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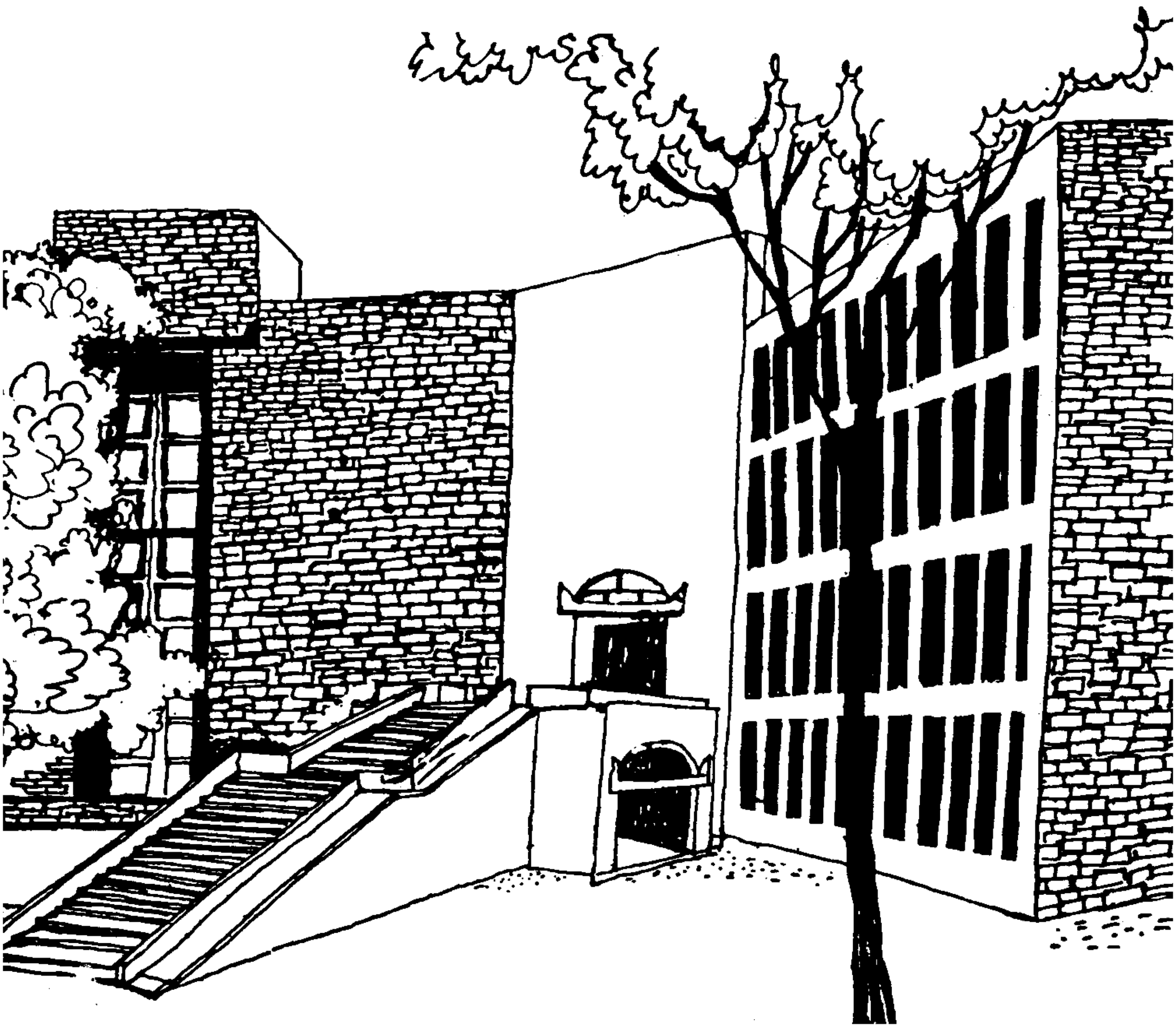

ORGANISATIONAL PERFORMANCE ANALYSIS:
A DIFFERENT PERSPECTIVE

By

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ABSTRACT

The paper discusses the issue of organisational performance analysis in view of already existing theoretical and empirical research in the areas of economic theory, industrial economics, and organisation behaviour. It is proposed that the theories of existence of firm, individual behaviour in a collective effort and industrial performance together can form a basis for further research.

