

CHAPTER – II

PARTICIPATION IN MANAGEMENT

2.1. Introduction

Participation means involvement of internal customers in the organization's management. Every organization has a responsible governing body which is empowered to take strategic decision according to the circumstances in which they operate. This body performs various important functions and monitor day today activities of the organization. This body consists of top level manager, middle level manager, supervisors, and employees, external experts in the field and government representatives. In case of management education service providing organizations chairman, sponsoring society members, experts in the field of management education, faculty members and government representatives constitute this body. This body have meeting time to time and discuss various issues pertaining with organizations. The main motive of this body is to realize the vision of the organization for which it was established. Employee's participation in this body is very important, play a vital role because participants converse for the welfare of employees and external customers.

2.2. Participation of Internal Customers in Services

Internal customers' participation in management provides opportunity to internal customers to share their views for the development of the organization as a whole and the development of the external customers. The democratic system of administration in the organization ensure quality through appropriate feedback system in which the drawbacks are identified and removed for the welfare of the external customers internal customers and finally for the organizations itself. Internal Customers participate in the management process enable the participants to take necessary actions and decisions according to the requirement of internal and external customers. They can talk on behalf of the external customers too. They

have to earn confidence from external customers as they are working for the welfare of the external customers. According to **Kuye and Sulaimon**²⁰¹ (2000) if internal customers are involved in decision making process, they take better decision rather than top management as they are closely associated with all those activities which are meant for external customers. Therefore this research has taken participation into account as one of the components of internal marketing practices which should be adapted for the welfare of internal and external customers. If the internal customers are involved in the management of the organization, they put forward both internal and external customer's demand thereby deriving satisfaction. Effective participation of internal customers should be one of the major outcomes of Internal Marketing Practices. According to **Gilbert et al**²⁰² (1995) in their study, marketing services to satisfy internal customers, conclude that staff unit managers in a range of disciplines who want to serve internal publics better can effectively market their services internally by understanding and responding to internal decision processes and expectations.

According to **Horsford**²⁰³(2013), active participation of employees have been deemed as a key element in securing employees acceptance of new policies and proposed changes. The ready acceptance of these changes could hinge which counsel other employees to adopt and regulate policies. **Owolabi et al**²⁰⁴(2011) reveals that the firms which involve employees in the management perform well rather than the firms which does not. Employees' involvement in the management activities have significant in the organization performance.

²⁰¹ Kuye Owolabi Lateef and Sulaimon, Abdul-Hameed Adeola (2011), "Employee Involvement in Decision Making And Firms Performance in The Manufacturing Sector In Nigeria", Serbian Journal of Management , Vol 6 Issue No 1, Pp 1 – 15.

²⁰² Gilbert D. Harrell, Matthew F. Fors, (1995) "Marketing services to satisfy internal customers", Logistics Information Management, Vol. 8 Issue No.4, Pp.22 - 27

²⁰³ Horsford, M. (2013). "Active employee participation in the public service decision making process: A public servant perspective", JOAAG, Vol. 7, Issue No. 2, Pp 1-10.

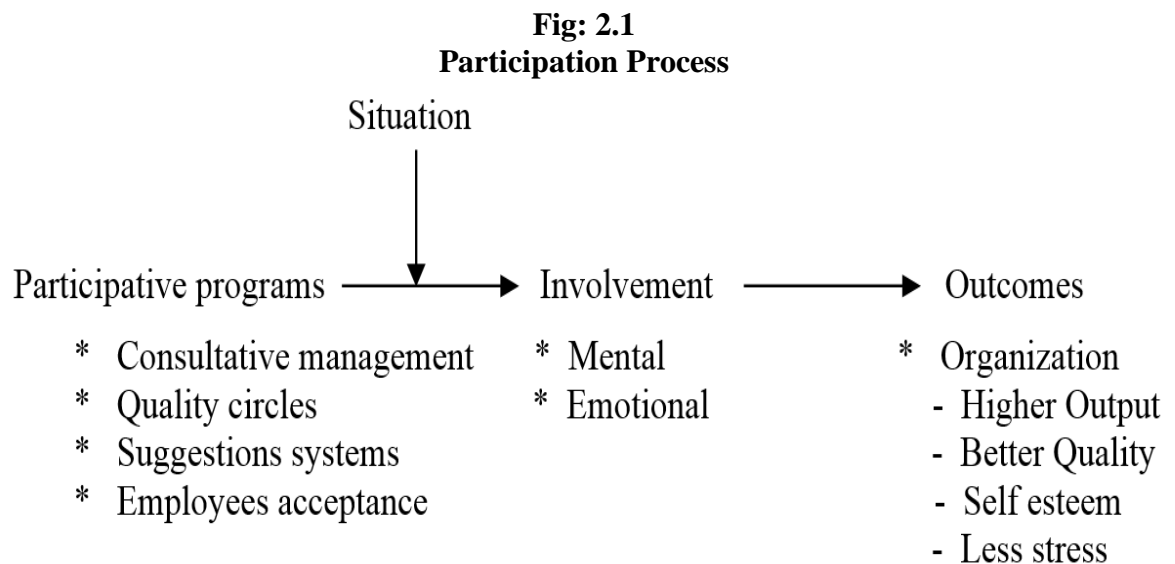
²⁰⁴ Kuye Owolabi Lateef and Sulaimon, Abdul-Hameed Adeola (2011), " Employee Involvement in Decision Making And Firms Performance in The Manufacturing Sector In Nigeria" Serbian Journal of Management Vol 6 Issue No 1 Pp 1 – 15.

Dodi W. Irawanto,²⁰⁵ (2015) in his study found that there is a positive relationship between employee participation in decision-making and their motivation. Thus, employee's participation motivates the employees to provide best quality services.

2.3 Participation Process

Participation of Employee's in an organization development activity, involvement in day-today functions of organization play vital role in providing quality services. Thus, Organization is adopting policy of diversity in business and internal production activities. They believe on best practices rather than best rules and regulation. Best practices develop discipline in function of management in planning, organizing, directing and controlling which enable them to achieve the set vision.

According to **Davis and Newstrom(1997)²⁰⁶**, Participation increases employee motivation, because the contribution toward organization goals is realized. This is shown in the following Fig 2.1.



