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Journal writing is a voyage to the interior.

Christina Baldwin

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From the Editor's Desk

It is a great pleasure to release Volume 10, Issue 1 of International Journal on Global Business Management and Research. Unlike our previous issues, this issue also has brought highly productive and standard papers for the benefit of the readers.

Each of the papers discussed is significant in its own way. We are very thankful to our contributors and readers of our journal worldwide, without whose patronage this wonderful journey may be impossible. We welcome innovative contributions from corporate members, academicians, and researchers across the globe to contribute and benefit from our journal.

Thanks and Regards

Dr.K.R.Sowmya

The art of writing is the art of discovering what you believe

- *Gustave Flaubert*

Impact of self-efficacy on adjustment among university undergraduates to the university learning environment: with special reference to the sri lankan state universities

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ABSTRACT

Today's knowledge era, every nation around the world strives harder to ensure the creation and dissemination of knowledge. Universities play a significant role in accomplishing an exceptional level in ensuring such a value creation to the society by creating outstandingly performing undergraduates. Getting selected to a reputed university is a challenge, where adjusting one's self is even more challenging. Thus, energizing them with required abilities as a way of enhancing the self-efficacy is critical. The purpose of this study was to assess the impact of self-efficacy on the adjustment among the university undergraduates to the university environment. The study has been launched as an epistemological deductive and explanatory study and this is cross-sectional in nature. A standard questionnaire was administered among the participants in the sample who have been selected through simple random sampling technique which encompasses 413 respondents. Descriptive statistics, correlation, and regression have been used to test the advanced hypotheses. Results revealed that there is a significant relationship between the self-efficacy and the undergraduates' adjustment to the university environment and the self-efficacy possesses a significant impact on the undergraduates' adjustment. Based on the findings, it is recommended that the prior preparation for any academic activity is critical from the undergraduates' point and when it comes to the universities, starting from encouraging the undergraduates more towards team work to make them feel comfortable with the university environment by executing a productive and a sustainable supervision until the students complete their degree program. The findings will create a new insight regarding the significance of self-efficacy for undergraduates to adjust productively to the university environment.

Keywords

Self-efficacy, university environment, undergraduate adjustment

I. INTRODUCTION

Universities are playing an imperative role in strengthening a country's productivity by being a center of excellence with the productive efforts as if creation and dissemination of knowledge while producing and catering high quality graduates to the society even as one of the major sources of providing education. The education process is considered being complex where the academic performance can be identified as one of its important outcomes. Most of the practitioners and scholars have revealed a number of factors that affect these outcomes as if individual differences and their motivation (Wirawan & Bandu, 2016). Studies have

emphasized the significance of nurturing the undergraduates' academic performance which encompasses the efforts of undergraduates in gaining information from the degree program which help them to obtain a productive career success and employability and hence it is the responsibility of the university to strengthen the undergraduates' academic performance as a way of creating a strong foundation for their lives (Fugate *et al.*, 2004, as cited in Raza, Qazi, Yousufi, 2020) while enhancing their knowledge, skills, and competencies (McKenzie and Schweitzer, 2001, as cited in Raza *et al.*, 2020). Herein, the role of the university in creating an outstandingly performing individual is imperative as being creative and performing exceptionally in the field of academia have shown a direct relationship with the students' academic achievements (Malik, Ahmad, Kamran, Aliza, & Elahi, 2020).

However, it will be quite challenging if the undergraduates are unable to get adapted to the university setting productively. It was identified that, adapting to the university setting is critical in creating a positive impact on students' academic performance because poor academic performance can have a significant negative impact on a person's individual, family and the societal outcomes (Chen, 2015, as cited in Kumar & Tankha, 2020). Just after completing the secondary education, the students are entering into the tertiary education with a pre-established idea about what it is. However, studies have shown that the reality will be somewhat different from a student's expected situation about the university life where this will create a challenge for them to control themselves and minds productively because of the reality shock and the culture shock they have to experience. According to Nooreen *et al.* (2009), creating well-adjusted personalities within the educational institutions is one of the major focuses of the tertiary education (as cited in Elias, Noordin, & Mahyuddin, 2010). Even though during the initial stages after enter into the university, many efforts are being taken in order to assists the undergraduates to get adjusted to the university environment, it is visible that, many of them are struggling to get used to the university setting. Many previous studies have indicated that, very first year for the undergraduates is being the most excited time period as they get to meet new in everything including people where at the same time it can also be identified as the most challenging time period for some other students (Lent *et al.*, 2009; as cited in Elias, Noordin, & Mahyuddin, 2010). Hence, it is imperative for every learner to believe that they possess the ability to master new skills and tasks especially in some academic domains as it creates a high-level of self-efficacy among individuals. The undergraduates' self-efficacy is playing an extremely critical role here in shaping their lives while assisting them to adapt to the university environment and its culture. Hence, the present study aims to identify the impact of this crucial factor of self-efficacy on adjustment among university undergraduates in Sri Lankan state universities with special reference to the University of Kelaniya, Sri Lanka.

1.1 Research Context

It is apparent that the university education nurtures and enhances the country's human capital and getting selected to a university is quite challenging in Sri Lanka (Lalitha & Fernando, 2017). It is the nature of the higher education system that the most qualified students are being able to get selected to a state owned university in Sri Lanka which receives a significant amount of public funds mainly through a national and a substantial government.

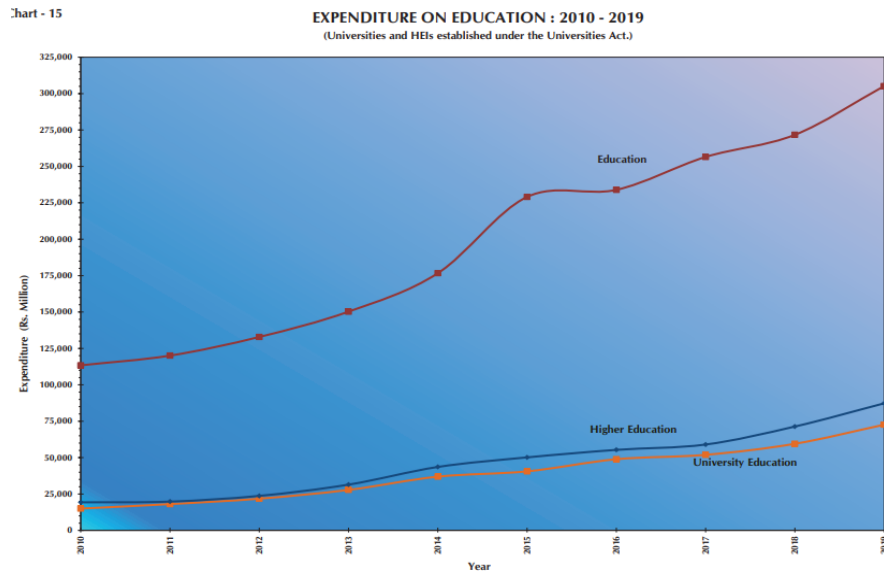


Figure 1.1: Source adopted from University Grant Commission, Finance Statistics Report (2014)

According to the facts revealed by the University Grant Commission, Sri Lanka, the allocation of finance for the education, higher education and especially for the university education is increasing yearly as visible in the above figure 1.1. Compared to the previous years, in the year of 2019 the expenditure on education has been increased. The following table shows the statistical figures obtained regarding the expenditure on higher education including university education.

Expenditure on Education: 2012-2019

| | | (Rs. Million) | | | | | | | |
|--|------------------|---------------|-----------|------------|------------|------------|------------|---------------------|---------------------|
| Nature of the cost | Year | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 ⁽¹⁾ | 2019 ⁽¹⁾ |
| GDP⁽²⁾ | | 8,732,463 | 9,592,125 | 10,361,151 | 10,950,621 | 11,996,083 | 13,328,103 | 14,366,103 | 15,016,142 |
| Total Government Expenditure | Recurrent | 1,131,023 | 1,205,180 | 1,322,898 | 1,701,658 | 1,757,782 | 1,927,693 | 2,089,713 | 2,301,155 |
| | Capital | 400,082 | 454,303 | 459,855 | 588,175 | 577,036 | 638,343 | 612,561 | 619,069 |
| | Total | 1,531,105 | 1,659,483 | 1,782,753 | 2,289,833 | 2,334,818 | 2,566,036 | 2,702,274 | 2,920,224 |
| Total Expenditure on Education⁽³⁾ | Recurrent | 119,462 | 131,748 | 141,875 | 189,894 | 193,727 | 201,286 | 216,094 | 256,769 |
| | | (74,663) | (80,598) | (88,927) | (117,076) | (112,833) | (113,418) | (123,558) | (141,746) |
| | Capital | 13,425 | 18,526 | 34,774 | 39,153 | 40,183 | 55,221 | 55,617 | 48,409 |
| | | (2,685) | (2,013) | (3,324) | (5,518) | (5,235) | (7,322) | (4,435) | (2,728) |
| Total | 132,887 | 150,274 | 176,649 | 229,047 | 233,910 | 256,507 | 271,711 | 305,178 | |
| | | (77,348) | (82,611) | (92,251) | (122,594) | (118,068) | (120,740) | (127,993) | (144,474) |
| Total Expenditure on Higher Education⁽⁴⁾ | Recurrent | 17,587 | 22,494 | 26,826 | 32,071 | 35,498 | 38,729 | 45,823 | 59,009 |
| | Capital | 6,153 | 8,969 | 16,770 | 18,099 | 19,833 | 20,276 | 25,538 | 28,281 |
| | Total | 23,740 | 31,463 | 43,596 | 50,170 | 55,331 | 59,005 | 71,361 | 87,290 |
| Expenditure on University Education⁽⁵⁾ | Recurrent | 16,865 | 21,655 | 25,737 | 30,848 | 34,196 | 37,357 | 44,316 | 57,231 |
| | Capital | 4,941 | 6,183 | 11,200 | 9,735 | 14,719 | 14,578 | 15,201 | 15,377 |
| | Total | 21,806 | 27,838 | 36,937 | 40,583 | 48,915 | 51,935 | 59,517 | 72,608 |

Figure 1.2 Source adopted from University Grant Commission, Finance statistics (2014)

According to the figures represented by the expenditure on university education, the expenditure on that has been increasing over time and a valuable insight can be obtained regarding how critically the sector is being funded in order to ensure its ability to cater quality graduates to the Sri Lankan nation because strengthening the undergraduates' capabilities is critical as it is a value addition to the country's economy in return to the funds invest on them. Considering the significance of the state universities, the current study has focused on to study about this research phenomenon in the Sri Lankan context.

1.3 Problem Statement

Adapting to the university is critical for an undergraduate to obtain more fruitful academic outcomes as poor adjustment to the university environment can create a lot of adversarial outcomes where ultimately the undergraduates tend to obtain poor academic results and scholars have stated that if the universities fail to strengthen the academic performance and their adjustment to college, retaining the students until the graduation will be a challenge (Boulter, 2002; Nonis & Wright, 2003; Pedrini & Pedrini, 1978, Petersena, Louw, & Dumont, 2009). The university undergraduate is a productive source of manpower in the development process of any country as they create an exceptional value to the nation and hence it is the responsibility of the universities to produce such competent graduates to the society. However, in case if the undergraduates give up their education before the graduation, they will face difficulties in finding job opportunities where this situation might create the concerns as if youth frustration, stress, anti-governmental activities, while hindering the development which ultimately affects adversely the economic development of the country (Lalitha & Fernando, 2017).