Acknowledgement

The authors are thankful to Anujayesh Krishna and D. Durga Prasad for helpful comments.

I. INTRODUCTION

Organisations are considered to be 'ultra stable systems' that are either adapting themselves to the changing environment or attempting to impact the environment to suit their requirements. A large amount of research effort has been invested in identifying various dimensions that characteristise successful or effective organisations. These terms have, however, proved to be elusive and have come to have a number of meanings across disciplines.

For instance, economists have been concerned with economic performance; organisation theorists with organisational effectiveness; and finance theorists with value of firm's securities in the capital market. Consequently, a large number of factors have staked their claim for being the measures of performance.

Cameron [6] and Cameron and Whetten [7,8] argue that multiple conceptulizations of organisation, unknown and unbounded construct space of organisation effectiveness, and the inability to identify the criteria for organisation effectiveness being used by various constituencies have resulted in a lack of consensus on the definition of the term effectiveness.

The attempt in this paper is to put together the research outcomes in the different disciplines so as to identify the processes underlying the functioning of an organisation and investigate the possibility of developing a model for organisational performance analysis[1]. The scope of the analysis is restricted to industrial organisations. The terms organisation and firm are used interchangeably.

The paper discusses the explanation for existence of firm, an alternative for organising the economic activity, as against the assumption of carrying (economic activity) out in the form of autonomous contracts in the market. The received economic theory even when it accepted the existence of firm (as an organisation form comprising of a set of individuals), assumed that the decision making unit comprises of only a utility maximising individual entrepreneur. It is only with the advent of behavioural theory of the firm that the existence of multiple interest groups was recognised and the decision-making unit was assumed to be constituted by a dominant coalition. At this stage profit maximization, as an organisation objective, received a back-seat (at least in theory). A large number of alternatives were suggested as organisation objectives. Section III of our paper discusses these issues. It is argued that the main objective of an organisation is survival and growth. The actions that help achieve this objective can be termed as instrumental objectives. Following Mohr [28], these actions are, "the inducements (that) will be sufficient to evoke adequate contributions from all member of the organisational coalition." And it is probably due to the existence of a large number of instrumental goals that the issue of objective of organisations has got clouded with confusion. For example, if we assume that improving the return on investment without a disproportionate increase in risk is an organisation objective, all the organisation effort and action that helps achieve this objective can be termed as a set of instrumental goals. At yet another level of abstraction, improvement in return on investment itself can be considered as an instrument for ensuring organisation survival and growth in the long run. Section IV outlines the nature of the process generating organisation effort that intends to impact the organisation environment with an objective to ensure long-run survival and growth. It discusses the guiding forces behind organisation structure and systems, and also the issue of commiting the desired level of individual effort to the ahievement of organisation objective. It is argued that the level of such a commitment would depend on the ability of the individuals to organise themselves in a way that caters to the three motivational states of each of them. The penultimate section of the paper discusses the proposed outline for an organisation performance analysis model that is founded on the theories of existence of firm. It is argued that though the firm results in an increased potential for risk-bearing and utility generating capacity, such a potential is realisable only when the required level of individual effort that constitutes the organisation effort is committed. It is the realised potential that determines the relative efficiency of the investment policies which would contribute towards ensuring the survival and the growth of an organisation in the long run.

II THEORIES OF EXISTENCE OF THE FIRM

Prof. Frank Knight [22] and Prof. Ronald Coase [9] have provided explanation for existence of firm in uncertainty and transaction costs, respectively. According to Prof. Knight the firm owes its existence to the superior ability it provides, to the individuals in dealing with uncertainty, through the processess of specialisation and consolidation. Specialisation enables the individuals to economise on the use of resources in creating products that provide net additional utility to the economic system. Profit is a compensation for bearing the uncertainty that entails the process of creation[2]. Consolidation increases the loss bearing capacity of the individuals.

The transaction cost explanation of Prof. Coase, on the other hand, views market and organisation as alternative methods of arranging economic activity. That is, an autonomous contract in the market is replaced by a structured relationship (firm) in situations where it is not possible to specify, at the time of execution, all the future states of the world and the action to be taken by each of the parties (to the contact) towards the performance of the contract due to their inability to foresee the state that is likely to obtain in the future.