Source: Davis & Newstrom (1997)

²⁰⁵ Dodi W. Irawanto, (2015),"Employee Participation in Decision-Making: Evidence from A State-Owned Enterprise In Indonesia"Management, Vol. 20, Issues 1, pp. 159-172

²⁰⁶ Davis, K., Newstrom, J. W. (1997), "Human Behaviour at Work: Organizational behavior:", New York: McGraw-Hill Companies.

This shows that employee's participation in the management involves two categories of involvement a). Mental and b) Emotional which brings higher output, better quality of service, self-esteem and reduces job stress. Survival of the organization is necessary for the employee's survival. Many employees do not work for best compensation alone, but for the welfare of the external customers and for the individual reputation. Systems of any organization function become successful when it is followed by the employees. Therefore employee's participation in the management is necessary. Hence, employee's participation in the management of the management education institution is necessary. This will bring several implications in the day today activities of the organizations.

2.4. Internal Customer Participation in Management and their Satisfaction

Employees' participation in management ensures quality of services. Because, employees when they are taking part in the management, they talk on behalf of external customers and employees. They are representatives of employees. They are closely associated with ground level worker. They work for the welfare of employers as well as the external customers. When their demands are fulfilled it gives them satisfaction. When they provide best service to the external customers and receive job satisfaction. This is advocated by **Davis²⁰⁷ (2001)** in their research about the benefit of integrating internal marketing with participative management practices. **Hwang et al²⁰⁸ (2005)**, in their empirical study found that the internal marketing practices directly give employees satisfaction as they make decision which is required for them. Even the democratic principles are applied in the system

²⁰⁷ Davis, T. R. V. (2001), "Integrating internal marketing with participative management", *Management Decision*, Vol 39 Issue No 2, Pp.121-131.

²⁰⁸ Hwang, I. S., & Chi, D. J. (2005), "Relationships among internal marketing, employee job satisfaction and international hotel performance: an empirical study", *International journal of Management*, Vol 22, Issue No 2, Pp 285-293.

of administration in which everyone takes part in the decision making. Employer, Employees work for the welfare of the external customers who in return work for the welfare of the organizations, thereby achieving organizational objectives. **Rathnakar²⁰⁹ (2012)**, emphasizes on the importance of worker participation in management decision. In his study, he found that when the employees participate in management and decision are made, it will be easy to implement. **Arnett et al²¹⁰ (2002)**, as internal-marketing tools provide the employees job satisfaction and pride. **Gilbert²¹¹ (1995)** found that marketing services satisfy internal customers. **Gould²¹² (1998)** internal marketing becomes an emotional capital for an organization that gives them satisfaction of being an employee of an organization. **Qayum et al²¹³ (2013)**, found that internal marketing is a pre-requisite for employee. The Impact of Internal Marketing on Employee's Job Satisfaction is proved by **Hawary et al²¹⁴ (2013)** in their research work.

2.5. Objective considered in Chapter 2

Several studies are done to know the relationship between the employee's participation in management and satisfaction. But no study is conducted to ascertain the relationship between the participation of employees in management and their level of satisfaction in participation. This research is more particular in its study, because it ascertains the

²⁰⁹ Rathnakar (2012), "A study of workers participation in management decision making at Bhel, Hyderabad.", *International Journal of Marketing, Financial Services & Management Research* Vol 1, Issue No 9, Pp.135-141.

²¹⁰ Arnett, D. B., Laverie, D. A., & McLane, C. (2002), "Using job satisfaction and pride as internal marketing tools", *Cornell Hotel and Restaurant Administration Quarterly*, Vol 43, Issue No 2, Issue No 87-96.

²¹¹ Gilbert D. Harrell, Matthew F. Fors, (1995), "Marketing services to satisfy internal customers", *Logistics Information Management*, Vol. 8 Issue No 4, Pp.22 – 27.

²¹² Gould, B. (1998), "Emotional capital and internal marketing", *Antidote, The*, Vol. 3 Issue No 8, Pp.34 – 37

²¹³ Qayum, Mir Nimer,Sahaf, Musadiq Amin, (2013), "Internal Marketing: A pre-requisite for Employee satisfaction in Universities, *International Journal of Business and Management Invention*, Vol 2, Issue No 5, Pp 50-55.

²¹⁴ Hawary .S , Qudah .K , Abutayeh.P , Abutayeh,S and Zyadt (2013), *The Impact of Internal Marketing on Employee's Job Satisfaction of Commercial Banks in Jordan*, *Interdisciplinary Journal of Contemporary Research in Business* , Vol 4 , Issue No 9, Pp 34-45.

relationship between internal customers' participation in management in **decision making** and their contribution to management and level of satisfaction derived. Strategic decisions are required for employees to function independently which empower them to come out of decisions what are required to be adopted as best practices to make the organization as branded institution in service delivery and content. When they take decision for them, they must be enjoying pleasure in rendering service which is explored in this study. Thus this research set a following main objective.

[1] To ascertain relationship between the **'Internal Customers' participation in management decision making'** in one hand and **'satisfaction to the Internal Customers'**, and **'satisfaction of the external customers'** on the other.

2.6. Hypothesis:

To test the objectives below mentioned hypothesis is constructed.

Broad hypothesis: [1]. There is no significant association between the 'Internal Customers' participation in management decision making' in one hand and 'satisfaction to the Internal Customers', and 'satisfaction of the external customers' on the other.

2.7. Latent Variable considered for Chapter 2 and Their Purpose

[a] **'Internal Customers' participation in management decision making'** - this variable has been considered **to** measure the degree of Degree or intensity of participation in management by internal customers in decision making of the management of the 'Management Education Service Providing Organizations'

[b] **'Satisfaction to the Internal Customers'** - this variable has been considered **to** measure the degree of Degree or intensity of satisfaction derived by internal customers by participating in the decision making of the management of the 'Management Education Service Providing Organizations'

[c] ‘**Satisfaction of the external customers**’ - this variable has been considered to measure the degree of Degree or intensity of satisfaction derived by external customers in respect of the internal customers’ participation in the decision making of the management of the ‘Management Education Service Providing Organizations’

2.8. Scale Development in Chapter 2

[A] Internal Customers’ participation in management decision making’

[a] Item selection for scales

In order to achieve the first objectives, items of the scale were identified from literature review relating to the latent variable under consideration. Responses are measured in 5 point scale.

