



MANAGERIAL PERFORMANCE LEADING TO
ORGANIZATIONAL EFFECTIVENESS IN THE PRIVATE
SECTOR MANUFACTURING FIRMS

29868

#

IN
SRI LANKA

Susil Kumar Kindelpitiya
(RJT/PGDM/2001/20)

ACC NO.	29868
CALL NO.	658.4 KIN



A thesis submitted for MBA degree program of the Faculty of Management Studies, Rajarata University of Sri Lanka in partial fulfillment of the requirements for the degree of Master of Business Administration.

Abstract

The purpose of this study was to investigate the impact of managerial performance and its dimensions on organizational performance in medium and large scale private sector manufacturing firms in Sri Lanka. Performance in Planning, Investigating, Coordinating, Evaluating, Supervising, Staffing, Negotiating and Representing were considered as the independent variable and organizational effectiveness was considered as the dependent variable.

The sample was 100 randomly selected managers in medium and large scale private sector manufacturing firms in Sri Lanka. A questionnaire with three sections was used to collect the data from the managers. 120 questionnaires were distributed among the managers. The response rate of the managers was 83%. Respondents were asked to indicate their agreement or disagreement on Five Point Likert Scale as the scaling method. The measurement scale for independent and dependent variables were "Interval".

The data was analyzed using *Statistical Package for Social Sciences* (SPSS) Version 17. Mean Score and Standard Deviation were used for all the variables for univariate analysis and correlation coefficient, simple and multiple regression were used for bivariate analysis. The hypotheses were tested using the Pearson Product Movement Correlation Coefficient (r) and Beta value (β) for test the relationship between independent and dependent variables.

The findings indicated that the level of managerial performance in the manufacturing sector was in high level. The positive significant relationships were found between each independent variable. The finding clearly indicated that the level of managerial performance has been changed due to gender, age, educational level and working experience of the respondents.

The results of correlation analysis illustrated that there was a positive relationships between performance in planning and organizational effectiveness, investigating and organizational effectiveness, coordinating and organizational effectiveness, evaluating and organizational effectiveness, supervising and organizational effectiveness, staffing and organizational effectiveness, negotiating and organizational effectiveness, representing and organizational effectiveness and overall managerial performance and organizational effectiveness.

TABLE OF CONTENTS

List of Tables

List of Figures

CHAPTER ONE – INTRODUCTION

1.1 Introduction	1
1.2 Background of the research problem	1
1.3 Problem statement	5
1.4 Significance of the study	7
1.5 Research Questions	9
1.6 Objectives of the study	9
1.7 Hypotheses	10
1.8 Methodology	10
1.9 Limitations	11
1.10 Organization of the research	11
1.11 Summary	12

CHAPTER TWO - LITERATURE REVIEW

2.1 Introduction	13
2.2 Models of organizational effectiveness	13
2.2.1 The goal attainment model	13
2.2.2 The system resource model	15
2.2.3 The criticism on goal setting and system model	17
2.2.4 Multiple - constituency approach to effectiveness	17
2.3 Definition of organizational effectiveness	21
2.4 Dimensions of organizational effectiveness	23
2.5 Factors influencing organizational effectiveness	28
2.6 The manager and the management job	30
2.7 Definitions of managerial performance	34

2.8 Dimensions of managerial performance	38
2.9 Antecedence of managerial performance	42
2.10 Relationship between MP and OE	42

CHAPTER THREE – METHODOLOGY

3.1 Introduction	47
3.2 Theoretical Framework	47
3.3 Hypotheses development	48
3.4 Operationalization of research variables	49
3.4.1 Operationalization of managerial performance	49
3.4.1.1 Planning	50
3.4.1.2 Investigating	50
3.4.1.3 Coordinating	50
3.4.1.4 Evaluating	50
3.4.1.5 Supervising	50
3.4.1.6 Staffing	50
3.4.1.7 Negotiating	51
3.4.1.8 Representing	51
3.4.2 Operationalization of organizational effectiveness	51
3.4.2.1 Competitive advantage	51
3.4.2.2 Innovation	51
3.4.2.3 Process improvement	52
3.5 Research Design	52
3.5.1 The nature of the study	52
3.5.2 Unit of analysis	52
3.6 Population and sample	53
3.6.1 Population	53
3.6.2 Sample	53
3.6.3 The sampling method	53
3.7 Construction of the questionnaire	55

3.8 Method of Measurements	56
3.8.1 Measuring the Independent Variables	56
3.8.2 Measuring the Dependent Variable	57
3.8.3 Measuring the Demographic Characteristics of the Managers	58
3.9 Measurement Scales of Variables	58
3.10 Method of Scaling	59
3.11 Collection of Data	60
3.11.1 Questionnaire Administration for Managers	60
3.12 Handling of Returned Questionnaire and Data	60
3.13 Method of Data analysis	61
3.13.1 Descriptive Statistics	61
3.13.2 Decision Rules	61
3.13.3 Inferential Statistics	62
3.14 Hypotheses Testing	62
3.14.1 Decision rule	62
3.15 Chapter Summary	62

CHAPTER FOUR - RESULTS AND DATA PRESENTATION

4.1 Introduction	63
4.2 Validity and Reliability of the instrument	63
4.2.1 Validity	63
4.2.2 Reliability	64
4.3 The rate of the respondents	66
4.4 Respondents' characteristics	66
4.4.1 Managers' characteristics	66
4.4.1.1 Distribution of managers by age	66
4.4.1.2 Distribution of managers by gender	67
4.4.1.3 Distribution of managers by marital status	67
4.4.1.4 Distribution of managers by educational qualifications	67
4.4.1.5 Distribution of managers by working experience	68
4.5 Descriptive statistics	68
4.5.1 The descriptive statistics for independent variables	69

4.5.2 The descriptive statistics for dependent variable	70
4.5.3 Managerial performance and demographic variables	71
4.5.3.1 Managerial performance and gender	72
4.5.3.2 Managerial Performance and Marital Status	73
4.5.3.3 Managerial performance and Age	74
4.5.3.4 Managerial Performance and the Ed. Qualifications	75
4.5.3.5 Managerial Performance and the Working Experience	76
4.6 The inferential statistics	76
4.6.1 Correlation between independent variables	77
4.7 Hypotheses testing	77
4.7.1 Performance in planning and organizational effectiveness	78
4.7.2 Performance in investigating and organizational effectiveness	79
4.7.3 Performance in coordinating and organizational effectiveness	80
4.7.4 Performance in evaluating and organizational effectiveness	81
4.7.5 Performance in supervising and organizational effectiveness	82
4.7.6 Performance in staffing and organizational effectiveness	83
4.7.7 Performance in negotiating and organizational effectiveness	84
4.7.8 Performance in representing and organizational effectiveness	85
4.7.9 Overall MP and OE	86
4.8 Discussion of the findings of hypotheses	86
4.9 Chapter summary	89
CHAPTER FIVE - CONCLUSION AND RECOMMENDATION	
5.1 Introduction	90
5.2 Conclusion	90
5.3 Recommendation	91
5.3.1 General Recommendations	91
5.3.2 Research Recommendations	93
5.4 Limitation	95
5.5 Further research	95
LIST OF REFERENCES	97
ANNEXURE	I-IV