Both these theories suggest environmental uncertainty to be the principal cause of existence of firm. The former view stresses the importance of consolidation and specialisation processes that result into risk-sharing. The latter view sees the firm as an attempt at cost minimisation with specialisation being the basis of organising. The reference here is to Prof. Williamson's principle of 'hierarchical decomposition of internal organisation'. He suggests a broad specialisation between operational and strategic activities in an organisation, with information flow and incentive aligned in a way to ensure achievement of both local (business unit or division) and corporate goals. The problem of incentive alignment is, however, to be examined in the light of 'bounded rationality'[3], 'opportunistic behaviour' [4], and 'information' impactedness [5]. Such a behaviour, however, originates in the uncertainty that surrounds a transaction and the specific investment that needs to be committed to carry out that transaction. It is in this context that Prof. Williamson [38] argues for minimization of the total of transaction and production costs.

III. ORGANISATION OBJECTIVES: THE ISSUE OF MULTIPLICITY

In the view of the existence of a large degree of specialisation, the modern organisation draws its resources from more than one source, i.e., creditors, owners, customers, employees, government, etc. Therefore, the question is: which constituent's (stakeholder's) objectives represent the firm's objectives? Is it all of them or only the owners or a coalition of some of them?

The classical economic theory, developed in the context of individual ownership, stresses the relevance of owner's objectives, i.e., maximisation of profits. Finance theorists argue for the need to maximise owners' wealth.

The behavioural theory of firm[6] suggests the existence of coalitions within a firm. Such multiplicity of coalitions is found to result in multiple objectives. Since all the objectives can not be pursued simultaneously, it is the objective of the dominant coalition that gets pursued. This view argues for a revision (from profit maximisation) in the goal of an organisation because the payments to the contracted factors are far from being the incidental distribution of a 'fixed transferable booty.' In fact, decisions regarding such distribution are said to constitute the core of the goal specification process. This approach views organisations as cooperatives and not as the engineered mechanical systems. In other words, the prominence is given to the human aspects than to the mechanistic approach of the early 19th century. It also recognises the potential for internal conflict and suggests that the conflict is never resolved. The conflict is inherent in the nature of organisation form itself and members can only attempt to keep it within acceptable limits so that it does not become dysfunctional. The important survival strategy, from this viewpoint, is accumulation of 'organisation slack', i.e., building up reserves.

The conflict-of-interest-hypothesis was first discussed by Berle and Means [4] by recognising the separation of ownership and control. The control, according to them, had tended to concentrate in the hands of managers who had little or no stake in the ownership of the firm. This hypothesis has been the basis of a considerable amount of research. In fact, a number of theories have been suggested under the broad category of managerial theories of the firm[7]. These theories outline the objectives that the managers are likely to pursue in the wake of lack of control on their actions. The reason being a pursuit of self-interest by managers. Yet another view, which Berle and Means outlined in their conclusions, is that the firms pursue much broader objectives, i.e., the objectives of various stakeholders in the organisations. The literature in strategic management field also emphasises the need for considering the requirements arising out of the needs of the external environment[8]. The summary, by Lawrisky [25], of research on this issue of conflict-of-interest, however, provides no clear evidence of such a conflict.

The organisations, in real life seem to be able to balance all these diverse requirements and, consequently, continue to survive and grow. As for the pursuit of the interests of owners, it could be argued that pursuit of ownership objectives also involves a conflict between the interests of the old and the new owners, for the ownership structure in large publicly owned firms is subject to continuous change due to transactions among investors in the capital markets. In addition, there is a general reluctance on the part of small shareholders to take an active part in managing the firm. They are quite happy, if the capital market is able to provide them the required return. The average investor can, therefore, be assumed to be primarily concerned with the survival of the firm, and thereafter growth which is essential for survival in a competitive environment.

The research in industrial economics indicates that the growth is achieved by building 'market power' that enables the investments of one firm to be more efficient than that of the other. By investments, we mean the expenditure on research and development, market development, plant and machinery and human resources. The findings indicate a definite relationship between profitability and size, between profitability and intensity of research and development and market expenditure, and profitability and product differentiation. The size is also found to be inversely related to the variability of a firm's profits. Hay and Morris [17] provide an excellent summary of the findings.