Table: 2.1
Items to Measure the Degree of Participation in Management by Internal Customers

| S.No. | Statement |
|--------------|---|
| 1.1 | Employees are consulted in formation of strategic decisions for implementations |
| 1.2 | Employees are consulted while constructing tactical decisions. |
| 1.3 | Employees are consulted in implementing tactical decisions. |
| 1.4 | Employee’s involvements in day to-day activities implementation are consulted. |
| 1.5 | Employees ‘collective demands to management are properly addressed. |
| 1.6 | Employees participation in Organization’s Management are encouraged |
| 1.7 | Employees’ participation in the Board of Studies is encouraged. |
| 1.8 | Employees participation in Departmental Meetings are encouraged |
| 1.9 | Decisions are clearly and timely communicated between employees and management. |
| 1.10 | Decisions are clearly and timely communicated between departments. |
| 1.11 | Decisions are clearly and timely communicated between employees. |

Source: Questionnaire

[b] Reliability of Scales

[1]Overall including all institutions

| Table No:2.2 | | |
|--|--|--------------|
| Overall Reliability Statistics of the Degree of Participation in Management by Internal Customers | | |
| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No. of Items |
| .908 | .909 | 11 |

Source: based on Survey data

| Table No:2.3 | | | | | | | |
|---|-------|---------|---------|-------|-------------------|----------|-------------|
| Summary Item Statistics of Degree of Participation in Management by Internal Customers | | | | | | | |
| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | No of Items |
| Item Means | 3.646 | 3.340 | 4.220 | .880 | 1.263 | .063 | 11 |
| Item Variances | .924 | .577 | 1.225 | .648 | 2.122 | .046 | 11 |

Source: based on Survey data

[2] Institute wise reliability of scale

| Table No:2.4 | | | |
|---|------------------|--|-------------|
| Institute wise Reliability Statistics of Degree of Participation in Management by Internal Customers | | | |
| Name of the Institutions | Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No of Items |
| AIM | .947 | .945 | 11 |
| AU | 1.000 | 1.000 | 11 |
| DBIM | .917 | .918 | 11 |
| DU | .756 | .809 | 11 |
| GIMT | .860 | .825 | 11 |
| GU | .941 | .946 | 11 |
| KU | .869 | .878 | 11 |
| NERIM | .921 | .923 | 11 |
| RSM | .865 | .860 | 11 |
| TU | .811 | .796 | 11 |

Source: based on Survey data

From the above Table No 2.2 and 2.4 it is observed that scale considered for the study is reliable since calculated Cronbach's Alpha values are more than 0.70.

[c] Interpretation of the Scale Developed

The more is the scale value; more is the degree of participation in management by Internal Customers of Management Education providing Organizations; and, vice versa

[d] Descriptive Statistics of the scale

[i] Overall mean score of degree of participations in management as perceived by internal customers

| Table No:2.5 | | | |
|--|-----------------|-----------------------|--------------------|
| Overall Scale Statistics of Degree of Participations in Management as perceived by Internal customers | | | |
| Mean score | Variance | Std. Deviation | No of Items |
| 40.11 | 58.402 | 7.642 | 11 |

Source: based on Survey data

From the above it is observed that mean score of degree of participations in management as perceived by internal customers is 40.11

[ii] Institute wise mean score of degree of Participations in Management as Perceived by internal customers

| Table No:2.6 | | | | |
|---|-------------|-----------------|-----------------------|--------------------|
| Institute wise Scale Statistics of Degree of Participations in Management as perceived by Internal customers | | | | |
| Name of the Institutions | Mean | Variance | Std. Deviation | No of Items |
| AIM | 47.90 | 45.211 | 6.724 | 11 |
| AU | 48.40 | 36.300 | 6.025 | 11 |
| DBIM | 41.67 | 56.250 | 7.500 | 11 |
| DU | 39.18 | 34.364 | 5.862 | 11 |
| GIMT | 37.67 | 57.250 | 7.566 | 11 |
| GU | 30.80 | 119.200 | 10.918 | 11 |
| KU | 37.75 | 51.114 | 7.149 | 11 |

| | | | | |
|-------|-------|--------|-------|----|
| NERIM | 38.28 | 40.918 | 6.397 | 11 |
| RSM | 38.82 | 38.364 | 6.194 | 11 |
| TU | 42.20 | 22.400 | 4.733 | 11 |

Source: based on Survey data

Here, highest mean score 48.40 in respect of Assam University and least score is 30.80 in respect of Guwahati University; thus, there exists variation in respect of the degree of Participations in Management in MESPOs as Perceived by internal customers.

[e] Normality of the scale

[i] Over all data

| Table No: 2.7 | | |
|--|----------------|----------------|
| Over all data One-Sample Kolmogorov-Smirnov Test for Degree of Participation in Management by Internal customers as perceived by Internal Customers | | |
| N | | 100 |
| Normal Parameters^{a,b} | Mean | 40.1100 |
| | Std. Deviation | 7.64211 |
| Most Extreme Differences | Absolute | .075 |
| | Positive | .051 |
| | Negative | -.075 |
| Kolmogorov-Smirnov Z | | .746 |
| Asymp. Sig. (2-tailed) | | .633 |
| a. Test distribution is Normal. | | |
| b. Calculated from data. | | |

Source: based on Survey data

[ii] Institute wise

| Table No: 2.8 | | | |
|---|--|----------------|----------------|
| Institute wise One-Sample Kolmogorov-Smirnov Test for Degree of Participation in Management by Internal customers as perceived by Internal Customers | | | |
| Name of the Institutions | | | |
| AIM | N | 10 | |
| | Normal Parameters^{a,b} | Mean | 47.9000 |
| | | Std. Deviation | 6.72392 |
| | Most Extreme | Absolute | .255 |