With the increasing number of state universities in Sri Lanka with the enhancement of student enrolment during the present couple of years, it can be stated that there is a visible need to explore about the importance of successful academic achievements while adjusting themselves to the university. It is obvious that the students are properly being guided by the lecturers and parents focusing on every aspect of their education until they finish their primary and secondary education where it can be stated that the entire learning is based on a teacher-centered approach. However, when it comes to the university setting, the system has empowered the undergraduates to seek and generate knowledge and hence it can be identified as a center which energizes the undergraduates with student-centered learning approach. In such situations, the undergraduates should create their own way of learning while adjusting themselves to the university environment, to the peers, academic activities and so on.

The current study has explored some factors that affect student adjustment in the university environment. According to De Silva (1977), insufficient knowledge in using English language is one of the concerns which hinders the students from obtaining best academic outcomes where according to the evidence provided by the Central Bank of Sri Lanka (2000), habit of memorizing the lecture notes rather than read and comprehend, lack of practical skills, and analytical skills are also some of the problems face by the undergraduates (as cited in Perera, 2013). In addition, it has mentioned that, most of the undergraduates seek help from the counseling centers mainly because of the following reasons where these reasons shows the

complexity of the factors that make it harder to cope -up the problems face by the undergraduates and to adaptation (Perera, 2013).

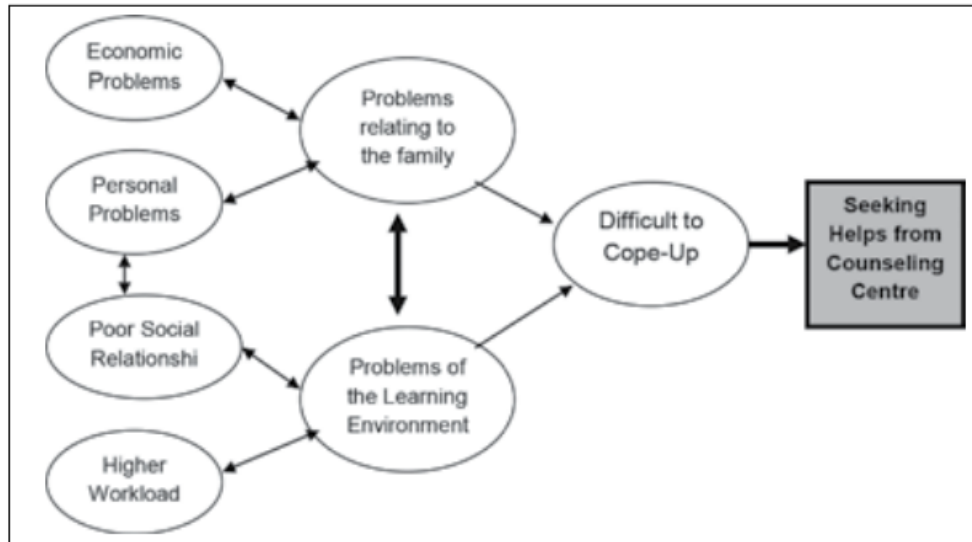


Figure 1.3 Source adopted from Perera, R. M. (2013). Problems Faced by Undergraduates in the Learning Environment: Some Evidences from a Sri Lanka University

According to the extremely confidential data gathered from the selected university’s counseling Center by interviewing the director of “Kalana Mithuru Sewana” and some other counsellors, as per the general information revealed by them, most of the grievances have been raised especially from the undergraduates of all the academic years related to the inability to get used to the environment, new friends and lecturers they have to interact with, the difficulties in dealing with a new language (English), a new course content and a subject area and especially because of missing their families and close friends (Wijesundara, 2020). However, the current researcher could able to obtain the numerical figures where following figure 1.4 shows how the students’ grievances have been increasing over time.



Figure 1.4: Source adopted from Wijesundara (2020), Director, Kalana Mithuru Sewana, Grievances recorded since 2015 - 2019: Evidences from Kalana Mithuru Sewana, Counseling Center, University of Kelaniya, Sri Lanka

Thus, it can be stated that there is a visible empirical gap where the present study has considered on. In addition, it is important to point out the fact that, even though the stated scope has been studied in the foreign context, there is no any clear-cut academic demonstration that expresses the relationship and the impact of the self-efficacy on the student adjustment pertaining to the Sri Lankan context in recently and hence, this study has proven its significance in filling this contextual gap. Present study has focused on one key element which assists the individuals to succeed in their life which is the self-efficacy and strives to find its impact on the student adjustment to the university environment.

As such, the current study raises the following research problem:

“What is the impact of self-efficacy on student adjustment within the university environment?”

1.4 Research Objectives

The present study aims to achieve the following research objectives.

- To measure the relationship between self-efficacy and student adjustment
- To analyze the impact of self-efficacy on student adjustment
- To identify whether there is any difference exists in student adjustment compared to the different academic years
- To identify whether there is any difference exists in student adjustment compared to the department of the degree program

II. LITERATURE REVIEW

2.1. Introduction

Education is the most critical factor which boosts the students' value by serving as a path in accruing the knowledge and skills while nurturing the learners' positive attitudes (Lalitha & Fernando, 2017). The world has turned into the era of globalization where this requires the wheels of education to be designed in a way in which it strengthens the education to go hand in hand with the dynamic technology and this will ultimately enhances the humans' level of quality (Siska & Shinta, 2017, as cited in Junita, 2018). It was stated that, a qualified individual is an individual who was born in this world of education and as explained by Ramdhani & Muhammadiyah (2015), the attempts to form the qualified individuals happen basically through the educational institutions as if colleges or universities (as cited in Junita, 2018). Herein, the universities are playing a crucial role in the field of higher education since, they are the major sources that expose the students to a variety of new challenges which are linked with the academic demands, autonomy towards their needs and activities while empowering them to become more independent than earlier (Credé and Niehorster, 2012, as cited in Kusumaningsih & Arjanggi, 2016). According to Solberg Nes *et al.* (2009), the factors as if

academic accomplishments and competence of these qualified individuals are serving as the foundation of acceptable social and vocational integration where it is the responsibility of the universities to achieve this goal (as cited in Raza *et al.*, 2020). Strengthening the undergraduates with sufficient knowledge, skills, and competencies is imperative to nurture them to enhance their motivation to achieve their academic goals and objectives and it was found that the undergraduates' attendance, academic participation while adapting themselves are considered being extremely vital in determining the students' academic performance (Cuizon, 2016).

2.2. Adjustment of the Undergraduates to the University Learning Environment

Get adjusted to the university environment has been identified as one of the major transitions (Páramo, Tinajero, & Rodríguez, 2015) and it is a major challenge which has created a stressful and intimidating struggle for all the university students where the ones who fail to manage these stressful events face distress and increase attrition rates; and hence the universities are facing a huge challenge in retaining and graduate more students (Smith and Hopkins, 2005, as cited in Raza *et al.*, 2020). Fruitful efforts to adapt to the university environment are important in envisage the university outcomes (Petersena, Louw, & Dumont, 2009). Hence, how effectively the students can balance the moments or the situations that result in from an individual's conflicts with environment, potentials and the available opportunities should be focused well and that serves as the foundation for the undergraduates' adjustment (Ahamed, 2001, as cited in Yadak, 2017).

Every learner should deal with the requirements of the education with an increasing level of motivation, to complete the academic requirements, while also possessing a satisfaction with the academic environment and this is known as the undergraduates' adjustment (Salami, 2011, cited in Kusumaningsih & Arjanggih, 2016). The students' adjustment can be identified as a psychological process which is used to adapt, handle, and manage the issues that can arise in everyday life where it encompasses four elements as if educational, social, personal-emotional, and university adjustment (Nyamayaro and Saravanan, 2013, as cited in Raza *et al.*, 2020). Empirical evidence suggests that, for a person, adjusting to the school life is vital as it will serve as the basis for a person's rest of the life span (Lakhani, Jain, & Chandel, 2017). According to Ganai and Mir (2013), most of the students in the first year have to adapt in an unfamiliar environment especially while getting used to different living arrangements and developing new relationships (as cited in Wirawan & Bandu, 2016). It was stated that the undergraduates' matters are directly or indirectly related with the university learning environment in most of the practical situations where according to the philosophical view, clearly, this learning environment which includes the aspects as if university environment, family context, and personal qualities is decisive for undergraduates' problem (Perera, 2013).

When it comes to the undergraduates' adjustment it shows a connection exists between him and the university environment (Ramsay *et al.*, 2007, as cited in Raza *et al.*, 2020). As explained by Schultz (2008), when it comes to the students' adjustment to the university life, it can be identified as a multilayered phenomenon (as cited in Raza *et al.*, 2020). The major factors as if need for approval, identification, self-enhancement, and need to be corrected, are considered being four motives that affect students' adjustment (Sasser *et al.*, 2015, as cited in Lakhani *et*

al., 2017). Herein, an individual has to ensure his cultural adjustment which encompasses two major dimensions as if adjusting to people and adjusting to the environment (Ward and Kennedy, 1999, as cited in Gopalan, Beutell, & Middlemiss, 2019). In addition, some other studies have revealed some more valuable insights about this dimensional nature of the undergraduates' adjustment. It was found that the undergraduates' adjustment encompasses four major dimensions such as undergraduates' adjustment, social adjustment, adjustment of personal emotions, and institutional adjustment (Beyers and Goossens, 2002, Marmarosh & Markin, 2007, Taylor and Pastor, 2007, as cited in Kusumaningsih & Arjanggi, 2016) where all of these dimensions are coming under the Baker and Sirk adjustment theory (Rajab, Wahab, Shaari, Panatik, & Nor, 2014).

Every learner should also involve with the social activities while satisfying with some various aspects of the leisure experiences where this assists an individual to ensure his/her social adjustment (Salami, 2011, cited in Kusumaningsih & Arjanggi, 2016). In addition, most of the students face with so many problems with relates to the emotional experiences as if manifestation of symptoms of depression and in such cases, it requires a student to have a proper personal-emotional adjustment (Salami, 2011, cited in Kusumaningsih & Arjanggi, 2016). In addition, student should adjust to the lecture environment where he present as a student while being more satisfying with such an environment and this is known as the institutional adjustment (Salami, 2011, cited in Kusumaningsih & Arjanggi, 2016). For every learner, it is important to get themselves adjusted to any new institution without feel alienated and they need to go through this transitional or the adaptation process as quickly as they can (Rajab *et al.*, 2014).

2.3. Significance of Ensuring Undergraduates' Adjustment to the University Learning Environment

Successfully adjusted student to the university environment demonstrated the behaviors as if a high level of involvement to the institutional activities, psychological wellbeing while performing exceptionally in the academic activities and most importantly it assists the undergraduates to cope up with the stress, conflicts, tension and especially to meet their needs effectively (Julia & Veni, 2012, as cited in Kusumaningsih & Arjanggi, 2016). As explain by Willms, Friesen, and Milton (2012), well-adjusted and engaged students are experiencing many positive academic achievements while displaying more productive and positive behaviors while also possessing a sense of belongingness among the students (as cited in Benraghda, Goudih, & Abdallah, 2018).