Large imbalanced investments in these assets (tangible as well as intangible), however, constrain the firm's ability to respond to the fast changing environment. It is in this light that we refer to return on investment as a possible organisational objective.

In effect, what we expect is that the firms with consensus regarding their objectives (i.e., which constituent's objectives will be followed and to what extent) would find it easy to 'survive and grow'. The internal conflicts as to whose and what objectives are to be pursued may make a bad beginning even under the monopoly conditions[9].

IV. NATURE OF THE PROCESS UNDERLYING ORGANISATION EFFORT

The policy formulation process in a firm can be said to involve an identification of the environmental conditions that are likely to obtain in an unknown (in fact, unknowable) future so as to decide the nature and the amount of resources that the firm needs to commit for ensuring the achievement of its objective of survival and growth.

GUIDING FORCE BEHIND CONTROL STRUCTURE

As mentioned earlier, the firm is just an instrument for minimising the impact of uncertainty through risk-sharing and results into high degree of specialisation among members of an organisation. The degree of specialisation increases further with the size and the complexity of operations. The result is the increased interdependence among various individuals and business units within the organisation. This necessitates effective participation in the business activities by all the levels, and the internal structure of the organisation is expected to facilitate such participation. This is why, probably, the structure has been found to be a function of the firm size, degree of complexity of its operations and the degree of specialisation. Joan Woodward [40] suggested that the technology is an important variable in determining the form of organisation. The bureaucracy appeared to work best for routine activities, whereas, temporary work groups and decentralisation with emphasis on interpersonnel interaction where decisions of certain kind are left to the group, appeared to work best for non-routine operations.

The realisation that technology is one of the determinants of internal structure raised a question: How should a firm be organised if it has both routine and non-routine units within each of its divisions? James Thompson [35] proposed a design incorporating different degrees of inter-dependence among units and identified two types of rationalities in the organisations -- technological and managerial. He argued that technical rationality, though, an essential component, is not sufficient in itself to provide organisation rationality which involves acquiring inputs and dispensing the outputs. Organisational rationality requires that input, technological(processing), and output activities are geared to each other. Organisations are found to use a wide variety of devices for converting the fluctuating input and output conditions into steady conditions,for example, maintenance of inventories, off-seson discounts, sub-contracting,etc. The choices from a large set of options that get implemented would be one of the factors that could determine the organisational performance.

GUIDING FORCE BEHIND MEMBER BEHAVIOUR

The critical success factor in any design exercise is the understanding of behaviour that underlies the organisational effort, i.e., we need to understand the impact of these inter-dependencies on the member-behaviour. The behaviour in organisations is only partly structurally determined. It is the individual motivations that determine both the elements of structure and the behaviour. Ignoring the behavioural aspects has been found to result in emergence of informal structures that run contrary to the desired design.

One of the most critical inputs that is required for organisation survival and growth is the commitment[10] of specialised skills by each of the members to the achievement of a common goal (survival and growth of the organisation).

The organisation effort will, therefore, have to be directed at preparation of a statement of implementable plans and developing an understanding of each member's motivations and preference, for it is these preferences and motivations that determine the nature (amount and time) of commitment of personal resources to the organisation. The increased level of specialisation works as a double-edged sword for the employees as well as the firm. That is, if the services of each individual are viewed as a specialised product, the individual can, on one hand, reap the benefits arising out of product differentiation (implying that he can command a premium for being one of few specialists), and, on the other hand, he subjects himself to potential manipulation (since specialisation requires building up a firm specific skill). The degree of manipulation and the resulting benefits, of course, depend on the degree of specificity of skill and the labour market conditions. Such a situation is characterised as a struggle for appropriating the 'quasi-rents' arising due to asset specific investment[11]. Investment in human skills can be expected to provide larger opportunities for expropriation because learning and relearning special skills is a time consuming process.

The 'opportunistic behaviour' could either be attributed to a tendency to deceive others (whenever possible), a mechanism for getting ahead in life (at cost of others), or simply an effort to minimise one's risk, arising out of the asset specificity caused by increased specialisation.