| | | | |
|------------------------|----------------------------------|----------------|-----------------|
| | Differences | Positive | .167 |
| | | Negative | -.255 |
| | Kolmogorov-Smirnov Z | | .805 |
| | Asymp. Sig. (2-tailed) | | .536 |
| AU | N | | 5 |
| | Normal Parameters ^{a,b} | Mean | 48.4000 |
| | | Std. Deviation | 6.02495 |
| | Most Extreme Differences | Absolute | .367 |
| | | Positive | .367 |
| | | Negative | -.263 |
| | Kolmogorov-Smirnov Z | | .822 |
| Asymp. Sig. (2-tailed) | | .510 | |
| DBIM | N | | 9 |
| | Normal Parameters ^{a,b} | Mean | 41.6667 |
| | | Std. Deviation | 7.50000 |
| | Most Extreme Differences | Absolute | .190 |
| | | Positive | .107 |
| | | Negative | -.190 |
| | Kolmogorov-Smirnov Z | | .570 |
| Asymp. Sig. (2-tailed) | | .902 | |
| DU | N | | 11 |
| | Normal Parameters ^{a,b} | Mean | 39.1818 |
| | | Std. Deviation | 5.86205 |
| | Most Extreme Differences | Absolute | .172 |
| | | Positive | .172 |
| | | Negative | -.150 |
| | Kolmogorov-Smirnov Z | | .570 |
| Asymp. Sig. (2-tailed) | | .902 | |
| GIMT | N | | 9 |
| | Normal Parameters ^{a,b} | Mean | 37.6667 |
| | | Std. Deviation | 7.56637 |
| | Most Extreme Differences | Absolute | .243 |
| | | Positive | .129 |
| | | Negative | -.243 |
| | Kolmogorov-Smirnov Z | | .728 |
| Asymp. Sig. (2-tailed) | | .664 | |
| GU | N | | 5 |
| | Normal Parameters ^{a,b} | Mean | 30.8000 |
| | | Std. Deviation | 10.91788 |
| Most Extreme | Absolute | .133 | |

| | | | |
|--|----------------------------------|----------------|---------|
| | Differences | Positive | .133 |
| | | Negative | -.115 |
| | Kolmogorov-Smirnov Z | | .298 |
| | Asymp. Sig. (2-tailed) | | 1.000 |
| KU | N | | 12 |
| | Normal Parameters ^{a,b} | Mean | 37.7500 |
| | | Std. Deviation | 7.14938 |
| | Most Extreme Differences | Absolute | .175 |
| | | Positive | .124 |
| | | Negative | -.175 |
| | Kolmogorov-Smirnov Z | | .607 |
| Asymp. Sig. (2-tailed) | | .855 | |
| NERIM | N | | 18 |
| | Normal Parameters ^{a,b} | Mean | 38.2778 |
| | | Std. Deviation | 6.39674 |
| | Most Extreme Differences | Absolute | .106 |
| | | Positive | .084 |
| | | Negative | -.106 |
| | Kolmogorov-Smirnov Z | | .450 |
| Asymp. Sig. (2-tailed) | | .987 | |
| RSM | N | | 11 |
| | Normal Parameters ^{a,b} | Mean | 38.8182 |
| | | Std. Deviation | 6.19384 |
| | Most Extreme Differences | Absolute | .189 |
| | | Positive | .189 |
| | | Negative | -.127 |
| | Kolmogorov-Smirnov Z | | .627 |
| Asymp. Sig. (2-tailed) | | .827 | |
| TU | N | | 10 |
| | Normal Parameters ^{a,b} | Mean | 42.2000 |
| | | Std. Deviation | 4.73286 |
| | Most Extreme Differences | Absolute | .251 |
| | | Positive | .251 |
| | | Negative | -.189 |
| | Kolmogorov-Smirnov Z | | .792 |
| Asymp. Sig. (2-tailed) | | .557 | |
| a. Test distribution is Normal. | | | |
| b. Calculated from data. | | | |

Source: based on Survey data

Since the Asymp. Sig. (2-tailed) values computed above are more than 0.05, it is concluded that data in the population follow normal distribution. This is true for over all data as well as institute wise data.

[B] ‘Satisfaction to the Internal Customers’

[a] Item selection for scales

The second set of questions focused on the level of satisfaction of employees when they take part in the management. The set of questions were prepared with the help of literature review and interviewing many experienced faculty member of management education organization.

Table: 2.9
Items to Measure the Degree of Satisfaction of Internal customers in respect of Participation in Management

| S.No | Statement |
|------|---|
| 2.1 | Employees’ are happy to contribute towards formation of strategic decisions for implementations |
| 2.2 | Employees’ are happy to contribute in making tactical decisions. |
| 2.3 | Employees’ are happy to contribute in implementing tactical decisions. |
| 2.4 | Employees’ involvements in implementation of day to-day activities are satisfactory. |
| 2.5 | Employees’ participation in Organization’s Management are satisfactory. |
| 2.6 | Employees’ participation in the Board of Studies is satisfactory. |
| 2.7 | Employees’ participation in Departmental Meetings are satisfactory |
| 2.8 | Employees are happy in taking part as a member in the Board of Governors. |
| 2.9 | Employees’ hard work is recognized by the management |
| 2.10 | Employees are provided growth opportunities by the management. |
| 2.11 | Employees are happy with the job security. |
| 2.12 | Employees are happy with the training provided to them. |
| 2.13 | Employees are happy with the salary structure. |

| | |
|------|---|
| 2.14 | Employees are happy with the fringe benefit provided by the management. |
| 2.15 | Employees' relationship with the management is satisfactory. |
| 2.16 | Employees' relationship with in the employees is satisfactory. |

Source: Questionnaire

[b] Reliability of Scales

[1] Overall reliability of scale including all institutions

| Table No:2.10 | | |
|---|---|--------------------|
| Reliability Statistics of Degree of Satisfaction of Internal customers in respect of Participation in Management | | |
| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No of Items |
| .934 | .935 | 16 |

Source: based on Survey data

| Table No:2.11 | | | | | | | |
|--|-------|---------|---------|-------|-------------------|----------|-------------|
| Overall Summary Item Statistics of Degree of Satisfaction of Internal customers in respect of Participation in Management | | | | | | | |
| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | No of Items |
| Item Means | 3.619 | 3.100 | 3.970 | .870 | 1.281 | .079 | 16 |
| Item Variances | .888 | .534 | 1.372 | .837 | 2.566 | .072 | 16 |

Source: based on Survey data

[2]. Institute wise reliability of scale

| Table No:2.12 | | | |
|--|-------------------------|---|--------------------|
| Institute wise Reliability Statistics of Degree of Satisfaction of Internal Customers in respect of Participation in Management | | | |
| Name of the Institution | Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No of Items |
| AIM | .964 | .974 | 16 |
| AU | 1.000 | 1.000 | 16 |
| DBIM | .818 | .823 | 16 |
| DU | .845 | .793 | 16 |
| GIMT | .812 | .786 | 16 |
| GU | .938 | .942 | 16 |
| KU | .901 | .911 | 16 |
| NERIM | .960 | .962 | 16 |

| | | | |
|-----|------|------|----|
| RSM | .949 | .950 | 16 |
| TU | .736 | .734 | 16 |

Source: based on Survey data

From the above Table No 2.10 and 2.12, it is observed that the scale considered for the study is reliable since calculated Cronbach's Alpha values are more than 0.70.

