

# Best Management Techniques and Practices for Institutional Growth

TALATU MUHAMMAD BARWA

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**Abstract:** This study has been conducted in order to investigate whether different management techniques and practices can influence the firm growth or not. The study has used major three management types such as operations management, human capital management and performance management as well. The question has been asked from the managers of the firm about these three management types. This study is exploratory in nature. It uses the sample of 30 managers in order to take their view point regarding the importance of management techniques and their impact on firm growth. It was difficult for the researcher to take whole population due to time and cost constraints as well. They all has been asked almost similar questions from the managers included in the sample. Managers tried to explain in their respective interviews that in these management practices the technology has great importance, which cannot be ignored. Open-ended questions have been asked from the managers to ask about management practices. This study is qualitative therefore it can be concluded from the manager's response that management practices have great impact on the firm growth. The utilization of resources with best management techniques provides best performance to the organizations.

**Keywords:** Institutional Growth, Management Techniques and Practices.

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## 1. INTRODUCTION

The importance of management cannot be denied in any field. But in business it has greater importance than in any other field. Different management techniques which are derived from human resource management. The efficient processes take place due to efficient operations management techniques and practices. The persevering profitability hole between European nations and the USA has been a repetitive subject in surviving examination. In addition, a boundless plenty of lists is utilized to distinguish and measure this hole. At first look and without cautious examination, numerous discoveries are equivocal and indeed, even opposing. A lot of these clear inconsistencies are represented by the distinctive measurements and time compasses utilized, the segment that has been centered around and methodological contrasts in national record strategies. Then again, there are various reasons why measured efficiency may vary, which don't essentially reflect hidden contrasts in efficiency (Schuler & Jacks, 1987).

The efficiency of the firms mostly depends upon the firm's management styles, practices and techniques. Tolerating that there is a distinction without a doubt in efficiency between distinctive substances, the inquiry remains what causes this distinction? One potential answer is the utilization of distinctive administration practices. In this paper, we examine this issue and audit the potential part administration practices have on profitability. All organizations are not equivalent. Observational studies demonstrate that two organizations of the same size, working in the same nation, and inside of the same business, don't create at equivalent levels. American firms in the 90th percentile of the yield conveyance create almost double the worth included of firms in the 10th percentile. This hole is considerably bigger in creating nations (Kotey & Sheridan, 2004).

Studies that examine the connection between administration practices and efficiency have surveyed the effect of an individual practice in separation, the impacts of joint reception of practices also and the effect of groups or frameworks of correlative practices. In this audit, we examine OM and HRM administration practices. OM practices concentrate on frameworks administration, Total Quality Administration (TQM), incorporate Data and Communication Technology

(ICT), Just In Time (JIT) and in-line creation, amongst others. HRM practices concentrate on individual's administration, specifically the enlistment, advancement and administration of workers (Collins & Clark, 2003).

Common HRM practices include preparing, advancement, strengthening and cooperation. It has been recommended that it is impossible that there exists 'one size fits all' arrangement of efficiency upgrading administration standards or practices. Many researches expand upon this possible methodology, expressing that the accomplishment of administration practices are firm-particular and these are influenced by the predominant institutional environment. This area exhibits a review of late studies found in a precise writing that examine the connection between administration practices and profitability/execution. Utilizing the EBSCO database particular watchwords were hunted down including just diary articles of the last 10 years (Huselid, 1995).

These slogans included human asset administration practices, operations administration practices, inventory network collaborating, downright quality administration, group working, business procedure designing, strengthening, installment and prize framework, execution examination what's more, survey, livelihood improvement, in-line considering, preparing, target frameworks and in-line generation.

### **Research Questions:**

Following is the research question of the research study:

Is there a relationship between management practices and techniques and firm growth?

## **2. LITERATURE REVIEW**

The current acknowledged development model's qualities include financial development and firm yield to work inputs, capital inputs and innovation (or Total Factor Productivity, TFP). Innovation is a bland term that depicts the unexplained remaining watched when processing development. Innovation can be partitioned into a few classifications, for example, human capital, IT utilize, or research and improvement among others. A lot of late study commits itself to "wearing down" this lingering variable and itemizing its parts. A superior comprehension of innovation would prompt better cognizance of profitability contrasts in the middle of firms and, eventually, help firms turn out to be more proficient and yielding monetary development (Shane, 1996).