2.4. Academic Self-efficacy

The concept of self-efficacy is considered being relatively a modern variable that has been derived from Bandura's concept of Social Learning Theory where the concept has focused on the aspects as if the beliefs or perceptions of the individual's level or the effectiveness he possesses about his own ability to perform tasks, and the involvement of cognitive, emotional, and mental elements, and used to address situations, tasks and the problems to achieve something in light of the limitations that can come from the environment (Az-Zayat, 2001, as

cited in Yadak, 2017). According to Bandura (1986), individuals judge their capabilities in order to organize and executive courses of actions which are required in achieving certain types of performance and it is known as the perceived self-efficacy (as cited in Elias, Noordin, & Mahyuddin, 2010). Even though the theorized concept of self-efficacy has been originated from the Social Learning Theory of Rotter was Albert Bandura in 1977 that developed broadly through social cognitive theory or Social Cognitive (Jácquez, 2016). Thus, scholars have also stated that the concept has been evolved as a major component in Bandura's social-cognitive theory (Ahmad & Safaria, 2013). Herein, a valuable insight about the self-efficacy can be obtained. According to Blanco (2010), two fundamental propositions emerged from the Social Cognitive Theory as follows,

1. Self-efficacy beliefs are especially given to a functional environment
2. The construct of self-efficacy can be distinguished from other self-referential constructs when evaluated in relation to a specific domain.

Considering the stated propositions, it can be stated that the beliefs of self-efficacy which are related to the individuals make effective judgments about their abilities in performing certain tasks (as cited in Jácquez, 2016). Hence the phenomenon of self-efficacy can be identified as a critical factor and it is important to gain an insight about how the previous researchers have defined it. It is distinct from other self-referential constructs where according to Bandura (1997), most of the individual beliefs which are related to the self-efficacy differ from some other constructs such as self-esteem, self-concept, and value judgments. According to the explanations of the social cognitive psychologists, self-efficacy is the concept of one's believes in performing a task (Bandura, 1982, as cited in Ahmad & Safaria, 2013). It is one of the major elements of the phenomenon of the psychological capital which also includes optimism, hope, and resilience (Luthans *et al.*, 2015, as cited in Raza *et al.*, 2020). In addition, even for the organizational context, self-efficacy is important as it is one of the personal resources that a person possesses as per conservation of resource (COR) theory (Xu *et al.*, 2017, as cited in Ramalu & Janadari, 2020).

2.5. Significance of Self-Efficacy

The concept of self-efficacy is a crucial factor which nurtures the learning processes, motivation, passion, and selectiveness regulates, the individuals' use in different areas (Bandura, 1986, as cited in Elias, Noordin, & Mahyuddin, 2010). An individual's behaviors and actions are the major determinants of their personality where the characteristic of self-efficacy has been identified as an important dimension of the learner's personality (Hussein, 1987, as cited in Yadak, 2017). Student's career is something to be nurtured carefully as it has been identified as a byproduct of many factors and the factor of self-efficacy can be identified as one of the important variables (Ahmad & Safaria, 2013). As explained by Pajares (2002), the individuals with weaker level of self-efficacy take the tasks or the assignments much harder than what they truly are which ultimately result in sickness, depression because of high level of stress and limited view on problem solving (as cited in Elias, Noordin, & Mahyuddin, 2010). Academic achievement of a learner is directly strengthened by the level of the self-efficacy

he/she possesses (Bandura, 1993, as cited in Martins & Santos, 2018). High self-efficacy is important for a person to plan a task successfully and to complete it productively because the people with higher self-efficacy truly believe their capabilities and try to confidently apply them in such a way that they achieve goals (Bandura, 1982, as cited in Ahmad & Safaria, 2013)

2.6. The Association between the concept of Self-efficacy and Undergraduates' Adjustment

According to Hussein (1987), it has proven that a person's personality is mainly shaped by his behaviors and actions where his behavior is totally based on his thoughts about himself or the way how he perceives himself; herein the level of self-efficacy is playing a crucial role in energizing personality and this entire process is known as the adjustment (as cited in Yadak, 2017). According to Girelli *et al.* (2018), the factors such as motivation and the self-efficacy are considered being critical in predicting undergraduates' adjustment (as cited in Raza *et al.*, 2020). Self-efficacy encompasses an individual's confidence to accept and put an extra-effort with the view of succeed in the challenging tasks (Luthans and Youseef-Morgan, 2017, as cited in Raza *et al.*, 2020) and it is the extent to which the individuals belief their own academic performance which will help the undergraduates to adjust themselves (Sivatte, Bullinger, Cañamero, & Gomez, 2019). Elias, Noordin, & Mahyuddin (2010) conducted their study focusing on to identify the relationship between the self-efficacy and the academic achievement and it was confirmed that the self-efficacy is considered being a significant factor which strengthen the students' academic achievement and their adaptability (Karaman, Nelson, & Vela, 2017). Furthermore, it was confirmed that, if a learner possesses a high-level of self-efficacy, he will gain the abilities in the aspects such as adjust productively and in addition, the person is being more capable in overcoming the challenges in front of him, performing the extra task efforts, adjustment to the university activities, agreement with the faculty members, less vulnerability to the other disorders and self-organized (Bong, 1997, as cited in Yadak, 2017).

III. CONCEPTUAL FRAMEWORK

The Conceptual Framework of the current research study has been illustrated in the figure 3.5 assuming that the other factors are remaining constant. The present study has considered the student's self-efficacy as the independent variable and the student's adjustment as the dependent variable. Accordingly, below two hypotheses were advanced in the present study to be tested with primary data.



Figure 3.5: Conceptual Framework of the Study

Source: Author, 2020

3.1 Hypotheses of the Study

H1a: There is a significant relationship between the students' self-efficacy and the students' adjustment to the university environment

H1b: There is a significant impact of the students' self-efficacy on the students' adjustment to the university environment

IV. METHODOLOGY

4.1 Overall Research Design

The study has been launched as an epistemological deductive study and it is cross-sectional in nature. The study strives to test the formulated hypotheses and the established relationship in this research model. The study also has been launched as an explanatory study as it strives to explain the impact and the relationship between the students' self-efficacy and the students' adaptability. As mentioned above, since there is no any recent academic demonstrations that has been conducted recently which strives to find the impact of the self-efficacy and the student adjustment pertaining to the Sri Lankan context focusing on the state university undergraduates, it has been proven its significance. Unit of analysis of the study is at the individual level: an undergraduate study in the Faculty of Commerce and Management Studies, University of Kelaniya, Sri Lanka. When it comes to the data collection, the present study has used both primary and secondary data in order to obtain more valid results and explanations. Primary data gathered by using a structured questionnaire and it has been distributed among the sample elements after testing the validity and reliability. The secondary data has been gathered referring previous studies in the journals, conference proceedings, books, and reports. And the collected primary data has been analyzed by using the software of Statistical Package for Social Sciences (SPSS). As the study is quantitative in nature, with the view of obtaining more reliable information descriptive statistics as if mean, medium, mode, standard deviation, and variance have been used. In addition, correlation analysis and the simple regression analysis also have been computed.

The population of the study includes the undergraduates of the Sri Lankan state universities. Simple random sampling technique which comes under the probability sampling technique has been used and it can be stated that the present study has given an equal opportunity for all the elements in the population for getting selected to the sample. In addition, since the researcher is being able to approach more respondents and especially because it can ensure a better representative, the simple random sampling technique has considered being more effective and reliable. 450 undergraduates were targeted from the second year, third year and final year for the present study from the selected university which is University of Kelaniya, Faculty of Commerce and Management Studies for the sample and the current researcher decided to exclude the first year undergraduates as at the moment of conducting the study, the first year undergraduates are just joined with the university and are not having much experiences regarding some aspects of the study.

4.2 Measurement Scales of Variable

Student adjustment measured via adopting the Baker and Siryk (1999). Student Adaptation to College Questionnaire Manual. Los Angeles: Western Psychological Services which were anchored on a five-point likert scale and the items include: ‘I know my goals at the university and what I want’, ‘I am quite satisfied with my academic status at the university’, ‘While at the university, I met and made as many friends as I liked.’, ‘I am extremely satisfied with the lecturers who are teaching me’. Self-efficacy was assessed adopting Academic Efficacy of the patterns of Adaptive Learning Survey (PALS) by Midgley *et al.* (1996) and Partrick *et al.* (1997). The respondents were required to rate their perception or the agreement for the statements given on a five-point likert scale ranging from 1=strongly disagree to 5=strongly agree. Questionnaire items include: ‘When I find that many had failed the examination, I am more determined to succeed’, ‘I believe in the end I will succeed in mastering a subject that I do not understand now’, ‘I expect to show a good achievement in the class that I am following’, ‘I am confident I am able to master the skills taught in the classes I follow’.

4.3 Data Collection and Analysis

The survey questionnaire was adopted for the present study and administered to the respondents directly in on-line mode by using a Google form where it was confirmed that the results would be obtained in an aggregative way in order to ensure the anonymity. The collected primary data were analyzed with the aid of Statistical Package for Social Sciences (SPSS) employing descriptive statistics, correlation, and simple regression.

4.3.1 Analysis and Results

Sample Composition

Out of 450 questionnaires distributed, only 413 completed questionnaires were filled and returned and the responses were entered into SPSS, and checked for missing values and outliers. The effective response rate of the present study was reported as 91.78%. The sample composition has been depicted in the following table and it has been focused on three major demographic factors; gender, academic year, and the department.

Table 4.1: Sample Composition

[N= 413]

| | | |
|---------------|---|-------|
| Gender | Male | 29.5% |
| | Female | 70.5% |
| Academic Year | Second Year | 31.2% |
| | Third Year | 48.2% |
| | Final Year | 20.6% |
| Department | Department of Human Resource Management | 50.8% |
| | Department of Finance | 26.6% |

| | | |
|--|---|------|
| | Department of Marketing Management | 9.2% |
| | Department of Accountancy | 8.0% |
| | Department of Commerce and Financial Management | 5.3% |

Source: Analyzed Data (2020)

Before testing the advanced hypotheses, a preliminary analysis (validity, reliability, normality, linearity) was conducted by the current researcher. Thereafter, Pearson Correlation was calculated.

Correlation Analysis

The correlation coefficient was used to measure the strength of the association among the independent variable of self-efficacy and the dependent variable of undergraduates’ adjustment. In addition, Sig. (2-tailed) test was used to test the significance of the correlation coefficient especially because of the advanced hypotheses were non-directional. According to the statistical results obtained depicted in the following table, the Pearson Correlation is 0.337 and hence, it can be stated that there is a weak positive relationship between the student’s self-efficacy and their adjustment to the university environment. Moreover, it can also be stated that the correlation of 0.337 is statistically significant as the Sig. (2-tailed) value is less than 0.05 at 95% confident interval [Sig.= 0.000]. Based on these results obtain, the current researcher has proven that there is a significant relationship between the student’s self-efficacy and their adjustment to the university environment. Hence, the H1a has been accepted.

Table 4.2: Correlations

| Correlations | | | |
|-------------------------|---------------------|-------------------------|--------------------|
| | | Mean_Student_Adjustment | Mean_Self_Efficacy |
| Mean_Student_Adjustment | Pearson Correlation | 1 | .337** |
| | Sig. (2-tailed) | | .000 |
| | N | 413 | 413 |
| Mean_Self_Efficacy | Pearson Correlation | .337** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 413 | 413 |

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data, 2020

Regression Analysis

The simple regression analysis has been conducted in order to analyze the impact of the independent variable of student’s self-efficacy on the dependent variable of student’s adjustment towards the university environment. Results are given in the following model summary.