[c] Interpretation of the Scale Developed

The more is the scale value; more is the degree of satisfaction of internal customers in respect of participation in management; and, vice versa.

[d] Descriptive Statistics of the scale

[i] Overall mean score of the degree of satisfaction of internal customers in respect of participation in management

| Table No:2.13 | | | |
|---|-----------------|-----------------------|--------------------|
| Overall Scale Statistics of Degree of Satisfaction of Internal Customers in respect of 'Participation in Management' | | | |
| Mean Score | Variance | Std. Deviation | No of Items |
| 57.91 | 114.184 | 10.686 | 16 |

Source: based on Survey data

The mean score of the degree of satisfaction of internal customers in respect of participation in management is 57.91

[ii] Institute wise mean score of degree of satisfaction of internal customers in respect of 'Participation in Management'.

| Table No:2.14 | | | | |
|--|-------------|-----------------|-----------------------|--------------------|
| Institute wise Scale Statistics of Degree of Satisfaction of Internal Customers in respect of 'Participation in Management' | | | | |
| Name of the Institutions | Mean | Variance | Std. Deviation | No of Items |
| AIM | 69.30 | 94.456 | 9.719 | 16 |
| AU | 73.60 | 76.800 | 8.764 | 16 |
| DBIM | 55.44 | 52.028 | 7.213 | 16 |

| | | | | |
|-------|-------|---------|--------|----|
| DU | 50.82 | 82.764 | 9.097 | 16 |
| GIMT | 53.78 | 55.444 | 7.446 | 16 |
| GU | 51.80 | 178.700 | 13.368 | 16 |
| KU | 54.08 | 90.265 | 9.501 | 16 |
| NERIM | 56.33 | 67.294 | 8.203 | 16 |
| RSM | 54.73 | 143.618 | 11.984 | 16 |
| TU | 62.80 | 30.844 | 5.554 | 16 |

Source: based on Survey data

Based on the table 2.15 it may be observed that highest level of satisfaction of Internal Customers in respect of ‘Participation in Management’ is 73.60 with Assam University and least satisfaction is in respect of Dibrugarh University with a score of 50.82. It indicates wide gap of satisfactions.

Normality test

[i] Overall data

| Table No:2.15 | | |
|--|-----------------------------|-----------------|
| Overall One-Sample Kolmogorov-Smirnov Test for Degree of Satisfaction of Internal Customers in Participation in Management as perceived by Internal Customers | | |
| N | | 100 |
| Normal Parameters^{a,b} | Mean | 57.9100 |
| | Std. Deviation | 10.68568 |
| | Absolute | .091 |
| | Positive | .084 |
| | Negative | -.091 |
| | Kolmogorov-Smirnov Z | |
| Asymp. Sig. (2-tailed) | | .384 |
| a. Test distribution is Normal | | |
| b. Calculated from data. | | |

Source: based on Survey data

[ii] Institute wise data

| Table No:2.16 | | | |
|---|----------------------------------|--------------------------|----------------|
| Institute wise One-Sample Kolmogorov-Smirnov Test for Degree of Satisfaction of Internal Customers in Participation in Management as perceived by Internal Customers | | | |
| Name of the Institutions | | | |
| AIM | N | | 10 |
| | Normal Parameters ^{a,b} | Mean | 69.3000 |
| | | Std. Deviation | 9.71882 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .207 |
| | | Negative | -.265 |
| | Kolmogorov-Smirnov Z | | .837 |
| | Asymp. Sig. (2-tailed) | | .486 |
| AU | N | | 5 |
| | Normal Parameters ^{a,b} | Mean | 73.6000 |
| | | Std. Deviation | 8.76356 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .263 |
| | | Negative | -.367 |
| | Kolmogorov-Smirnov Z | | .822 |
| | Asymp. Sig. (2-tailed) | | .510 |
| DBIM | N | | 9 |
| | Normal Parameters ^{a,b} | Mean | 55.4444 |
| | | Std. Deviation | 7.21303 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .109 |
| | | Negative | -.094 |
| | Kolmogorov-Smirnov Z | | .328 |
| | Asymp. Sig. (2-tailed) | | 1.000 |
| DU | N | | 11 |
| | Normal Parameters ^{a,b} | Mean | 50.8182 |
| | | Std. Deviation | 9.09745 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .107 |
| | | Negative | -.116 |

| | | | |
|------------------------|----------------------------------|--------------------------|-----------------|
| | Kolmogorov-Smirnov Z | | .386 |
| | Asymp. Sig. (2-tailed) | | .998 |
| GIMT | N | | 9 |
| | Normal Parameters ^{a,b} | Mean | 57.7778 |
| | | Std. Deviation | 7.44610 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .185 |
| | | Negative | -.232 |
| | Kolmogorov-Smirnov Z | | .696 |
| Asymp. Sig. (2-tailed) | | .719 | |
| GU | N | | 5 |
| | Normal Parameters ^{a,b} | Mean | 51.8000 |
| | | Std. Deviation | 13.36787 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .131 |
| | | Negative | -.160 |
| | Kolmogorov-Smirnov Z | | .357 |
| Asymp. Sig. (2-tailed) | | 1.000 | |
| KU | N | | 12 |
| | Normal Parameters ^{a,b} | Mean | 54.0833 |
| | | Std. Deviation | 9.50080 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .100 |
| | | Negative | -.163 |
| | Kolmogorov-Smirnov Z | | .566 |
| Asymp. Sig. (2-tailed) | | .906 | |
| NERIM | N | | 18 |
| | Normal Parameters ^{a,b} | Mean | 56.3333 |
| | | Std. Deviation | 8.20330 |
| | | Most Extreme Differences | Absolute |
| | | Positive | .187 |
| | | Negative | -.173 |
| | Kolmogorov-Smirnov Z | | .792 |
| Asymp. Sig. (2-tailed) | | .557 | |
| RSM | N | | 11 |
| | Normal | Mean | 54.7273 |

| | | | |
|---------------------------------|----------------------------------|----------------|-----------------|
| | Parameters ^{a,b} | Std. Deviation | 11.98408 |
| | Most Extreme Differences | Absolute | .119 |
| | | Positive | .119 |
| | | Negative | -.112 |
| | Kolmogorov-Smirnov Z | | .393 |
| | Asymp. Sig. (2-tailed) | | .998 |
| TU | N | | 10 |
| | Normal Parameters ^{a,b} | Mean | 62.8000 |
| | | Std. Deviation | 5.55378 |
| | Most Extreme Differences | Absolute | .173 |
| | | Positive | .146 |
| | | Negative | -.173 |
| | Kolmogorov-Smirnov Z | | .547 |
| Asymp. Sig. (2-tailed) | | .926 | |
| a. Test distribution is Normal. | | | |
| b. Calculated from data. | | | |