Another peculiarity of any collective effort is its 'public good' nature. That is, it has the same characteristics as the production of a public good. The problem of 'free-riding' results from the inability to exclude the non-contributors, especially at the managerial levels. The source of this inability lies in nature of contracting (fixed remuneration contracts) and the cost of observing individual effort. The individual effort would be subject to sharply decreasing returns unless each of the group members also contributes the required amount. In addition, the individual effort does not entitle him for an exclusive compensation, since he also enjoys the benefits of 'positive externalities' generated by other members' efforts. The existence of 'negative externalities' (negative impact of others' actions) is also not ruled out. Consequently, there is a possibility of a tendency to underproduce the services (decisions or efforts) that entail positive externalities and over-produce the ones that entail negative externalities. The 'shirking' may, therefore, not be due to the basic laziness or tendency to deceive but due to existence of externalities - a view that why let others gain from my efforts, a non-altruistic attitude. Over-producing the decisions entailing 'negative externalities' is, however, also attributable to the tendency of getting ahead at the cost of others. The low or no-effort on the part of certain groups can threaten the very existence of the firm, for the resources of the firm are exhaustible in the short run itself. Experiments in social-psychology, however, show that there is a definite tendency, on part of human beings, to contribute to a joint effort, irrespective of the level of immediate gains. The functional relationship[12] between the individual effort and motivational states is found to be,

Commitment = F [Rational Calculation (Compensation package); Normative values (Self-motivation); Affective Bonds (Emotional attachment to the people around)]

That is, the individual's decision to contribute to an organisation is a function of rational choice, normative conformity, and an affective bonding. Therefore, any organisational arrangement that purposes to bring out the individual's best effort for the organisation perhaps has to cater to the demands from all the three states. The members may, otherwise channelise their efforts towards the achievement of personal objectives.

The failure to consider the individual motivations and the inability to account for externalities arising out of individual decisions may, therefore, be one of the factor responsible for cross sectional differences in organisational performance.

The next logical step in this process is to specify the entitlements (compensation) of individual members, which are a function of the members' past performance (within or outside the present organisation), and the potential the member has demonstrated. A substantial part of entitlements for a majority of members is in a fixed form, i.e., is payable irrespective of his actual current performance and that too before the firm's objectives are realised. The design of compensation packages is made more complicated by our inability to know the past performance (in earlier organisations) of a member, resulting into possibility of adverse selection (a misrepresentation by the prospective employee) if the individual seeking entry into the firm does not reveal his actual performance but projects himself as a potentially resourceful member. As for the current performance, the problem is of identifying the real cause of performance or non-performance. The failure arises due to the non-controllability of the environment by the manager concerned, the non-observability of the effort that has been expended by him, and in some cases the non-observability of the outcome itself. This and the similar situations are said to arise due to asymmetry of information between the acting manager and the reviewing manager. Performance evaluation and monitoring is further complicated by the differential ability to bear the risk, e.g., a more risk-averse manager would prefer fixed compensation whereas a less risk-averse one will be willing to accept performance related bonuses.

In short, differential motivations, self-interest, asset specificity, nature of exchange contracts among members, and lack of information and its asymmetric distribution, make the organisation process a complex phenomenon, and thereby, being a source of differential performance across organisations.

To summarise our discussion so far, it has been argued that the modern organisations operate in a widely diverse and complex environment where it becomes essential to have a very high degree of specialisation and interdependence among the constituents of the organisation (internal as well as external). Therefore, it is the intended as well as unintended consequences of this specialisation and the uncertainty of environment that are expected to influence the firm performance. In the following section the issues relating to the organisational performance are discussed.

V. ORGANISATIONAL PERFORMANCE

Performance has long been recognised as a multi-dimensional attribute. Economists have studied industrial performance, both at the macro and micro levels. At the macro level the concern has been with technical efficiency and technical progressiveness or innovative ability. Technological advance, changing composition of the work force, investment in human capital, re-allocation of resources from lower to higher productivity activities, economies of scale etc., have been recognised as part of the explanation. The research at micro-level has been guided by the structure - conduct-performance paradigm (i.e., the industry structure in terms of level of concentration, economies of scale and barriers to entry determines the firm policies - behaviour - and its performance), and intends to suggest an explanation for profitability differences across industries.