Table 4.3: Regression Statistics

| | |
|-------------------|-------------------|
| R | .337 ^a |
| R-Square | .113 |
| Adjusted R-Square | .111 |
| Standard Error | .41426 |
| Observations (N) | 413 |
| F | 52.545 |
| B | 2.231 |
| Sig. | .000 ^b |
| Regression | Linear |
| Method | Enter |

Source: Analyzed Data (2020)

According to the above table, the R value represents the correlation value which gives an insight about the relationship between the dependent and independent variables. In addition, the R Square is 0.113 where it denotes the impact comes from the independent variable on dependent variable. Hence, considering the R Square value, it can be stated that the independent variable of undergraduate's self-efficacy has 11.3% of an impact on the dependent variable of undergraduate's adjustment to the university environment and it is a significant weak positive impact. Moreover, it can also be stated that the rest of the 88.7% (100% - 11.3%) other factors that create an impact on the undergraduate's adjustment. According to the result obtained from the Coefficient table, the B value was reported for Self-efficacy as 2.231 and this positive Coefficient indicates that a high-level of self-efficacy is related to a high-level of student adjustment and in addition, and the average self-efficacy is statistically significant ($p=0.000$). Furthermore, the F value was reported as 52.545 which is statistically significant ($p=0.000^b$) and hence, the independent variable of self-efficacy does show a statistically significant relationship with the dependent variable of undergraduate's student adjustment.

Hence, the H1b has been accepted as well and herein, the current researcher has obtained the following regression equation.

$$Y = mX + C$$

Y = Undergraduate's adjustment

X = Undergraduate's Self-efficacy

$$\text{Undergraduate's adjustment} = 2.231 + 0.334 \text{ Self-efficacy}$$

One way ANOVA Statistics

In addition, the study aimed to identify whether the undergraduate's adjustment to the university environment can be varied according to different academic years and the departments of the degree programs and hence, the One way ANOVA test has been conducted.

Table 4.4: One way ANOVA for the categorical variable of Department

| ANOVA | | | | | |
|-------------------------|----------------|-----|-------------|------|------|
| Mean_Student_Adjustment | | | | | |
| | Sum of Squares | Df | Mean Square | F | Sig. |
| Between Groups | .624 | 4 | .156 | .807 | .521 |
| Within Groups | 78.926 | 408 | .193 | | |
| Total | 79.550 | 412 | | | |

Source: Analyzed Data (2020)

Table 4.5: One way ANOVA for the categorical variable of Academic year

| ANOVA | | | | | |
|-------------------------|----------------|-----|-------------|------|------|
| Mean_Student_Adjustment | | | | | |
| | Sum of Squares | Df | Mean Square | F | Sig. |
| Between Groups | .235 | 2 | .117 | .606 | .546 |
| Within Groups | 79.316 | 410 | .193 | | |
| Total | 79.550 | 412 | | | |

Source: Analyzed Data (2020)

The Sig. value was reported as 0.521 for the variable of department of the degree program and 0.546 for the variable or academic year. Since the Sig. values are greater than the acceptable value of 0.05, it can be concluded that according to the academic year and the department of the degree program, the adaptability does not vary.

V. DISCUSSION OF THE FINDINGS

According to Perry *et al.* (2001), the high level of stress occur during the transition period where the students struggling to put up with, can be identified as critical and according to Tinto (1996), this can be one of the major reasons why students decide to withdraw before graduation where a valuable study has been conducted by Lent *et al.* (2009) focusing on 252 students at a university in Northern Portugal, and the results revealed that, the factor of self-efficacy and the environmental support that the students can get will be serving as the basis in predicting goal progress and undergraduates' adjustment (as cited in Elias, Noordin, & Mahyuddin, 2010). Hence, ensuring academic self-efficacy in strengthening the students' adjustment, especially within the university environment can be identified as crucial. Herein, the current study aimed to identify the impact of undergraduate's academic self-efficacy on their adjustment in the university environment while measuring the relationship exists between these two variables. Well-established and validated research instruments have been adopted in order to gather data for the present study and the gathered data from 413 university undergraduates have been analyzed using SPSS software. The results of correlation test suggested that there is a significant weak positive relationship between the undergraduate's academic self-efficacy and their adjustment to the university environment and it was also found that the undergraduate's self-efficacy possesses 11.1% of an impact on the student adjustment and this provides a valuable insight about the rest of the other factors affect the student adjustment other than the

self-efficacy. These findings are consistent with the previous studies (e.g., Lent *et al.* 2009, as cited in Elias, Noordin, & Mahyuddin, 2010). In addition, as per the results obtained from the One way ANOVA tests to check whether there is any significant difference when it comes to the academic year or the department of the degree program follow of the undergraduates towards the variable of student adjustment and it was also confirmed there is no any significant difference exist between the undergraduates of the different academic years or the departments. With all of the above statistical results obtained, the current researcher has accepted the both hypotheses advanced.

VI. CONCLUSION

The world has turned into a knowledge era where every economy all over the world strives harder to strengthen their ability to generate new knowledge with the view of disseminating fruitfully. In any economy, universities are playing a critical role in achieving the aforesaid objective. By nurturing a variety of skills and abilities among the undergraduates and energizing them with an exceptional level of knowledge, these universities cater a versatile bunch of undergraduates sustainably. Knowing this importance, the Sri Lankan government has made a huge investment focusing on the higher education in Sri Lanka. However, in any context including Sri Lanka, adjusting to the college or the university environment is a challenge for any student as it has a direct link with the students' academic performance and unable to productively adapt to the university environment can ultimately result in an increasing rate of student grievances with a higher dropout rate even before the graduation. Herein, the current researcher identified an important concept of self-efficacy which gives the undergraduates an extra confidence about every aspect in their life. Thus, the present study focused on to identify how critical the self-efficacy of an undergraduate in his college adjustment and it has been found that the student adjustment is positively correlate with the self-efficacy. The findings would be more valuable not only for the universities in implementing effective strategies to ensure a productive adjustment of the undergraduates to the university environment, but also for the students as well in identifying the significance of self-efficacy and enhancing their level of self-efficacy as an effective way of adjusting to the university.

VII. RECOMMENDATIONS

Current researcher has identified the following recommendations,

Recommendation for the undergraduates:

Obviously the tertiary education can be somewhat overwhelming at times, however, if the undergraduates are being properly organized in every task they have to do as if, preparations before the lectures, assignments and the exams, they will be able to overcome the challenges they might face. In addition, encouraging themselves towards more team work during their academic activities and as well as at the time they interact with peers in the university will make the environment more comfortable with the undergraduates.

Recommendations for the universities:

The findings of the study have proven that the self-efficacy is an important factor that assists the undergraduates to nurture their academic achievements in a way of adjusting them to the university environment. Hence, strengthening the student adjustment is critical. The lecturers should nurture the self-efficacy of the undergraduates especially just after they joined to the university. Especially, in dealing with the English language and the information technology, the efforts to nurture the self-confidence are important. Thus, apart from the programs that has been included into the course content, additional courses should be arranged and properly guided by the lecturers by giving their fullest attention. In addition, as suggested by Yan & Sendall (2016), it is always important to provide more discussions and opportunities to interact more with others in different academic years. Most of the universities all over the world do not focus only on the academic activities, they also focus on relaxation and recreation activities as well and hence, encouraging the stated activities further more will assist students to recover from the mental issue they suffer from (Perera, 2013).

VIII. IMPLICATIONS

The 21st century world has been characterized by the iconic individuals where they are being powered by the existing knowledge economy. Universities are playing a central role in any economy and it was identified that, the extent to which the undergraduates are being adjusted to the university environment as a critical component in energizing the students' academic achievements. Especially because the inability to adjust to the university environment will create an excessive stress on the undergraduates where it will create a lot of negative outcomes as a result. Hence, it is important to take some effective steps for the universities in order to ensure a productive adjustment of the university undergraduate. In Sri Lanka, most of the fresh undergraduates are being given a two weeks induction program initially. However, it is observable that even though such programs are being organized, there is an increasing rate of grievances from the undergraduates' side until they are graduated. Thus, even though the induction programs are carried out, obtaining proper feedbacks from the undergraduates is critical in tackling the drawbacks that can occur. In addition, taking effective steps in strengthening the self-efficacy of the students in dealing with the language during the transitional stage is also significant as failure to use the language (English) properly will demotivate their desire to go forward in academic activities. Though the universities are maintaining counseling units in order to assist undergraduates, it is apparent that it is not that popular among the students. Thus, the actual grievance rate may be higher than the reported rate. Hence, it is productive if every fresh student is being appointed to grow with a buddy or a senior student until a certain period of time where this will create an opportunity for the universities to remove the adversarial impact that can create especially because of the ragging among the undergraduates.

IX. LIMITATIONS

When conducting the present study, the researcher had to face the following limitations. Time constraint is one of the major limitations. The second limitation is the current re-searcher had to confine to a sample which consists of a certain number of participants. The third limitation is that, even though there are number of other factors that affect the undergraduates' adjustment

to the college environment, the present study has considered only about the self-efficacy. Hence, there is a need of considering such factors as well in order to obtain more wise insights. In addition, since the present study is quantitative in nature, and hence, the respondents' thoughts and ideas do not reflect through a numerical data set where if the study has followed the mixed method, the findings would have been more expressively.

X. DIRECTIONS FOR FUTURE RESEARCH

The present study has considered only about the academic self-efficacy as a factor which affects the undergraduates' adjustment to the university environment where it has only an 11.1% of an impact. Hence, the rest of the 88.9% of the factors other than the self-efficacy should also be considered as well. In addition, rather than using only the quantitative research approach, if a study can be conducted using mixed method, the perceptions and the viewpoints also would have been obtained other than the structured questionnaires' responses.

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Annexure 01

| | Descriptive Statistics | | |
|----------------------|-------------------------------|---------|---------|
| Student Adaptability | Statistics | | |
| | Mean_Student_Adaptability | | |
| | N | Valid | 413 |
| | | Missing | 0 |
| | Mean | | 3.4846 |
| | Median | | 3.5000 |
| | Mode | | 3.71 |
| | Std. Deviation | | .43941 |
| | Variance | | .193 |
| | Skewness | | .166 |
| | Std. Error of Skewness | | .120 |
| | Kurtosis | | -.090 |
| | Std. Error of Kurtosis | | .240 |
| | Range | | 2.79 |
| | Minimum | | 2.21 |
| | Maximum | | 5.00 |
| | Sum | | 1439.14 |
| Self efficacy | Statistics | | |
| | Mean_Self_Efficacy | | |
| | N | Valid | 413 |
| | | Missing | 0 |
| | Mean | | 3.7470 |
| | Median | | 3.7500 |
| | Mode | | 4.00 |
| | Std. Deviation | | .44236 |
| | Variance | | .196 |
| | Skewness | | -.060 |
| | Std. Error of Skewness | | .120 |
| | Kurtosis | | 1.565 |
| | Std. Error of Kurtosis | | .240 |
| | Range | | 3.25 |
| | Minimum | | 1.75 |
| | Maximum | | 5.00 |
| | Sum | | 1547.50 |

Internal attributes of corporate governance and strategic management accounting: An analysis of Iranian firms

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Abstract

The core purpose of the research is to investigate the relationship between the internal attributes of corporate governance and strategic management accounting. 166 companies listed in Tehran Stock Exchange (TSE) were selected to advance the research objective. Part of the data was collected through financial information published by the companies and the other via questionnaire. Multivariate correlation and regression methods were used to test the research hypotheses. Findings showed that there is a significant relationship between variables such as board independence, number of board meetings and CEO duality with usage of strategic management accounting techniques among the corporations. But no significant relationship was found between board size and the dependent variable.