Source: based on Survey data

Since the Asymp. Sig. (2-tailed) values computed above are more than 0.050, it is concluded that data in the population follow normal distribution. This is true for over all data as well as institute wise data.

[C] ‘Satisfaction of the external customers’

[a] Item selection for scales

In order to achieve, items were identified from literature review and cited below

Table No: 2.17

Items to Measure the Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management

| S.No. | Statement |
|--------------|---|
| 3.1 | Employees’ involvement in taking strategic decisions and implementations for the benefit of the External customers is satisfactory. |
| 3.2 | Employees’ involvement in taking tactical decisions for the benefit of the External customers is satisfactory. |

| | |
|------|---|
| 3.3 | Employees' involvement in implementing tactical decisions for the benefit of the External customers is satisfactory. |
| 3.4 | Employees involvement in day to-day activities for the benefit of the External customers is satisfactory.. |
| 3.5 | Employee's involvement in day to-day activities implementation for the benefit of the External customers is satisfactory. |
| 3.6 | Employees represent External customer's demands to management which are properly addressed for the benefit of the External customers is satisfactory. |
| 3.7 | Employees participate in Organization's Management for the benefit of the External customers is satisfactory. |
| 3.8 | Employees participate in the Board of Studies for the benefit of the External customers is satisfactory. |
| 3.9 | Employees participate in Departmental Meetings for the benefit of the External customers is satisfactory. |
| 3.10 | Decisions which are clearly and timely commutated between employees and management for the benefit of the External customers is satisfactory. |

Source: Questionnaire

[b] Overall Reliability of Scales

| Table No:2.18 | | |
|---|---|--------------------|
| Overall Reliability Statistics of Degree of 'Satisfaction of the External Customers' regarding Internal Customers' Participation in Management | | |
| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No of Items |
| .832 | .833 | 10 |

Source: based on Survey data

| Table No:2.19 | | | | | | | |
|--|-------|---------|---------|-------|-------------------|----------|-------------|
| Summary Item Statistics of Degree of 'Satisfaction of the External Customers' regarding Internal Customers' Participation in Management | | | | | | | |
| | Mean | Minimum | Maximum | Range | Maximum / Minimum | Variance | No of Items |
| Item Means | 3.841 | 3.702 | 3.990 | .288 | 1.078 | .008 | 10 |

Source: based on Survey data

[ii] **Institute wise data**

| Table No:2.20 | | | |
|--|-------------------------|---|--------------------|
| Institute wise Reliability Statistics of Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management | | | |
| Name of the Institutions | Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No of Items |
| AIM | .760 | .771 | 10 |
| AU | .876 | .877 | 10 |
| DBIM | .854 | .860 | 10 |
| DU | .839 | .840 | 10 |
| GIMT | .750 | .756 | 10 |
| GU | .822 | .822 | 10 |
| KU | .862 | .864 | 10 |
| NERIM | .771 | .773 | 10 |
| RSM | .855 | .858 | 10 |
| TU | .789 | .770 | 10 |

Source: based on Survey data

From the above Table No2.20 it is observed that the scale considered for the study is reliable since calculated Cronbach’s Alpha value are more than 0.70.

[c] **Interpretation of the Scale Developed**

The more is the scale value; more is the degree of ‘Satisfaction of the external customers’ regarding Internal Customers’ Participation in Management; and, vice versa

[d] **Descriptive Statistics of the scale**

[i] Overall mean score the degree of ‘Satisfaction of the external customers’ regarding Internal Customers’ Participation in Management.

| Table No:2.21 | | | |
|---|-----------------|-----------------------|--------------------|
| Overall Scale Statistics of the Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management | | | |
| Mean score | Variance | Std. Deviation | No of Items |
| 38.41 | 26.305 | 5.129 | 10 |

Source: based on Survey data

The overall mean score the degree of ‘Satisfaction of the external customers’ regarding Internal Customers’ Participation in Management is 38.41

[ii] **Institute wise data**

| Table No:2.22 | | | | |
|--|-------------|-----------------|-----------------------|--------------------|
| Institute wise Scale Statistics of the Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management | | | | |
| Name of the Institutions | Mean | Variance | Std. Deviation | No of Items |
| AIM | 38.91 | 18.883 | 4.345 | 10 |
| AU | 40.85 | 31.772 | 5.637 | 10 |
| DBIM | 37.90 | 33.426 | 5.781 | 10 |
| DU | 38.24 | 25.329 | 5.033 | 10 |
| GIMT | 38.16 | 17.974 | 4.240 | 10 |
| GU | 36.44 | 27.670 | 5.260 | 10 |
| KU | 36.68 | 30.222 | 5.497 | 10 |
| NERIM | 39.51 | 20.108 | 4.484 | 10 |
| RSM | 39.80 | 24.923 | 4.992 | 10 |
| TU | 37.08 | 20.704 | 4.550 | 10 |

Source: based on Survey data

The Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management is highest in Assam university [40.85 degree] and lowest in Guwahati university [36.44 degree]

Normality test

[i] Over all data including all institutions

| Table No:2.23 | | |
|---|------|----------------|
| Over all One-Sample Kolmogorov-Smirnov Test for Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management | | |
| N | | 510 |
| Normal Parameters^{a,b} | Mean | 38.3745 |
| | Std. | 5.11239 |

| | | |
|---------------------------------|-----------|--------------|
| | Deviation | |
| Most Extreme Differences | Absolute | .092 |
| | Positive | .050 |
| | Negative | -.092 |
| Kolmogorov-Smirnov Z | | 2.074 |
| Asymp. Sig. (2-tailed) | | .000 |
| a. Test distribution is Normal. | | |
| b. Calculated from data. | | |