The organisation theorists, on the other hand, suggest the internal organisation to be an important determinant of performance. The factors that have been identified as critical include; decision making styles, workers' morale, loyalty to organisation, social organisation of the firm, organisation structure, degree of delegation of authority, optimal balance of integration and differentiation, employee turnover, etc.

Despite such wide ranging studies, the results regarding identification of determinants of performance have not been conclusive. The existing performance criteria such as profitability, productivity, morale, etc. are found to be wanting on many accounts, e.g., lack of construct validity (whether variables constitute true measures of changing economic conditions); problem of time horizon (inability to balance short and long run concerns); multiplicity of criteria, especially when they are in conflict with each other; problem relating to precision in measurement lack of generalisability; lack of theoretical foundation; and finally the inability to link micro-level performance to macro-level[13].

Given the variations in the environmental conditions and multiplicity of sets of alternatives to choose from (in achieving the organisational objectives, it is probably difficult to agree on a single set of criteria for evaluating the organisation performance. The differences would exist as to the emphasis on specific dimensions of performance within an organisation and at various levels of aggregation across organisations. For instance, the emphasis can be expected to depend on ownership or control structure, size, industry, culture of the nation and so on. Since the objective of a theory is to achieve an acceptable level of generalisability across time and space, any model will involve an abstraction from reality. The attempt in this section to draw upon the discussion in the previous sections and propose a model of organisational performance.