Keywords: *strategic management accounting, corporate governance, board independence, board meetings, board size, board CEO duality.*

I. Introduction

In 1989, following the problems of the board of directors of General Motors in the United States, more attention was paid to corporate governance and its structure. In that time, one of the first corporate governance issues was published. Subsequently, the collapse and problems of giant companies such as Enron, WorldCom, Xerox, Parmalat, etc., in the early new millennium created a widespread wave of corporate governance around the world. Various laws and regulations were adopted in different countries. In 2001, The collapse of Enron shocked the whole world. The worries were so great that Enronitis was spreading like a deadly virus all over the world, infecting every company and institution and individual of stockholders and shaking the financial markets (Hassas Yeganeh, 2005). With the collapse of Enron, countries around the world moved towards a deterrent reaction. In the United States in rapid response to the collapse, the Sarbanes-Oxley Act was enacted in 2002 and has been effective since 2004. Higgs and Smith reports (2003) were also released in the UK to prevent similar cases.

There have been various definitions of corporate governance over the years. These definitions begin from a narrow but descriptive view of the essential role of corporate governance (Cadbury, 1992), and in the middle, it emphasizes a wholly financial perspective

on the issue of relations of shareholders and management (Parkinson, 1994). Ultimately it ends with a broader definition that includes corporate accountability to stakeholders and society (Tricker, 1984). The International Federation of Accountants (IFAC-2004) has defined corporate governance as a number of responsibilities and practices employed by the Board of Directors and Managers are aimed at identifying the strategic path that ensures the achievement of goals, risk control and responsible use of resources. Among the various definitions of corporate governance, the definitions of Tricker (1984), Megginson et al., (1994), and Robert Monks (1995), which emphasize a larger group of stakeholders, are more widely accepted by scholars. These definitions indicate that companies are responsible for the society, future generations, and natural resources. Although the Tehran Stock Exchange (TSE) was established in the early 1990s and has been partly discussed in business law on how companies are set up and managed, corporate governance has been the subject of much debate over the past few years. This issue was raised and discussed in the interviews of the officials of the Securities and Exchange Organization at the beginning of the 2000s as well as at the Research Center of Parliament of Islamic Republic of Iran. Also, a committee was formed at the Ministry of Economic Affairs and Finance to discuss corporate governance. Subsequently, the Research, Development and Islamic studies center of the Securities and Exchange Organization published the first edition of the Corporate Governance Code. The Code include definitions, duties of the board of directors, shareholders, disclosure of information and accountability and auditing. The Code was designed with respect to the ownership structure and the status of the capital market and with a view to business law and was consistent with the insider system of corporate governance.

Studies show that each country has its own corporate governance system (Hassas Yeganeh and Nataj, 2007) that is, there is a corporate governance system as much as any other country in the world. The corporate governance system of a company is defined by a number of internal factors such as corporate ownership structure, economic status, legal system, government and cultural policies. External factors, such as the amount of capital flow from abroad, the status of the global economy, the offering of stock market in other countries, and cross-border institutional investors have an impact on a country's corporate governance system (Hassas Yeganeh, 2006). One of the best efforts that is most popular among experts is the well-known classification of insider and outsider systems of corporate governance (Franks and Mayer, 1994; Short et al. 1998). They argue that most corporate governance systems fall between the two and share some of their characteristics. In fact, this dichotomy of corporate governance is due to differences between cultures and legal systems. An insider corporate governance is a system in which a country's listed companies are controlled by a small number of major shareholders (Abdullahi et al., 2018). They may be members of the founding family or a small group of shareholders, such as credit banks, other corporations, or the government. The

popularity of this type of system, which has been used in countries such as Germany and Japan, has been the subject of much debate in scholarly literature that has been criticized in the current context. Although there is less agency problem in the insider system of corporate governance due to the close relationships between owners and managers, other serious problems arise. Due to the low level of ownership and control (management) separation in many countries, for example, because of family ownership, power may be abused. In this case, minority shareholders cannot properly inform the company's operations (Chen and Zhanf, 2015). There will be less transparency and abuse is likely (Hassas Yeganeh, 2006). Financial transactions are vague and opaque (Vasudha, 2004), and increased misuse of financial resources are examples of abuse in such systems. Many studies have criticized the insider system of corporate governance system in many East Asian countries because of the extreme concentration of ownership structures and the weaknesses of corporate governance because of the severity of the financial crisis in 1997 (Prowse, 1992; Zingales, 1998; Johnson et al., 2000). Johnson et al., (2000) emphasized the importance of East Asian legal systems in the crisis and proved that the weaknesses of the corporate governance system had a significant impact on the stock market downturn.

Outsider systems are versus insider systems of corporate governance. The term outsider refers to corporate finance and governance systems. In this system, large corporations are controlled by managers and owned by outside shareholders. This situation leads to the separation of ownership from control (Berle and Means, 1932). In such a system, although the company is directly controlled by the managers, but it is indirectly controlled by the external members. In the US and the UK, large institutional investors that are characterized by an outsider system have a significant impact on corporate managers.

In 2004, IFAC presented a framework of “enterprise governance” that provides a tool for the success of corporate performance and value creation. The IFAC framework extends strategic governance through strategic management accounting tools that play an important role in supporting management in strategic and control aspects. In IFAC framework, strategic management accounting is designed to support corporate governance. However, there is little empirical evidence on the prevalence and success of corporate management accounting practices. Therefore, the main purpose of this study is to provide an empirical insight into the prevalence and effectiveness of management accounting practices. While companies are interested in using traditional management accounting practices, some research points to the potential usefulness of modern management accounting practices in achieving improved corporate governance (Haron at al., 2013). This study investigates the effectiveness of management accounting practices with a focus on strategic management accounting techniques and their impact on internal corporate governance characteristics.

The application of traditional management accounting practices limits the ability of organizations to make changes and move to the present level (Arunruangsirilert and Chonglertham, 2017). On the other hand, the application of modern management accounting techniques helps organizations by introducing plans that enhance the value added activities or eliminate the non-value added activities. Such plans may prompt organizations to make appropriate changes to their structure, systems, target markets and to better rendering services (Mohamed and Jones, 2014). The use of modern management accounting techniques can help organizations to manage costs effectively and improve the efficiency and effectiveness of their operations (Pavlatos, 2015). The other purpose of this study is to investigate the relationship between the use of strategic management accounting practices and internal corporate governance attributes in companies.

II. Conceptual framework and hypothesis development

In the past, the role of traditional management accountants was limited to providing useful information for decision making. But recent studies show that contemporary management accountants are an integral part of the strategic decision-making process (Aver and Cadez, 2009). A review of management accounting practices has produced a variety of new techniques in the areas of costing, decision making, competitor and customer evaluation (Arunruangsirilert and Chonglertham, 2017). Due to the development of the level of unique management accounting techniques, the term “strategic management accounting” has been introduced (Ebrahimi Kahrizsangi and Bekhradi Nasab, 2020).

In general, strategic management accounting is the process of identifying, collecting, selecting, and analyzing accounting data to help the management team make strategic decisions and evaluate organizational effectiveness (Hoque, 2001). Strategic management accounting systems are techniques and approaches that have recently been proposed as a means of overcoming the limitations of traditional management accounting methods in dealing with strategic issues (Korravee and Phapruke, 2010). In order to realize the use of strategic management accounting techniques, two conditions of the strategic concept must be met. First, the long-term and futuristic time-frame, and second, the centralized external perspective (Guilding et al., 2000). Arunruangsirilert and Chonglertham (2017) classify the usage of strategic management accounting techniques into five groups as follows:

Table 1: strategic management accounting techniques categories

| Categories | Strategic management accounting techniques | Strategic management accounting approaches |
|------------|--|---|
| a. Costing | 1. Attribute costing | Competitive strategy Operations strategy |
| | 2. Life-cycle costing | Competitive strategy |
| | 3. Quality costing | Operations strategy |
| | 4. Target costing | Operations strategy |

| | | |
|--|--|---|
| | 5. Value-chain costing | Competitive strategy Operations strategy |
| b. Planning, control, and performance measurement | 6. Benchmarking | Corporate strategy Competitive strategy Operations strategy |
| | 7. Integrated performance measurement | Corporate strategy |
| c. Strategic decision making | 8. Strategic costing (strategic cost management) | Competitive strategy |
| | 9. Strategic pricing | Competitive strategy |
| | 10. Brand Valuation | Competitive strategy |
| d. Competitor accounting | 11. Competitor cost assessment | Competitive strategy |
| | 12. Competitive position monitoring | Competitive strategy |
| | 13. Competitor performance appraisal | Competitive strategy |
| f. Customer accounting | 14. Customer profitability analysis | Competitive strategy |
| | 15. Lifetime customer profitability analysis | Competitive strategy |
| | 16. Valuation of customers as assets | Competitive strategy |
| Source: Cadez and Guilding (2008) and Arunruangsirilert and Chonglertham (2017) | | |

Within the governance system, corporate governance is represented by the characteristics and activities of the board of directors and executive directors in corporate governance-as strategic governance- supported by the strategic management accounting techniques (Ebrahimi Kahrizangi and Bekhradi Nasab, 2020). This system demonstrates that corporate governance and strategic management accounting interact better with high performance compliance and business management (IFAC, 2004). According to the board, the most important features of corporate governance are the independence of the board of directors and the audit committee, institutional owners, and active board of directors.

Abdullah et al., (2010) showed that board independence is one of the important characteristics of its effectiveness. Because the board independence reduces the likelihood of fraud. The appointment of a non-executive chairman of the board ensures that important issues related to shareholder interests are fully covered in board meetings (Mossavi et al., 2016). Agency theory (Jensen and Mackling, 1976) and stewardship theory (Donaldson and Davis, 1991) also suggest that when a company usage strategic management accounting, the independence of the board and the characteristics of the corporate governance are more active and the CEO duality is less important (Efendi et al., 2004). Non-executive managers with understanding of the role of their governance controlling in a way that promotes the financial health of the firm and avoids conflicts of interest among the players in the corporate governance system (Bekhradi Nasab and Zhola Nezhad, 2018). Teerachai and Supasith (2016) believe that non-executive members of the board use strategic management accounting techniques more than other corporate governance mechanisms. Since strategic management accounting techniques have a significant impact on board integrity and affect the reputation of independent

directors, it is expected that board independence is significantly associated with corporate strategic decision-making.

H1: There is a significant relationship between the independence of the board of directors and the usage of strategic management accounting techniques.

If the board of directors can set a reasonable number for holding board meetings, it indicates a high level of activity of board members (Teerachai and Supasith, 2016). Depending on the environment and circumstances of the company, these meetings can gain economic benefits with respect to the agency theory in the future. Adams et al., (2004) state that the value of the company increases as the board holds more meetings. Vafeas (1999) claimed that an increase in the number of board meetings following the company's poor performance would make the reversal of the poor performance faster. Teerachai and Supasith (2016) believe that the active board of directors is using a more strategic management accounting technique. Therefore, this is expected to be a significant relationship between the number of board meetings and strategic management accounting.

H2: There is a significant relationship between the number of the board meetings and the usage of strategic management accounting techniques.