Source: based on Survey data

[ii] Institute wise data

| Table No:2.24 | | | |
|---|----------------------------------|----------------|---|
| Institute wise One-Sample Kolmogorov-Smirnov Test for Degree of ‘Satisfaction of the External Customers’ regarding Internal Customers’ Participation in Management | | | |
| Name of the institution | | | Degree of Satisfaction of External Customers with Internal Customers Participation in Management |
| AIM | N | | 56 |
| | Normal Parameters ^{a,b} | Mean | 38.9107 |
| | | Std. Deviation | 4.34543 |
| | | | |
| | Most Extreme Differences | Absolute | .169 |
| | | Positive | .169 |
| | | Negative | -.096 |
| | Kolmogorov-Smirnov Z | | 1.264 |
| Asymp. Sig. (2-tailed) | | .082 | |
| AU | N | | 40 |
| | Normal Parameters ^{a,b} | Mean | 40.8500 |
| | | Std. Deviation | 5.63665 |
| | | | |
| | Most Extreme Differences | Absolute | .165 |
| | | Positive | .088 |
| | | Negative | -.165 |
| | Kolmogorov-Smirnov Z | | 1.044 |
| Asymp. Sig. (2-tailed) | | .226 | |
| DBIM | N | | 40 |
| | Normal | Mean | 37.9000 |

| | | | |
|------------------------|-------------------------------------|-------------------|----------------|
| | Parameters ^{a,b} | Std. Deviation | 5.78149 |
| | Most Extreme Differences | Absolute | .125 |
| | | Positive | .079 |
| | | Negative | -.125 |
| | Kolmogorov-Smirnov Z | | .793 |
| | Asymp. Sig. (2-tailed) | | .555 |
| DU | N | | 50 |
| | Normal Parameters ^{a,b} | Mean | 38.2400 |
| | | Std. Deviation | 5.03279 |
| | Most Extreme Differences | Absolute | .080 |
| | | Positive | .080 |
| | | Negative | -.077 |
| | Kolmogorov-Smirnov Z | | .567 |
| Asymp. Sig. (2-tailed) | | .904 | |
| GIMT | N | | 38 |
| | Normal Parameters ^{a,b} | Mean | 38.1579 |
| | | Std. Deviation | 4.23962 |
| | Most Extreme Differences | Absolute | .142 |
| | | Positive | .100 |
| | | Negative | -.142 |
| | Kolmogorov-Smirnov Z | | .874 |
| Asymp. Sig. (2-tailed) | | .430 | |
| GU | N | | 63 |
| | Normal Parameters ^{a,b} | Mean | 36.4444 |
| | | Std. Deviation | 5.26025 |
| | Most Extreme Differences | Absolute | .098 |
| | | Positive | .091 |
| | | Negative | -.098 |
| | Kolmogorov-Smirnov Z | | .774 |
| Asymp. Sig. (2-tailed) | | .586 | |
| KU | N | | 52 |
| | Normal Parameters ^{a,b} | Mean | 36.6538 |
| | | Std. Deviation | 5.32800 |
| | Most Extreme Differences | Absolute | .122 |
| Positive | | .111 | |

| | | | |
|---------------------------------|----------------------------------|----------------|----------------|
| | | Negative | -.122 |
| | Kolmogorov-Smirnov Z | | .880 |
| | Asymp. Sig. (2-tailed) | | .421 |
| NERIM | N | | 70 |
| | Normal Parameters ^{a,b} | Mean | 39.5143 |
| | | Std. Deviation | 4.48425 |
| | Most Extreme Differences | Absolute | .086 |
| | | Positive | .056 |
| | | Negative | -.086 |
| | Kolmogorov-Smirnov Z | | .719 |
| Asymp. Sig. (2-tailed) | | .679 | |
| RGI | N | | 60 |
| | Normal Parameters ^{a,b} | Mean | 39.7500 |
| | | Std. Deviation | 4.96300 |
| | Most Extreme Differences | Absolute | .112 |
| | | Positive | .063 |
| | | Negative | -.112 |
| | Kolmogorov-Smirnov Z | | .869 |
| Asymp. Sig. (2-tailed) | | .437 | |
| TU | N | | 40 |
| | Normal Parameters ^{a,b} | Mean | 37.0000 |
| | | Std. Deviation | 4.51777 |
| | Most Extreme Differences | Absolute | .200 |
| | | Positive | .139 |
| | | Negative | -.200 |
| | Kolmogorov-Smirnov Z | | 1.265 |
| Asymp. Sig. (2-tailed) | | .082 | |
| a. Test distribution is Normal. | | | |
| b. Calculated from data. | | | |

Source: based on Survey data

Since the Asymp. Sig (2-tailed) values computed above are more than 0.50, it is concluded that the population follow normal distribution. This is true for over all data as well as institute wise data.

2.9. Data Set Generation

For the purpose of the statistical test the average scores based on the above mentioned reliable scales in respect of the above parameters of all the management education service providing institutes were developed and the results presented into the following table 2.25.

Table No: 2.25
Data set generation Participation in Management and Satisfaction of Internal and External Customers

| Name of Institutions | Degree of Participation in Management by Internal customers as perceived by Internal customers | Degree of Satisfaction in 'Participation in Management' as perceived by Internal Customers | Degree of 'Satisfaction of the External Customers' regarding Internal Customers' Participation in Management |
|-----------------------------|---|---|---|
| AIM | 47.90 | 69.30 | 38.91 |
| AU | 48.40 | 73.60 | 40.85 |
| DBIM | 41.67 | 55.44 | 37.90 |
| DU | 39.18 | 50.82 | 38.24 |
| GIMT | 37.67 | 53.78 | 38.16 |
| GU | 30.80 | 51.80 | 36.44 |
| KU | 37.80 | 54.08 | 36.68 |
| NERIM | 37.80 | 56.33 | 39.51 |
| RSM | 38.82 | 54.73 | 39.80 |
| TU | 42.20 | 62.80 | 37.08 |

Source: based on Survey data

2.10. Hypothesis Testing in Chapter 2

A. Internal Customer Participation in Management and their level of Satisfaction

Corollary hypothesis considered here is as follows:

H_{1a}: The 'Internal Customers' participation in management decision making' process does not bring any satisfaction to the 'Internal Customers.