There are diverse conceivable clarifications for the distinctions saw in profitability crosswise over firms. It can be said that the misallocation of inputs and assets crosswise over firms is prompting inefficiencies and vast profitability holes between firms. They center their examination on two developing economies, USA and Russia and start by indicating out the inefficiencies in the separate nations. They indicate differences in minor results of work and capital crosswise over firms, demonstrating component misallocation. This infers that, at the edge, a few organizations would advantage a ton more from an extra unit of work, or capital, or both.

As per the creators, the inefficiencies are the result of unfavorable regulation and business grindings that exist inside of these and other, creating nations, for example, State proprietorship. They gauge that a productive reallocation of inputs would build efficiency by 40-50% in Russia furthermore, 60-70% in USA. In spite of this discovering, creation component misallocation is not adequate to clarify the greatness of efficiency contrasts saw crosswise over firms. There must be one or a few extra parts that impact profitability and execution. There is no accord in the writing on the most proficient method to gauge administration practices. The main shared characteristic shared by all the studies is that administration practices are measured in a multidimensional style (Bloom & Van, 2010).

On account of the characteristically vague nature of administration practices, it is exceptionally difficult to apply target types of estimation. Measures are amassed to encourage examination at the plant, firm, and industry- or nation level. In the scholastic writing, these practices are measured utilizing any mix of a mixed bag of investigative routines: self-reported polls, meetings and perceptions. Polls and meetings may gather information with respect to review or simultaneous (or less regularly the forecast of future) administration practices. The greater part of studies directing exact examination get data by reviewing a solitary educated individual from every unit of hobby and a minority include more than one respondent.

Less much of the time, research studies depend on different unstructured appraisal strategies, for example, perceptions and examination of field information gathered and perceptions alone. Surely, the most famous and practical system for gathering exact information from a vast test is, to remotely (normally postal) conduct a survey overview. Another regular strategy is to determine evaluations of administration practices from organized or semi-organized meetings, whether by phone or in individual. Respondents may be any blend of senior administration, Human Resource (HR) chiefs, work environment delegates or the representatives themselves ((Pao-Long & Wei-Ling, 2002).

Once in a while the system for information accumulation should be custom-made to social prerequisites. A study surveying administration practices in recognized Japanese auxiliaries in both the USA and Russia attempted to set real meeting times with associations in Russia just total respondents through the poll. This was fundamental on the grounds that Russian associations are generally exceptionally defensive of organization data and in this way require direct affirmations to be willing to impart this to individuals outside to the association. There are now settled survey measures of specific administration practices and most studies decided to use these in their unique or an adjusted arrangement (Kaynak, 2003).

Ordinarily just in the non-attendance of a suitable existing apparatus do analysts decide to build up their own instrument. Without Just In time administration (JIT) and Total Quality Management (TQM) are two administration practices generally shaping the mainstays of intelligible authoritative frameworks at first motivated by Japanese creation frameworks and went for expanding the rate of item conveyance and administration quality. JIT is a stock procedure actualized to enhance the return on initial capital investment of a business by decreasing in-procedure stock and its related expenses. Despite the fact that the establishments have been created by Henry Ford in the mid-1920s, the JIT theory got to be celebrated in the 1950s as a component of the Toyota Production System. TQM is a situation of client centered administration procedures went for implanting attention to quality in every authoritative procedure and accordingly expanding client fulfillment at ceaselessly lower genuine expenses (Batt, 2002).

At firm-level, a summed up CES-TL cost model taking into account firm cost-works so as to separate between the budgetary qualities of JIT and non-JIT client firms, and find that JIT builds profitability and expense effectiveness. JIT is characterized as a blend of JIT/TQM works on including Kanban, coordinated item outline, coordinated supplier system, plan to lessen set-up time, quality circles, centered manufacturing plant, preventive support projects, line adjusting, instruction about JIT, level timetables, stable cycle rates, business paced last gathering, gathering innovation, system to enhance quality (item), program to enhance quality (procedure), quick stock transportation framework and adaptability of laborer's aptitudes. This amalgamation of a vast arrangement of practices implies that the effect of particular practices can't be recognized. Another slight disadvantage is that productivity or execution is measured as benefit to venture, without being identified with work, dissimilar to profitability, which is characterized as work efficiency (Kotey & Slade, 2005).