The size of the board of directors is an important element in its characteristics. The optimal number of directors should be determined to ensure that there are sufficient members to meet the duties and perform the various responsibilities and functions of the board (Hassas Yeganeh et al., , 2009). Experimental evidence suggests that there is no consensus on the optimal size of the board. Green (2005) believes that the number of board members should be limited in order to allow discussion of the company's issues and problems. Goodstein et al., (1994) found that smaller board of directors (between four and six members) could be more effective because they were able to make strategic decisions more quickly by being small.

Limpan and Limpan (2006), on the other hand, believe that the size of the board should be large enough to include a range of different people's skills and experiences. Research by Zahra and Pearce (1989) also suggests that more board members increase the ability to oversee senior management activities. Therefore, it is expected that there will be a significant relationship between the number of board members and the use of strategic management accounting techniques.

H3: There is a significant relationship between the number of the board members and the usage of strategic management accounting techniques.

The duality of the role of CEO refers to a position where the CEO of a company is also the chairman of the board (Yang and Zhao, 2014). If the CEO is also the chairman of the board, then the CEO potentially has more authority. The dual structure also allows the CEO to

effectively control the information available to other board members. The role of the board is to oversee the CEO. The Chairman has the power to control the agenda of meetings and to direct the meetings of the Board. If the interests of the CEO differ from those of the shareholder, then the influence of the CEO becomes difficult. In addition, under the agency theory, the board of directors is seen as the forefront of the company in addressing management incompetence (Weisbach, 1988).

If the Chairman of the board is also the CEO, the initial oversight and control over the CEO's actions will be reduced. This will result in the CEO having more ability to control the disclosure of the company as well as the accumulation of bad news (Chen and Zhanf, 2015).

H4: *There is a significant relationship between the CEO duality and the usage of strategic management accounting techniques.*

III. Research Method

The core purpose of the research is to investigate the relationship between the internal attributes of corporate governance and strategic management accounting. For this purpose, 166 companies were selected from the companies listed on the Tehran Stock Exchange (TSE) during a period of 2014 to 2019 years *i.e.*, 830 year-firm. In order to measure the dependent variable, *i.e.*, usage of strategic management accounting techniques following Guilding et al., (2000), strategic management accounting techniques were divided into five groups. The groups include costing, planning, strategic decision making, competitor accounting, and customer accounting. Companies were then asked through the questionnaire to what extent they had used these techniques over the period of the study. The questionnaire was designed as a five-point Likert scale.

The following model was used to examine the relationship between the internal attributes of corporate governance and strategic management accounting.

$$Smau_{it} = \beta_0 + \beta_1 BRD_IND_{it} + \beta_2 BRD_MEET_{it} + \beta_3 BRD_SIZE_{it} + \beta_4 BRD_CEOdua_{it} + \beta_5 ROA_{it} + \beta_6 SIZE_{it} + \beta_7 AUDIT_TYPE_{it} + \beta_8 LOOS_{it} + \beta_9 LEV_{it} + \epsilon_{it}$$

Table 2: variables definition

| Variables | Definition |
|-----------------------------|--|
| <i>Depend variable</i> | |
| <i>Smau_{it}</i> | The usage of strategic management accounting techniques for firm <i>i</i> in year <i>t</i> . This variable score comes from average score of each type of the management accounting techniques including costing (SmauCos), planning (SmauPla), strategic decision making (SmauStr), competitor accounting (SmauCom), and customer accounting (SmauCus) following Guilding et al., (2000). |
| <i>Independent variable</i> | |

| | |
|-------------------------|---|
| BRD_IND_{it} | Ratio of the number of non-executive members in the composition of the Board of Directors to the total number of board members. |
| BRD_MEET_{it} | A natural logarithm of the number of meetings held by the board of directors for firm i in year t . |
| BRD_SIZE_{it} | A natural logarithm of the number of board members for firm i in year t . |
| $BRD_CEO_{dua_{it}}$ | An indicator variable equal to 1 if the CEO is not a chairman of board of directors for firm i in year t and 0 otherwise. |
| <i>Control variable</i> | |
| ROA_{it} | Return on Assets = Net income / total assets at the beginning of the year for firm i in year t . |
| $SIZE_{it}$ | A natural logarithm of total assets at the beginning of the year for firm i in year t . |
| $AUDIT_TYPE_{it}$ | An indicator variable equal to 1 if the auditing firm is Audit Organization and 0 otherwise. |
| $LOOS_{it}$ | An indicator variable equal to 1 if firm i has loss in year t and 0 otherwise. |
| LEV_{it} | Total debt divided by total assets at the beginning of the year for firm i in year t . |

IV. Findings

Table 3 shows the descriptive statistics of the research variables. The table contains mean, standard deviation, skewness and kurtosis coefficients for each of the research variables.

Table 3: Descriptive statistics

| Variable | Mean | Std. deviation | Skewness | Kurtosis |
|------------------------------|---------|----------------|----------|----------|
| <i>Smau</i> | 2.73122 | 0.13598 | 0.6392 | 5.1284 |
| <i>BRD_IND</i> | 0.67452 | 0.42356 | 3.2654 | -1.325 |
| <i>BRD_MEET</i> | 0.54236 | 1.23542 | 2.3654 | 4.2365 |
| <i>BRD_SIZE</i> | 5.32124 | 0.20806 | -3.184 | 3.4511 |
| <i>BRD_CEO_{dua}</i> | 0.24153 | 1.51725 | 1.7297 | 2.5095 |
| <i>ROA</i> | 0.08738 | 0.14759 | 0.3525 | 4.4442 |
| <i>SIZE</i> | 13.5246 | 5.32654 | 0.4210 | 3.4561 |
| <i>AUDIT_TYPE</i> | 0.01235 | 0.32905 | 1.3405 | 2.6292 |
| <i>LOOS</i> | 0.18509 | 0.38884 | 1.6216 | 3.6297 |
| <i>LEV</i> | 0.70444 | 0.32469 | 2.5333 | 5.6031 |

Table 4 shows the normality of the research variables using the Jarque-Bera normality test. If the P-value is more than 5%, it indicates that the variables are normal. As can be seen, all the variables are normal.

Table 4: Jarque-Bera normality test

| Variable | Jarque-bera | P-value |
|-----------------|-------------|---------|
| <i>Smau</i> | 0.52136 | 0.21354 |
| <i>BRD_IND</i> | 2.35215 | 0.24136 |
| <i>BRD_MEET</i> | 0.78252 | 0.74236 |
| <i>BRD_SIZE</i> | 0.32561 | 0.52134 |

| | | |
|-------------------|---------|---------|
| <i>BRD_CEOdua</i> | 0.16781 | 0.52315 |
| <i>ROA</i> | 2.35612 | 0.85422 |
| <i>SIZE</i> | 1.12421 | 0.63254 |
| <i>AUDIT_TYPE</i> | 0.11789 | 0.42365 |
| <i>LOOS</i> | 2.3564 | 0.32654 |
| <i>LEV</i> | 1.2365 | 0.74521 |

Table 5 shows the Pearson-correlation statistics. As can be seen, there is no collinearity between variables.

Table 5: Pearson correlation result

| variable | <i>Smau</i> | <i>B_I</i> | <i>B_M</i> | <i>B_S</i> | <i>B_C</i> | <i>ROA</i> | <i>SIZE</i> | <i>AUIT</i> | <i>LOOS</i> | <i>LEV</i> |
|-------------------|-------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|------------|
| <i>Smau</i> | 1 | | | | | | | | | |
| <i>BRD_IND</i> | -.0407 | 1 | | | | | | | | |
| <i>BRD_MEET</i> | .7752 | -.06 | 1 | | | | | | | |
| <i>BRD_SIZE</i> | -.0296 | -.05 | -.031 | 1 | | | | | | |
| <i>BRD_CEOdua</i> | .5759 | -.04 | .6311 | -.04 | 1 | | | | | |
| <i>ROA</i> | -.0389 | -.13 | .0005 | .086 | .020 | 1 | | | | |
| <i>SIZE</i> | .0612 | -.07 | .0175 | .017 | .006 | .056 | 1 | | | |
| <i>AUDIT_TYPE</i> | -.0426 | .199 | -.087 | .023 | -.079 | .196 | .0568 | 1 | | |
| <i>LOOS</i> | -.0245 | -.12 | -.0002 | .175 | .018 | .690 | .0600 | .3156 | 1 | |
| <i>LEV</i> | -.1136 | .164 | -.069 | -.05 | -.070 | -.092 | .1187 | -.0031 | -.1136 | 1 |

Before fitting the research model, the type of model as well as the appropriate fitting model should be identified. For this purpose, the F-Limer test is used, and the results are presented in Table 6.

Table 6: F-Limer test result

| F statistic | d.f | P-value | Result |
|-------------|---------|---------|-------------------|
| 18.251 | 8 , 813 | 0.000 | Panel-data method |

Since the P-value is less than 5%, then the panel-data model is confirmed. Then, using the Hausman test, one of the two fixed and random effects models will be selected. The results of Hausman test are presented in Table7.

Table 7: Hausman test result

| χ^2 | d.f | P-value | Result |
|----------|-----|---------|-----------------------|
| 10.019 | 6 | 0.124 | Random effects method |

As can be seen in Table 7, the random effects model is appropriate. Tables 8 and 9 also show that there is no heteroscedastic variance and autocorrelation between the error term.

Table 8: Autocorrelation test result

| F statistic | d.f | P-value | Result |
|-------------|---------|---------|-----------------------------|
| .994 | 8 , 813 | 0.528 | There is no autocorrelation |

Table 9: Heteroscedastic test result

| χ^2 | d.f | P-value | Result |
|----------|-----|---------|-----------------------------|
| 3.215 | 1 | 0.073 | There is no Heteroscedastic |

Also, a normal quantile graph (*Q-Q Plot*) was used to test the normality of error term. Given that the points in the graph are around 45 degrees, so it can be concluded that the error term is normal.

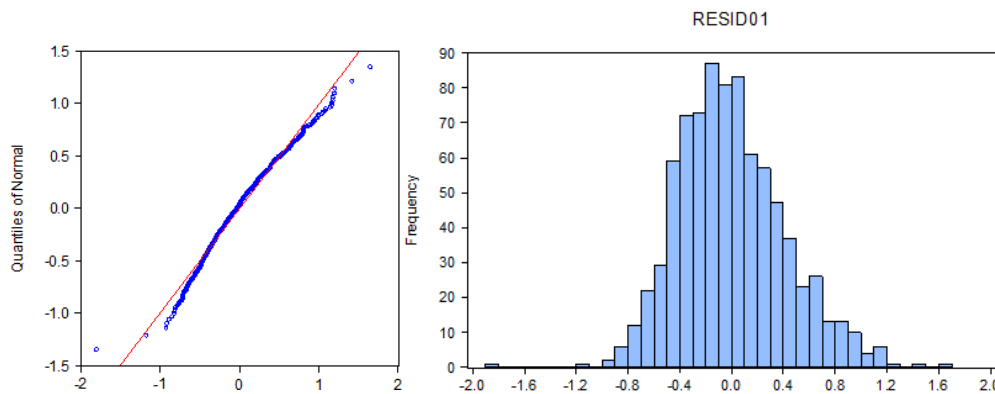


Figure 1: normal quantile graph of error term

The results of fitting the research model are presented in Table 10.