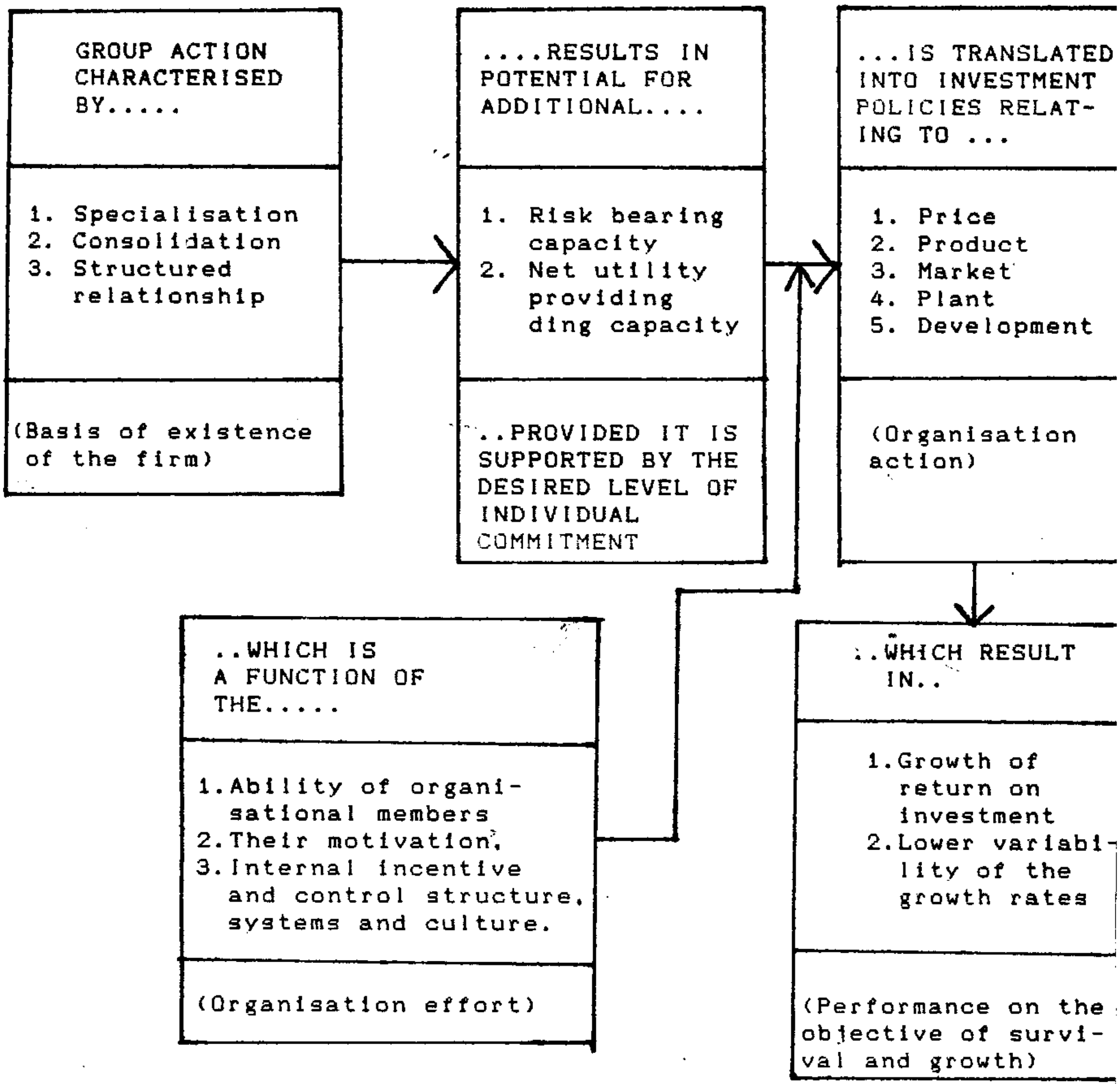

Figure 1: Organisation Performance Analysis Model

The above model describes the events or processes that result in the final desired outcome of growth and survival. The efficiency of the investment policies is intended to mean relative efficiency. Since the organisation needs to survive in a competitive environment it is the performance in relation to other organisations in its immediate as well as distant environment that would determine the length of its life. The proposed model suggests the following propositions:

Proposition 1

The processes of specialisation, consolidation and structuring of otherwise autonomous relationships leads to larger risk bearing capability and a higher ability to provide net additional utility to the economic system as a whole. This proposition follows from the arguments that specialisation implies better informed decisions; consolidation implies risk-sharing; and internalisation of market transactions implies lower costs of undertaking an activity.

Empirical Evidence

It is hard to provide direct evidence to support this proposition. For the concepts like capability are not susceptible to measurement and we observe only the realised capabilities of the processes of specialisation, consolidation and internalisation of transactions, i.e., the capability of an organisation is not observed in isolation from the interactions of its members. It is, however, argued that if these processes were not paying in form of building these capabilities, we would not observe ever increasing specialisation across people and across organisations, and also we would have observed only small sized organisations. In the limit, organisations may not have existed at all.

The advantages of specialisation, consolidation and internalisation are to an extent measurable in terms of economies of scale and we have enough evidence to support this suggestion[14].

Proposition 2

The level of ability, motivation and the level of commitment of efforts by organisational members determines the degree to which the capabilities under P.1 above materialise in reality. The capabilities are to be seen as the 'opportunities that are available due to the above three processes but the actual achievement is a function of organisation effort. The reference here is to the quality of the training and skill of members, level of commitment to the organisation objectives, and the compatibility of the strategy and structure with the ability and motivation of members and the agreed organisation objectives.

Empirical Evidence

A large number of studies in the areas of strategic management, organisation theory, organisation behaviour and management control systems provide an evidence in support of this hypothesis. The ability of people, their morale, division of responsibilities, degree of formalisation of various processes to match the organisational needs, managerial styles, social organisation of firm, etc. have all been found to be related to the performance[15]. The task here is to measure the contribution that these aspects of organisation make to the capabilities of the organisation as a whole.

Proposition 3

Capabilities that materialize in reality translate themselves into relatively efficient investment policies that the organisation chooses to pursue. The set of policies includes the policies relating to market development, product or process development, human resources and pricing of products. The efficiency could possibly be measured in terms of sales or profits or value addition generated per rupee of expenditure under each of the policies.

Empirical Evidence

It is the proposition 3 that needs to be validated before the proposed performance model is accepted as valid. The task here is to link-up the realized capabilities to the realized efficiencies. This requires much more thought than what we have been able to provide. The most critical aspect of the investigation at this stage is the measurement of capabilities. One possible way out is the event-studies that could help determine the responsiveness of an organisation to certain external or internal shocks, e.g., changes in government policies, sudden exodus of certain important members, unanticipated competition, and so on. This would also enable the researchers to establish the organisation's ability to innovate in a crisis situation. The ability to innovate in normal course can be measured in terms of the outputs of product development, market development and human resources development activities[16].

Proposition 4

Growth of an organisation is a function of the relative efficiency of orgnaisation's investment policies. The growth in size and/or profits results in lowering uncertainty and thus leading to lower variability or vulnerability of the organisation's operations.