This late research improvement adds to expanded comprehension of how IT advantages efficiency. Besides, it gives an exceptionally welcome illumination in the midst of concerns –, for example, those voiced in the 1980s 'data innovation efficiency oddity' - that the normal IT effect on efficiency would neglect to emerge with due consistency. The efficiency oddity might have been clarified from that point forward by the way that IT speculation essentially prompts higher item quality and mixture, subsequently total yield does not reflect precisely the exorbitant and large scale push to enhance innovation. Rather, the presence of complementarities adds too much.

There is additionally rising information on the part administration practices play in deciding an association's profitability. In particular, in 2007, a research was conducted which provided overview of 723 medium sized modern firms in the United States and Europe, measuring their administration practices . They concentrated on observing, focusing on, and human asset administration inside of firms and found that well-performing, profitable firms reliably got higher administration techniques "scores," recommending a relationship between administration practices and efficiency. The creators later extended their study to a bigger number of firms in a more extensive range of nations, counting Japan, China, India, and Brazil. The confirmation convincingly demonstrates a causal connection between the administration practices and profitability (Chan et al., 2004).

Initially, the creators exhibit how better administration practices lead to better innovation. In a research study, they watch that organizations with higher scores ordinarily utilize more propelled IT and more current assembling systems. They

conjecture that better administration suggests more proficient practices. The positive relationship between administration practices and innovation, combined with the confirmation about IT and efficiency, unequivocally recommend a causal relationship between administration practices and profitability. The contention is additionally persuading considering the expansiveness of the study, which incorporated a wide cluster of modern firms regarding industry, national inception, and proprietorship. The creators spiced over a few nations at different phases of advancement, with diverse financial profiles (Schuler & MacMillan, 1984).

They found that their theory was reliable over all nations and commercial ventures. Tangentially, they commented that certain nations in specific practices, their organizations scoring higher by and large in a certain classification. For instance, Japanese firms center a considerable measure all the more on focusing than their partners in different nations. This confirmation proposes that a certain administration "society" or "legacy" influences execution, assisting the thought that administration practices assume a part in deciding profitability. It has also recommended that the utilization of the most recent Information Innovation influences profitability. Focusing on the valve fabricating industry, the creators demonstrate that the selection of new IT is related with expanded efficiency. They utilize their study of the valve business to build up a creation work that incorporates a clear measure of IT practices (Nair, 2006).

They are thus ready to depict an association's speculation choice as to IT forms. Their confirmation demonstrates that organizations that embrace new IT are more gainful in light of the fact that new IT builds generation proficiency at all firm levels: it expands interest for talented laborers, diminishes creation time and advances the selection of more progressed and proficient administration practice. This paper shows a reasonable relationship between the utilization of new IT forms and expanded profitability. In any case, it can't convincingly set up causality because of the bunch of watched impacts created by new IT practices. There are distinctive clarifications for the distinctions saw in profitability crosswise over firms. It has been proposed that the misallocation of inputs and assets crosswise over firms is prompting inefficiencies and expansive profitability gaps between firms (Kaya, 2006).

They center their examination on two developing economies and start by indicating out the inefficiencies in the individual nations. They demonstrate inconsistencies in negligible results of work and capital crosswise over firms, demonstrating component misallocation. This infers that, at the edge, a few organizations would advantage a ton more from an extra unit of work, or capital, or both. As per the creators, the inefficiencies are the result of unfavorable regulation and business sector gratings that exist inside of these and other, creating nations, for example, State possession. There must be one or a few extra parts that impact efficiency and execution. It can be said that the utilization of the most recent Information Invention influences effectiveness. Focusing on the regulator manufacturing industry, the creators validate that the selection of new IT is related with expanded profitability. They utilize their study of the regulator business to build up a generation work that incorporates a plain measure of IT techniques (Collins & Smith, 2006).

They are consequently ready to portray an association's speculation choice as to IT forms. Their proof demonstrates that organizations that embrace new IT are more beneficial on the grounds that new IT expands generation effectiveness at all firm levels: it builds interest for talented laborers, diminishes generation time, and advances the selection of more progressed and productive administration practices. This study shows a reasonable relationship between the application of new IT forms and extended success. On the other hand, it can't convincingly set up causality because of the bunch of watched impacts created by new IT practices. Others, contend that administration style impacts profitability levels, recommending that the personality of the supervisor influences specialists' execution, corporate choices, and hence firm yield (Peel & Wilson, 1996).