Table 10: Estimated research model result

| variable | coefficient | Std. Error | t statistic | Prob. |
|----------------|-------------|------------|---------------|----------|
| BRD_IND | 12.21289 | 3.799284 | 3.214525 | 0.0014 |
| BRD_MEET | 16.03991 | 5.442787 | 2.947003 | 0.0035 |
| BRD_SIZE | -2.725896 | 2.514864 | -1.083914 | 0.2793 |
| BRD_CEOdual | -14.25492 | 6.122135 | -2.328422 | 0.0206 |
| ROA | -14.50828 | 11.69994 | -1.240031 | 0.2159 |
| SIZE | -46.01390 | 5.626154 | -8.178570 | 0.000 |
| AUDIT_TYPE | 1.132479 | 16.91574 | 0.066948 | 0.9467 |
| LOOS | -2.978063 | 2.552168 | -1.166876 | 0.2442 |
| LEV | -10.71160 | 6.651752 | -1.610342 | 0.1084 |
| C | 302.5396 | 34.70431 | 8.717636 | 0.0000 |
| R-squared | 0.508303 | | F-statistic | 2.809986 |
| Adj. R-squared | 0.427412 | | Durbin-Watson | 1.919610 |

As can be seen in Table 10, the P-value of variable of board independence is 0.0014. It can be concluded that there is a positive and significant relationship between the independence of the

board of directors and the usage of management accounting techniques. Therefore, the first hypothesis of the research is confirmed. Also, the level of significance of the variable of the number of board meetings is less than 5% which indicates that there is a significant positive relationship between this variable with usage of management accounting techniques. Therefore, the second hypothesis of the research is confirmed.

The results show that there is a significant relationship between the CEO duality with the usage of management accounting techniques. But its direction is reversed. Then the fourth hypothesis is also confirmed. On the other hand, since the P-value of variable of board size is more than 5%, it is concluded that there is no significant relationship between this variable with usage of strategic management accounting techniques.

V. Conclusion

In this study, the relationship between some of the internal characteristics of corporate governance and usage of strategic management accounting was investigated. In the first hypothesis, the relationship between board independence and strategic management accounting techniques was tested. This hypothesis was confirmed at the confidence level of 99 percent. The coefficient was also found to be positive. In other words, the greater the independence of the board of directors, the greater the usage of management accounting techniques in companies. The findings of this hypothesis are in line with [Teerachai and Supasith \(2016\)](#). Therefore, it can be concluded that the usage of strategic management accounting techniques has a significant impact on the integrity of the board and the reputation of independent directors.

Concerning the second hypothesis, the findings of the study indicate a positive significant relationship between the number of board meetings and usage of strategic management accounting. This is in line with research by [Vafeas \(1999\)](#) and [Teerachai and Supasith \(2016\)](#) who believe that more active board are used more strategic management accounting techniques.

In the last hypothesis, the relationship between CEO duality and usage of management accounting techniques was tested. In this regard, a significant negative relationship was also confirmed. This may be because the scenario of the board meetings is developed in such a way that it makes the chairman of the board in line with the goals of the CEO. In this case, there is severe of information asymmetry, and perhaps the CEO can align the opinion of the board's chairman behind the scenes.

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The Effect of Organizational DNA on the Use of Management Accounting Practices: Using the Structural Equation Model

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Abstract

The issue of cost management and the use of efficient and effective ways to improve financial and budgetary resources due to lack of resources, price competition, quality supply of goods and services and entry into global markets. Therefore, this field is one of the most important and challenging issues for economic enterprises, especially considering the recent economic and financial developments and crises. The statistical population of the study includes all small and medium-sized enterprises of Mashhad city (603 active enterprises) in 2019, which using the Cochran's formula, 95 CEOs, finance managers and or accountants head were randomly selected. A questionnaire was used to measure the variables and in order to test the hypotheses, the structural model method with SPSS and PLS software were used. The results showed that organizational DNA has a significant effect on the use of management accounting techniques. It was also found that all organizational DNA determinants have a significant positive effect on the use of management accounting techniques.

Keywords: *Management Accounting Techniques, Organizational DNA, Human Resources, Information Structure, Organizational Culture, Management Systems*

I. Introduction

In the last decade, many researchers in the fields of accounting and management have conducted studies on small and medium-sized enterprises. Such enterprises play an important role in the economic growth of developing countries (Mitchell & Reid, 2000). Globally, small and medium-sized enterprises account for about 99 percent of the population (Azudin & Mansor, 2017). Therefore, such enterprises have become one of the attractive topics in financial research. Small and medium-sized enterprises, like large ones, face problems related to business sustainability that result from globalization, size, technological advancement, intensified competition in the market, changes in management, and existing constraints on capital supply (Davilla, 2005; Davilla & Foster, 2007; Nandan, 2010; Messner, 2016). Senftlechner & Hiebl (2015) argue that in order for enterprises to be sustainable and survive, they must consider both financial and non-financial information. Therefore, management accounting (MA), which reports both financial and non-financial information, can be used to improve management practices in small and medium-sized enterprises. Management accounting is also very important in order to support business tasks (Lavia Lopes & Hiebl, 2015). Ahmad (2012) emphasized that management accounting reports can increase the profitability of a business by continuously reducing waste, as well as making optimal use of resources. Considering the importance of the role of management accounting practices (MAP)

in institutions and the vital role of small and medium enterprises in the economic development of the country, this study seeks to investigate the effect of organizational DNA on human resource determinants, information structure, organizational culture and management systems. Investigate management accounting techniques in small and medium enterprises.

II. Theoretical Framework

The International Federation of Accountants (1998) considers management accounting to be a specific area of accounting that focuses on providing information for management planning, evaluation, and control in the organization. Management accounting practices refer to tools and methods that are specifically designed to support management tasks in improving operational performance as well as achieving optimal performance. Therefore, innovation in management accounting practices will take place with the development of management accounting (Davilla & Foster, 2005). Nishimura (2003) argues that the evolution of management accounting is divided into four main stages, each with its own purpose. In fact, the change in these goals indicates the importance of different stages in helping business enterprises. Table (1) lists the goals and focus of each stage of management accounting evolution based on the framework provided by Nishimura (2003).

Table (1) - The evolution of Management Accounting

| Stage | Focus and Techniques or Tools |
|-------------------|---|
| Stage 1 | Focus: Management and control decision through the use of actual costing and past financial data. |
| (Drifting MA) | Techniques or Tools: Financial ratios and comparative business analysis. |
| Stage 2 | Focus: Efficient MA through the utilization of scientific management. |
| (Traditional MA) | Techniques or Tools: Cost-Volume-Profit (CVP) and responsibility accounting. |
| Stage 3 | Focus: Controlling the planning process and forecasting the business future. |
| (Quantitative MA) | Techniques or Tools: Economic Order Quantity (EOQ) and inventory management. |
| Stage 4 | Focus: Integration of management accounting and organizational management. |
| (Integrated MA) | Techniques or Tools: Target costing and lean production. |

Nishimura (2003) states that the changes and developments in management accounting are due to internal and external challenges in the face of business. Various studies have been conducted to examine these challenges that can affect changes in management accounting practices as well as their use in organizations (Davilla, 2005, Davilla & Foster, 2005, Ahman, 2012). Studies by Davilla (2005) and Davilla & Foster (2005) specifically focused on the impact of internal factors (such as firm size and changes in top management etc.) and the positive impact of these factors on the use of management control systems in small and medium-sized enterprises. The results of their research showed that by increasing the size of the company (measured by the number of employees), the need for formal interactions between different

levels of management staff becomes stronger, and therefore companies start to establish a management control system. Azudin & Mansor (2017) concluded that increasing the number of employees in the company has a significant effect on the use of management accounting system. They stated that their results mean that with the increase in the number of employees, there is a need for an official control system among the various levels of managers in order to achieve optimal performance.

In addition to internal factors such as the number of employees, external pressures such as market competition can also be effective in using management accounting practices. In a study, Amat et al., (1994) examined the effect of market competition on the use of management accounting practices in small and medium-sized enterprises. The results of their research showed an increase in the use of management accounting practices with the intensification of competition in the market. This could be due to the fact that the competition indirectly puts pressure on the organization to gather more financial and non-financial information so that it does not lag behind the competition in the market. Ahmad (2012) also studied the effect of external factors (i.e., advanced manufacturing technology). He claimed that the implementation of management accounting practices in manufacturing companies is significantly related to selected factors. However, Messner (2016) claims that some factors, such as the type of industry and geographical areas, can play an important role in influencing the results of studies in this area.

One of the topics that has recently been discussed in management and organizational issues is the issue of organizational DNA, which describes the organization with a genetic approach. Organizational DNA includes elements that together describe the personality of the organization and is in fact a way of examining, thinking, reflecting and deliberation about the organization. Organizational DNA, instead of using organizational models and forms, examines issues such as teamwork, decision-making, and the improvement and development of human resources as separate or at least independent variables (Bols, 2004). Organizational DNA looks at the whole organization as a multi-faceted charter that requires a thorough look at all aspects and with multiple eyes to fully understand it. These issues and aspects are not only used to understand the organization, but also to identify how to manage it. This way of managing and thinking is very effective, and organizational managers and designers can visualize organizations in different forms and achieve different and innovative organizational structures and frameworks in the creative world of imagination. In this case, managers, recognizing the type of organization that is done with the help of these issues, with real understanding, manage and choose a style that is compatible with the conditions and type of organization. There is one type of dominant organizational DNA in each organization, and each of the other types is located in the dominant DNA space. Of course, the existence of dominant DNA does not mean that other DNAs are not important. Azudin & Mansor (2017) believe that the main reason for the lack of organizational effectiveness and poor performance of individuals is the lack of coordination between different organizational DNAs. They claim that if organizational matters and activities align with DNA, organizational stress will subside. Organizational DNA in this study consists of four parts: human resources, information structure, organizational culture and management systems. According to the contingency

theory that organizational efficiency is a result of the compatibility between the external environment and the internal arrangements of that organization, this research aims to investigate the influence of organizational DNA including factors such as human resources, information structure, organizational culture and management systems on the use of management accounting practices. Of course, this theory holds that there is no universal accounting system that applies equally to all organizations under all circumstances (Otley, 1980). Regardless of the managerial benefits expressed in the use of management accounting practices, very little research has yet been done in this area in Iran, which could be due to educational weaknesses in this field. This research is the first in the field of the impact of organizational DNA components on management accounting practices.

III. Research hypotheses

Based on the theoretical framework and research literature, the following hypotheses were developed:

The main hypothesis:

Organizational DNA has a significant effect on the use of management accounting practices.

Sub-hypotheses:

The characteristics of human resource management have a significant effect on the use of management accounting practices in small and medium-sized enterprises.

The characteristics of the information structure have a significant effect on the use of management accounting practices in small and medium-sized enterprises.

The characteristics of organizational culture have a significant effect on the use of management accounting practices in small and medium-sized enterprises.

The characteristics of management systems have a significant effect on the use of management accounting practices in small and medium-sized enterprises.