In fact, the performance can be viewed on a single dimension of market power, i.e., the ability of a firm to influence its environment to ensure favourable external conditions, e.g., ability to acquire the desired quality resources - manpower, material - in time and at lowest possible costs. Since these concepts are difficult to operationalise, the choice has been restricted to the dimensions that have larger operational content, i.e., growth and variability which can safely be assumed to result in increased market power over a period of time.

Empirical Evidence

This possibly is the safest link (in terms of its susceptibility to measurement) of the proposed model, for a large amount of information is available in quantitative form, both within as well as out side the organisation.

The empirical evidence does indicate a positive relationship between the intensity of advertising and sales promotion and profitability[17]

There are, of course, many measurement issues that need to be sorted out before a study can be undertaken, e.g., one needs to agree on whether the advertising has a cumulative effect on sales or it has only a one time effect; and if it does have a cumulative effect, what is the rate at which the expenses are to be amortised or capitalised. The same is true of expenditure under all other policies. The discussion so far suggests that it would not be possible to develop complete measures of all these constructs, but that is the case with most theoretical concepts. The objective for empirical research is to minimise the specification as well as the measurement errors and be in a position to predict at least the direction of the impact of these errors on the proposed relationship. Also, the starting evidence supporting or rejecting these propositions may also be only directional in nature.

VI. CONCLUDING REMARKS

The attempt in this paper has been to develop an integrated performance model that is based in the theories of existence of firm. While it abstracts from the differences in abilities and motivations of people or the policy responses of the organisations, it does recognise the impact of these differences on the capabilities of the organisation as a whole. It is, however, meant to be only a starting point for a proposal for a research programme and there would be a need for specialisation and consolidation, among researchers, at various stages of the programme.

In addition to being a model of overall performance, the analysis provides some useful leads to internal structure of organisation, especially the design of an incentive structure that would help ensure the desired level of commitment of personal resources by the members. We have emphasised the need for an integration of the structural and behavioural aspects of policy formulation and also the need for creating an internal environment that caters to the three motivational states.

The research effort, to our mind, needs to be directed at integration of the concepts and methodological tools that exists across various disciplines so that organisation performance analysis can be made to move in the direction of theory building.

Foot Note

1. The paper does not intend to be a review of existing literature, for far too many comprehensive articles and books already available. Please see Ghorpade [15], Price [31], Zammuto [42], Khandwalla [20], Scott [32], Seashore and Yuchtman [33], and Yuchtman and Seashore [41]

2. The term net utility implies the surplus over the cost, psychological as well as physical, incurred in the process of creation. The psychological cost is the loss of utility caused by postponing consumption from the present to the future, for creation is not instantaneous.

3. Bounded rationality implies a limit to the ability to process information which results in limitedly optimal decisions.

4. Opportunistic behaviour involves a pursuit of self-interest at the cost of someone else and is defined to include the problems arising out of adverse selection and moral hazard.

5. Information impactedness is said to obtain when the prospective supplier is unable to convince a prospective buyer of his (supplier's) capability to perform his part of the contract.

6. The main contribution has come from Herbert Simon [34], Richard Cyert and James March [11].

7. Sales maximization hypothesis as per Baumol [5]; discretionary spending by managers hypothesis as per Williamson [37]; and growth maxmization hypothesis as per Marris [26].

8. Andrews [1], and Lawrence and Lorsch [24].

9. This hypothesis is supported by Friedlander and Pickle, [14] and Whetten [36] who demonstrate that the level of organisational performance is lower when the preferences of constituencies are unrelated, in comparison to a siutation when they are compatible.

10. The term "commitment" is used to mean a promise to do something and,, therefore, is to be considered without attaching any values to it.

11. Klein, Crawford and Alchian [21].

12. Knoke and Wright-Isak [23].

13. Mohan Kumar [27] has discussed these problems in details.

14. Haldi and Whitcomb [16], Bain [2], Bain and Whitcomb [3], Florence [12], Wittington [39].

15. Nelson, R.R. [29] is a very comprehensive review paper covering a wide range of research studies regarding productivity.

16. Freeman [13], Kamien and Schwartz [19].

17. Comanor and Wilson [10], Imel and Helmberger [18].

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