The paper looks to clarify variety in firm conduct that is attributable to firm settled impacts, for example, industry and firm-level attributes. The author's utilization board information on chief altered impacts to test the connection between administration "style" and corporate approach. They concentrate on speculation choices and money related and authoritative choices. They represent conceivable indigeneity inclination by controlling for firm altered impacts. Researchers found that chiefs' personalities clarify a percentage of the variety: they demonstrate a change in the relapse's R-squared. In particular, they demonstrate that chiefs matter more to a few choices, for example, "securing or broadening choices, profit strategy, interest scope and expense cutting arrangement." They additionally discover contrasts in directors' experience and training influence their "style." Finally, they demonstrate that there is an ideal administration style

considering that certain administrative qualities and decisions are corresponded with great firm execution (Datta et al., 2005).

There is likewise developing information on the part administration practices play in deciding a company's efficiency. They concentrated on checking, focusing on, and human asset administration inside of firms and found that well-performing, beneficial firms reliably got higher administration techniques recommending a relationship between administration practices and success. The originators later protracted their research to a bigger number of firms in a more extensive range of nations. The evidence persuasively reveals a cause and effect association between the administration practices and efficiency. Initially, the authors show how better administration practices lead to better innovation. In their 2010 paper, they watch that organizations with higher scores commonly utilize more propelled IT and more cutting edge producing procedures (Gupta et al., 2000).

They hypothesize that better administration infers more productive practices. The positive relationship between administration practices and innovation, combined with the confirmation about IT and efficiency, emphatically propose a causal relationship between administrations practices also, efficiency. The contention is additionally persuading considering the expansiveness of the study, which incorporated a wide cluster of mechanical firms regarding industry, national source, and proprietorship. The creators contemplated a few nations at different phases of advancement, with distinctive monetary profiles. They found that their speculation was reliable over all nations and businesses. Laterally, they commented that certain nations in particular techniques, their organizations scoring higher by and large in a certain classification. Japanese firms center a great deal all the more on focusing than their partners in different nations. This evidence suggests that a certain administration influences execution, promoting the thought that administration practices assume a part in deciding profitability (Boeker, 1997).

### 3. METHODOLOGY

This study is primary research or exploratory research. Exploratory exploration is characterized as the starting examination into a theoretical or hypothetical thought. This is the place a specialist has a thought or has watched something and tries to see all the more about it. An exploratory exploration undertaking is an endeavor to lay the basis that will prompt future studies, or to figure out whether what is being watched may be clarified by a right now existing hypothesis. Frequently, exploratory exploration lays the introductory preparation for future examination. This study is related to management practices and its impact on firm growth. This study is qualitative in nature. This study will conduct interviews from the top management of the firms. The question is who is the population of the study? The population of the study is top managers of the firms in USA. It is difficult to use whole population therefore the sample is used. Sample is a representative part of population. Sample is used to save cost and time. It is difficult to take whole population for a researcher.

Execution Monitoring takes a glance at how firms measure and survey their execution, Target Setting looks at how firms set objectives in an unmistakable, steady and business situated way. Furthermore, HR administration takes a gander at how firms pull in, train and hold ability and in addition how they reject poor entertainers. The overview inquiries are open-finished, such that the interviewee's answers are not influenced by the inquiry. This style of inquiry likewise considers an unconstrained arrangement of answers that nearly catch the substances of every firm.

In any case, firms' answers stay similar in light of the fact that all answers are standardized after an exhaustive framework that relegates a score somewhere around 1 and 5 to each conceivable practice. Case in point, on the subject of execution following, the interviewee is requested that portray his/her association's execution following instruments. His reactions are then coded by contrasting the answer with those gave in the lattice and discovering the nearest fit. The interviews of 30 people have been conducted in order to understand the impact of management techniques and their impact on the firm growth (Robertson & Hammersley, 2000).

### 4. FINDINGS

Different perspectives have been explained by respondents. All have different opinions regarding these management techniques and perspectives. In the overview, we have centered the consideration on the relationship in the middle of OM and HRM practices and profitability. We have seen, from one viewpoint, how these administration practices have been

measured and, then again, how the effect of these practices on profitability has been assessed. From the interview, we have found that there is accord amongst analysts on a by and large beneficial outcome of individual administration practices on efficiency or execution when considered in separation. Nonetheless, when administration practices are mutually received, there is no agreement on a beneficial outcome. Moreover, we have seen that in spite of the fact that the econometric procedure gives off an impression of being vigorous and very advanced, an extensive variety of meanings of administration practices, profitability and execution have been utilized, which comes about not vigorous to correlations after some time and oblique over studies.

