and laissez faire style. But it totally depends on the leader as to which leadership style to adopt depending on the situation.

Organization Culture

Organizational culture defines the organization's values, beliefs, assumptions, norms and philosophies that guide the behavior of employees in organization. These can be written or unwritten and are developed over a period of time. Communicating this workplace culture to employees is a huge challenge for leaders.

Creativity

Creativity is a phenomenon that generates and turns imaginative ideas into reality. Quite often nurturing the creativity of employees is challenging for leaders. Organizations having creative employees will have competitive advantage over organizations that do not have.

Statement of the Problem

Reviews of Literature indicates that organizational performance depends on various factors like organization's adaptability to change, technological updation, appropriate diagnosis of the internal and external environment, competitor's analysis and likewise. In the present study, an attempt is made to identify and assess how demographical variations among employees will contribute towards organizational performance

Research objective

- To study the Organizational performance among demographic classification of the employees.

Scope of the study

The primary focus of the study is to assess the performance of organization based on demographical variations. To do so, the researcher has collected the data from respondents belonging to supervisory and middle level of the hierarchy working at Nestle India Limited, Nanjangud.

Research Methodology

Research design

To accomplish the purpose of the study, exploratory research design was used where the hypotheses were being tested using suitable statistical tools and the obtained results were tabulated to draw the inferences.

Sampling technique

The objective of the study was fulfilled by collecting responses from the respondents. For this, the researcher has employed stratified sampling technique. The two strata considered were supervisory level and middle level of the hierarchy. Then, simple random sampling was used among these two strata.

Sample size

A sample of 100 respondents belonging to supervisory and middle level of the hierarchy working at Nestle India Limited, Nanjangud was selected.

Hypothesis

H1: There was no significant mean difference in Organizational performance score among different Age group employees

H2: There was no significant mean difference in Organizational performance score among different Educational qualification group employees

H3: There was no significant mean difference in Organizational performance score among different Experience group employees

Data collection

To carry out the study both primary and secondary sources of data were collected. Primary source of data was collected through well structured questionnaire. To prepare the questionnaire, the researcher had interviewed the HR officials and based on the input given, it was prepared. Secondary source of data were collected through various journals, magazines and research articles which was used for the compilation of data.

Questionnaire

A well structured questionnaire was prepared in consultation with HR experts to carry out the study. The questionnaire comprised of two sections: Section A and Section B. Section A comprised of demographic details like age, gender, experience and educational qualification. Section B comprised of 25 questions pertaining to organizational performance. The latent variables selected for organizational performance includes Leadership, Organizational culture and creativity Likert's 5 point rating scale was used in the questionnaire to assimilate the responses.

Statistical tools used

The analysis of the data was carried by using descriptive statistics and one way ANOVA as statistical tools.

Data analysis and interpretation

Demographic classification:

Age group:

Age					
Age group		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	25-35	53	53.0	53.0	53.0
	35-45	36	36.0	36.0	89.0
	>45	11	11.0	11.0	100.0
	Total	100	100.0	100.0	

Among 100 employees, 53 (53%) were aged between 25-35 years, 36 (36%) were aged between 35-45 years and 11 (11%) were aged above 45 years.

Education Qualification:

Table 2					
Education Qualification					
Qualification		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	UG	49	49.0	49.0	49.0
	PG	27	27.0	27.0	76.0
	Others	24	24.0	24.0	100.0
	Total	100	100.0	100.0	

Among 100 employees, 49 (49%) were undergraduates, 27 (27%) were having Post graduation and 24 (24%) were having other qualifications.

**Experience:**

Table 3					
Experience					
Experience		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<5	44	44.0	44.0	44.0
	5-15	41	41.0	41.0	85.0
	>15	15	15.0	15.0	100.0
	Total	100	100.0	100.0	

Among 100 respondents, 44 (44%) were having less than 5 years of experience, 41 (41%) were having experience between 5-15 years of experience and 15 (15%) were having experience more than 15 years.

To test the hypotheses, One-way ANOVA was used.

Age group:

To test H1, One-way ANOVA was used and the computations made were tabulated in table 4.

Table 4					
ANOVA					
Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	333.338	2	166.669	76.511	.000
Within Groups	211.302	97	2.178		
Total	544.640	99			

Since $P = 0.00 < 0.05$, the test was significant at 5% levels, that is, there exists significant mean difference in Organizational performance score among different age groups at 5% levels.

Post Hoc tests indicated that there exists significant mean difference in Organizational performance between 25-35 years group and 35-45 years group; between 25-35 years group and >45 years group at 5% levels.

Educational qualification:

To test H2, One-way ANOVA was used and the computations made were tabulated in table 5.

Table 5					
ANOVA					
Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	62.617	2	31.308	6.300	.003
Within Groups	482.023	97	4.969		
Total	544.640	99			

Since $P = 0.003 < 0.05$, the test was significant at 5% levels, that is, there exists significant mean difference in Organizational performance score among different Educational qualification groups at 5% levels.

Post Hoc tests indicated that there exists significant mean difference in Organizational performance between UG group and PG group; between UG group and Other qualification group at 5% levels.

Experience:

To test H3, One-way ANOVA was used and the computations made were tabulated in table 6.

Table 6					
ANOVA					
Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	48.211	2	24.105	4.710	.011
Within Groups	496.429	97	5.118		
Total	544.640	99			

Since $P = 0.011 < 0.05$, the test was significant at 5% levels, that is, there exists significant mean difference in Organizational performance score among different Experience groups at 5% levels.

Post Hoc tests indicated that there exists significant mean difference in Organizational performance between <5 years' Experience group and 5-15 years' Experience group.

Findings

1. Since $P = 0.00 < 0.05$, the test was significant at 5% levels, that is, there exists significant mean difference in Organizational performance score among different age groups at 5% levels. Post Hoc tests indicated that there exists significant mean difference in Organizational performance between 25-35 years group and 35-45 years group; between 25-35 years group and >45 years group at 5% levels.
2. Since $P = 0.00 < 0.05$, the test was significant at 5% levels, that is, there exists significant mean difference in Organizational performance score among different Educational qualification groups at 5% levels. Post Hoc tests indicated that there exists significant mean difference in Organizational performance between UG group and PG group; between UG years' group and Other qualification group at 5% levels.
3. Since $P = 0.00 < 0.05$, the test was significant at 5% levels, that is, there exists significant mean difference in Organizational performance score among different Experience groups at 5% levels. Post Hoc tests indicated that there exists significant mean difference in Organizational performance between <5 years' Experience group and 5-15years' Experience group.

Conclusion

From the data analyzed, it can be interpreted that there exists significant differences in organizational performance based on the demographical classification of age, education qualification and experience. Post hoc test also indicates that specifically there exist differences between people belonging to the age group 25-35 & 35-45 and 25-35 & above 45 in their contribution towards organizational performance. It is also identified that there exist differences between people having UG & PG degree and UG & other qualification in their contribution towards organizational performance. Further it is also seen that there exists difference between people having less than 5 years & 5-15 years of experience contribute differently towards organizational performance.

References

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