[a].the measure of the correlation [both Parametric and Non Parametric] between the variables and related Test

| Table No: 2.26 | | | |
|--|---------------------|---|---|
| Pearson Correlations between Internal Customers Participation in Management and Satisfaction in Participating | | | |
| | | Degree of Participation in Management by Internal customers as perceived by Internal customers | Degree of Satisfaction in Participation in Management as perceived by Internal customers |
| Degree of Participation in Management by Internal customers as perceived by Internal customers | Pearson Correlation | 1 | .874** |
| | Sig. (2-tailed) | | .001 |
| | N | 10 | 10 |
| Degree of Satisfaction in Participation in Management as perceived by Internal customers | Pearson Correlation | .874** | 1 |
| | Sig. (2-tailed) | .001 | |
| | N | 10 | 10 |
| **. Correlation is significant at the 0.01 level (2-tailed). | | | |

Source: based on Survey data

| Table No: 2.27 | | | | |
|---|---|-------------------------|---|---|
| Spearman's rho Correlations between Internal Customers Participation in Management and Satisfaction in Participating | | | | |
| | | | Degree of Participation in Management by Internal customers as perceived by Internal customers | Degree of Satisfaction in Participation in Management as perceived by Internal customers |
| Spearman's rho | Degree of Participation in Management by Internal customers as perceived by Internal customers | Correlation Coefficient | 1.000 | .754* |
| | | Sig. (2-tailed) | . | .012 |
| | | N | 10 | 10 |
| | Degree of | Correlation | .754* | 1.000 |

| | | | | |
|--|---|-----------------|------|----|
| | Satisfaction in Participation in Management as perceived by Internal customers | Coefficient | | |
| | | Sig. (2-tailed) | .012 | . |
| | | N | 10 | 10 |
| *. Correlation is significant at the 0.05 level (2-tailed) | | | | |

Source: based on Survey data

[b] Decision from the Hypothesis Tests applied / conducted

From the above, it is observed that there exists a high degree of association between [i] The ‘**Internal Customers’ participation in management decision making**’ process and [ii] **satisfaction to the ‘Internal Customers** both in the sample as well as in the population

In other words, the ‘**Internal Customers’ participation in management decision making**’ process does bring enough satisfaction to the ‘**Internal Customers in respect of the Management Education Service Providing Organizations.**

B. Internal Customer Participation in Management and External Customers Satisfaction

Internal Customers i.e. employees have to bargain the demands of external customers. They have to bargain on behalf of external customer form management. Because, they have to make external customer know that they are showing empathy towards them to develop better relation with them and external customers will have confidence on employee’s delivery of services. This is proved by **Mohamad et al²¹⁵ (2013)**, in their exploratory study. Even **Mazvancheryl et al²¹⁶ (1999)**, argue that customer satisfaction should be the main objective of the stakeholder of the organization for business success.

²¹⁵ Mohamad Aeeni, Sanandaj and Reza Shafei (2013),”Exploration Relationship between Internal Marketing and Organizational Citizenship Behavior in bank of Kurdistan province”, Interdisciplinary Journal of Contemporary Research in Business, Vol:4, No:12, pp 850 -859

²¹⁶ Mazvancheryl, S.K., Anderson, E.W. and Fornell, C. (1999), Customer Satisfaction and Shareholder Value: The Association between ACSI and Tobin’s q, working paper University of North Carolina, Chapel Hill, NC, available at: <http://webuser.bus.umich.edu/genea/research/q.pdf> (accessed 15 August 2011).

A corollary hypothesis is:

H_{1b}: The ‘**Internal Customers**’ participation in management decision making process does not bring any **satisfaction to the external customers**.

[a]. The measure of correlation [both Parametric and Non Parametric] Test

| Table No:2.28 | | | |
|---|---------------------|---|--|
| Pearson Correlations between Internal Customers Participation in Management and Satisfaction of External Customers | | | |
| | | Degree of Participation in Management by Internal customers as perceived by Internal customers | Degree of Satisfaction of External Customers in Employees Participation in Management |
| Degree of Participation in Management by Internal customers as perceived by Internal customers | Pearson Correlation | 1 | .592 |
| | Sig. (2-tailed) | | .072 |
| | N | 10 | 10 |
| Degree of Satisfaction of External Customers in Employees Participation in Management | Pearson Correlation | .072 | 1 |
| | Sig. (2-tailed) | .592 | |
| | N | 10 | 10 |
| **. Correlation is significant at the 0.01 level (2-tailed). | | | |

Source: based on Survey data

| Table No:2.29 | | |
|--|---|--|
| Spearman's rho Correlations between Internal Customers Participation in Management and Satisfaction of External Customers | | |
| | Degree of Participation in Management by Internal customers as perceived by Internal customers | Degree of Satisfaction of External Customers in Employees Participation in Management |
| | | |

| | | | | |
|--|---|-------------------------|-------|-------|
| Spearman's rho | Degree of Participation in Management by Internal customers as perceived by Internal customers | Correlation Coefficient | 1.000 | .480 |
| | | Sig. (2-tailed) | . | .160 |
| | | N | 10 | 10 |
| | Degree of Satisfaction of External Customers in Employees Participation in Management | Correlation Coefficient | .480 | 1.000 |
| | | Sig. (2-tailed) | .160 | . |
| | | N | 10 | 10 |
| *. Correlation is significant at the 0.05 level (2-tailed) | | | | |

Source: based on Survey data

[c] Decision from the Hypothesis Tests applied / conducted

From the above it is discerned that there exists moderate level of relationship between [i] The '**Internal Customers' participation in management** decision making process and [ii] **satisfaction to the external customers** in the sample but not in the population

In other words, the '**Internal Customers' participation in management [as perceived by the internal customers i.e. Internal Customers]** decision making process does not bring enough satisfaction **to the external customers [as perceived by the external customers i.e. Students]**.

2.11. Conclusion

Given the objective, hypothesis and methodology, it is found that there is significant association between the '**Internal Customers' participation in management decision making'** and '**satisfaction to the Internal Customers'**, and there is no significant relationship between the '**Internal Customers' participation in management** and '**satisfaction of External Customers** in respect of the Management of Education Service Providing Organization considered for the stu