All things considered, my study experiences a few restrictions that disallow me from making clearing conclusions. I highlight the essential constraints in this passage and offer potential answers for them. In the first place, since I gather all the essential information, I have a limited specimen. In spite of the variability in the information accessible, the set is too little to deliver noteworthy results, not to mention build up a causal connection in the middle of administration and profitability. Besides, this entanglement constrains me to view administration practices as a solitary pointer and clouds the affectability of efficiency to certain key practices. In this manner, I can't pinpoint a certain practice or set of practices that drive efficiency in USA (Palacios & José, 2006)..

The little specimen estimate additionally keeps me from presenting important variables, similar to supervisor instruction or firm industry, to the model. Moreover, the nature of the information accessible emphatically influences my capacity to extend the information set and refine the model. Keeping in mind the end goal to resolve these obstacles, I have to gather more information. These outcomes have some imperative ramifications. Our discoveries propose that the absence of accord more than (a) the definition, (b) the estimation and (c) the level of examination of administration practices is an important explanation for the abundance of conflicting reports on reciprocal administration practices. Undoubtedly, the appropriation and execution of reciprocal practices is found to have impacts that fluctuate in sign and size, contingent upon the definition and estimation of the contemplated administration technique and of execution.

Also, information gathered is frequently in light of an oversimplified and subjective examination of the degree to which administration practices have been embraced and actualized, which then spoils scientists' endeavors to sum up discoveries. For example, the survey might just inquire whether preparing has happened in the association, provoking a yes/no answer, while further inside and out measures of the sum and sort of preparing would be more enlightening and lead to less-one-sided exploration discoveries. Also, varieties in the level of examination record for further research troubles in making correlations.

## 5. DISCUSSION AND CONCLUSION

The advancement in management practices may lead the organization toward profitability. These practices include human resource practices and other admin and operational practices as well. Different studies in different countries have already been conducted to investigate the impact of management practices on firm performance/growth/productivity. By and large, the multi-dimensional nature of administration practices interprets into a complex relationship in the middle of them and profitability measures. Observational proof proposes that powerful administration practices should be setting particular, as efficiency records need to mirror a specific association's exercises.

Therefore, it is precarious to learn whether the finding of a relationship, or no relationship, is a reasonable conclusion. A few interviewees have presented circumstances furthermore, received more refined systems for operationalization and examination. Some managers have a view point that involvement of technology in management practices gave birth to the firm growth at every level. They also provided a lot of recommendations regarding these practices. The operations management has been considered the most important variable in this study which is directly involved with the firm growth and performance. They are of the view that operations related management advancement make it easy to use different techniques which become the root cause of company growth.

There are many factors of firm growth but management is one of them which plays a greater role in firm growth as well. An interviewee offer more noteworthy degree for unwinding the complex interrelated and mediatory connections at play. Another interviewee revealed a curvilinear relationship between administration practices and executions showing that past a certain sum or force administration practices really lessen execution. Relationship examination to learn connections between other working environments builds and efficiency may help advice future examination into intervention. There is

a decent lot of backing for a possibility approach; be that as it may, it is misty what the regular elements to be considered. Applying connection particular measures makes variability between examination discoveries and renders them specifically unique.

For sample, it is clear there are differentiating meanings of incline generation strategies and these troubles in accomplishing agreement makes it likely that every firm takes after an 'interesting incline creation direction. Though then again, TQM practices have a tendency to be including a comparable arrangement of practices inside whichever association they are actualized inside. For sure, there remains scope for the future examination of degrees of inner, authoritative and vital fit. For this and different reasons, we clearly accept that there is requirement for further research.

In specific, for a multi-level methodology from the least conceivable level of conglomeration up to the firm-level of investigation with a specific end goal to evaluate the effect of administration practices upon the efficiency of firms. At the point when the examination is directed it ought to dependably be viewed as that, what is most critical is not the presentation of the administration rehearse but instead how it has been presented, when it is presented and how it has been actualized.

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