IV. The conceptual model of research

According to the objectives and hypotheses of the research, the relationship between the variables is plotted as follows:

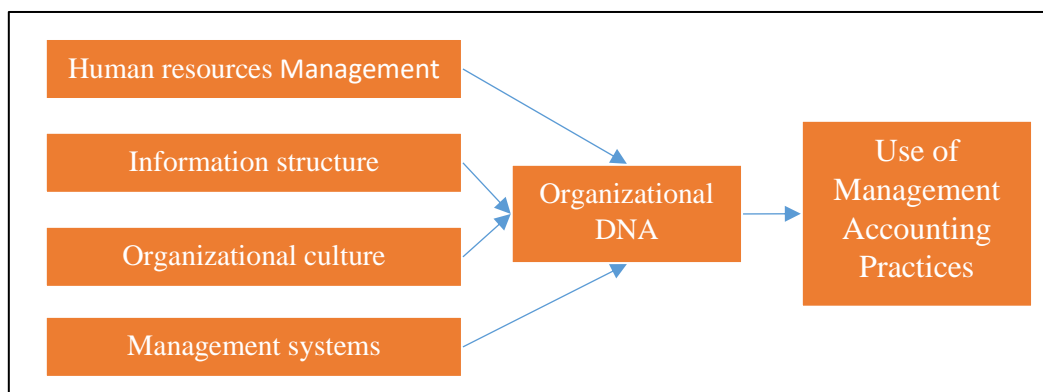


figure 1: Conceptual model of research

V. Research method

Considering that the research studies the relationship and correlation between variables of human resource management, information structure, organizational culture and management systems on the use of management accounting practices, it is based on data collection and correlation research. The statistical population of the study includes all small and medium-sized enterprises of Mashhad (603 active companies) at 2019. The Cochran's formula was used to select the sample. For this purpose, at first, a sampling was performed on 20 target population, the standard deviation of which was 0.38. Then, by placing it in the Cronbach's formula, the sample size was determined.

$$n = \frac{NZ^2\alpha/2\sigma^2}{e^2(N-1)+Z^2\alpha/2\sigma^2} = \frac{603(1.96)^2(0.38)^2}{(0.07)^2(602)+(1.96)^2(0.38)^2} \cong 95$$

Therefore, 95 questionnaires were randomly distributed and collected. To verify the reliability, the internal consistency method was used by considering Cronbach's alpha coefficients. The results of this test are as follows:

Table (2) - The reliability of the variables (Cronbach's alpha coefficient)

| Variable | No. of Questions | Cronbach's alpha coefficient |
|---------------------------------|------------------|------------------------------|
| Human resources | 6 | .83 |
| Information Structure | 6 | .79 |
| Organizational Culture | 2 | .82 |
| Management Systems | 6 | .77 |
| Management accounting practices | 19 | .85 |

Considering that the Cronbach's alpha coefficients for all variables are above 0.7, it can be concluded that the variables have the necessary reliability.

VI. Data analysis and research results

a. Confirmatory factor analysis

Confirmatory factor analysis is actually the development of factor analysis and one of the important aspects of structural model programs. The closer the factor loading is to the number one, it means that the questionnaire questions are more strongly related to the main variables, and if the standard factor loading is zero, it means that the questionnaire is not related to the main variable. A negative factor means that the questionnaire is reversed to affect the main variable. The factor loading should be more than 0.7, but this does not happen easily the case with real data. Therefore, many researchers consider a minimum level of 0.4 as the criterion (Suhr, 2009). In this study, after taking factor analysis, 13 questions were removed from the analysis due to having a factor loading of less than 0.4, and the results of factor analysis of 39 items are shown in Table (3).

Table (3) - Factors analysis of research questionnaire items

| No | Questionnaire item | Factor Load | Result |
|----|--|-------------|-----------|
| 1 | There is a person in the company who is accepted by everyone as a leader and can influence people. | .826 | Confirmed |
| 2 | There are clear policies on staff recruitment. | .836 | Confirmed |
| 3 | The qualifications required for each job are defined. | .732 | Confirmed |
| 4 | In hiring and retaining employees, attention is paid to job competencies. | .775 | Confirmed |
| 5 | It is clear what path to take and what jobs to go through in order to be promoted. | .780 | Confirmed |
| 6 | Policies and principles are defined according to which individuals are promoted to organizational status. | .484 | Confirmed |
| 7 | All units are formally required to submit specific reports to the CEO in a predefined format and framework. | .725 | Confirmed |
| 8 | There is decision-making authority at the top of the organization. | .490 | Confirmed |
| 9 | Managers have enough decision-making power. | .805 | Confirmed |
| 10 | Managers' decisions are easily accepted and implemented by employees. | .817 | Confirmed |
| 11 | Different people's tasks are designed as a conscious process. | .789 | Confirmed |
| 12 | Every action that is taken is exactly what part of a work process is. | .696 | Confirmed |
| 13 | There is a clear incentive system to encourage good company behavior. | .961 | Confirmed |
| 14 | There is a clear picture of the company's assumptions (such as the principles it has in competing or trading and interacting with the customer). | .950 | Confirmed |
| 15 | Precise targeting is done for the actions and tasks of the units at the beginning of the year. | .753 | Confirmed |
| 16 | According to the approved plans, the budget will be allocated to the units. | .720 | Confirmed |
| 17 | More funds will be allocated to priority and strategic missions and goals. | .719 | Confirmed |
| 18 | There is a precise control system that evaluates the performance of the units. | .740 | Confirmed |
| 19 | There is a comprehensive control system that determines the extent to which each unit achieves its goals. | .756 | Confirmed |
| 20 | Comprehensive and multifaceted metrics are designed to evaluate a company's performance (not limited to financial metrics). | .714 | Confirmed |
| 21 | There is budgeting to control costs in the organization. | .554 | Confirmed |
| 22 | The performance of the organization is evaluated based on financial criteria (sales, profitability, etc.). | .592 | Confirmed |
| 23 | Valuation of investment projects is done with the criteria of payback period and accounting rate of return. | .454 | Confirmed |

| | | | |
|----|--|------|-----------|
| 24 | Budgeting is done for planning purposes (budgeting is a tool by which financial resources can be divided between different purposes). | .610 | Confirmed |
| 25 | There is a cost-benefit analysis for the main products. | .642 | Confirmed |
| 26 | There is a profitability analysis for each product. | .591 | Confirmed |
| 27 | Inventory control models are observed (raw materials and manufactured products). | .704 | Confirmed |
| 28 | Valuation of investment projects is done with methods based on discounting the cash flows of the project. | .426 | Confirmed |
| 29 | Existence of activity-based costing system (main activities for the production of products are identified and then the cost of activities is allocated to the products according to the extent to which each product uses those activities). | .690 | Confirmed |
| 30 | Zero-based budgeting is done (budgeting is not based on the numbers of previous years, but each cost-effective activity must be estimated and justified from scratch). | .696 | Confirmed |
| 31 | There is a target-based costing (in this method, the selling price and the amount of profit are determined before the product is produced. The company must minimize the cost of the product in order to achieve the set profit and sales to achieve the target cost). | .707 | Confirmed |
| 32 | Performance appraisal is based on economic value added. | .562 | Confirmed |
| 33 | There is optimization (modeling the successful actions and plans of successful industry companies). | .789 | Confirmed |
| 34 | The profitability analysis of major customers is done. | .661 | Confirmed |
| 35 | Paying attention to non-financial aspects in evaluating investment projects (increasing employee learning, increasing customer satisfaction, paying attention to social responsibility, etc.). | .658 | Confirmed |
| 36 | The use of cost of capital in discounting the cash flow of investment projects. | .613 | Confirmed |
| 37 | Industry analysis (rate of input of new products, rate of entry of new competitors, difficulty of supplying raw materials for all companies, importance and variability of customer demands). | .668 | Confirmed |
| 38 | Value chain analysis (cost and benefit analysis of each of the activities related to raw material supply, warehousing, production process, product packaging, distribution and sales, and after-sales service). | .612 | Confirmed |
| 39 | Product life cycle analysis (analysis of the status of each product in the stages of product introduction, growth, maturity and decline of the product and decisions appropriate to each stage for products). | .587 | Confirmed |

b. Model determination coefficient

The coefficient of determination of the conceptual research model using PLS calculation software is shown in Table (4). In this table, the rate of change of the independent variable was determined under the influence of the variables entering them.

Table (4) - Coefficient of determination of the conceptual model

| Main variable | The coefficient of determination |
|---|----------------------------------|
| Management Accounting Techniques | .721 |
| Average of coefficient of determination | .721 |

As can be seen, about 0.721 variables of management accounting practices are explained by the variables Human Resources, Information Structure, Organizational Culture, and Management Systems.

c. Good fit index

In modeling structural equations using the P-S method, unlike the covariance-based method, there is no indicator for measuring the whole model, but an indicator called the goodness of fit was proposed by Tenenhaus et al. (2005). This index considers both measurement and structural models and is used as a criterion for measuring the overall performance of the model.

$$GOF = \sqrt{\text{average}(\text{Commonality}) * R^2}$$

Table (5) -

| Variable | Common values |
|----------------------------------|---------------|
| human resources | .560 |
| Information structure | .531 |
| Organizational Culture | .813 |
| Management systems | .538 |
| Management Accounting Techniques | .386 |
| Average of common values | .565 |

$$GOF = \sqrt{0/721} \times \sqrt{0.565} = 0/736$$

The GOF index in this model is approximately 0.736, which is very good.

d. Testing the research hypotheses

In order to study the research hypotheses, first the path coefficient is calculated and then the significance of these coefficients is examined by the test statistic. If the P-value is less than 0.05, the path and the coefficient of the desired path are significant and otherwise it will not be significant. The result of the fit of the research model is as follow:

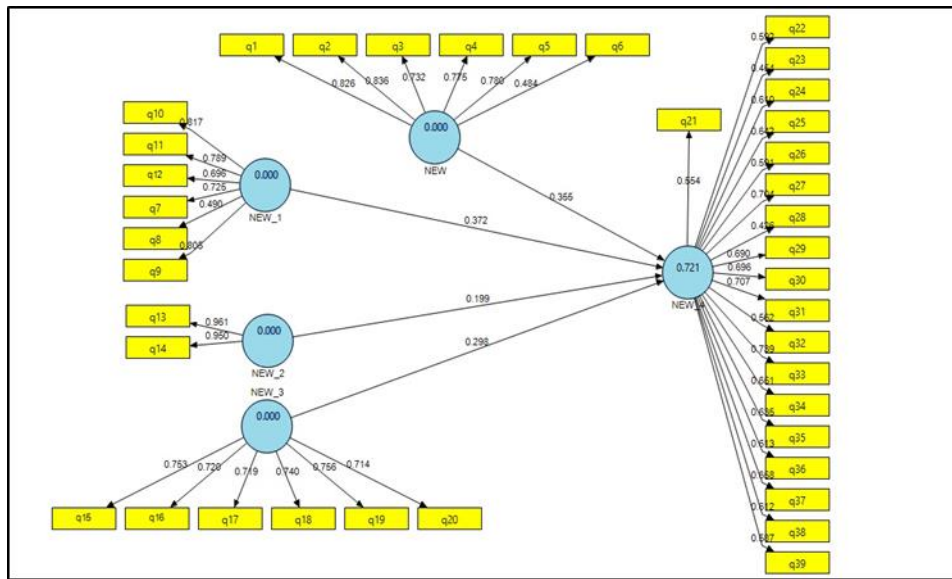


figure 2: Fitting the structural equation model of the main research hypothesis

e. The result of First hypothesis of the research

As shown in Figure (2), in the first hypothesis, the path coefficient is estimated to be 0.355 with a standard error of 0.032. Considering the probability value (P-value) which is less than 0.05, it can be concluded that this path coefficient is significant at the error level of 0.05. In other words, human resource capability has a significant and positive effect on the use of management accounting practices.

Table (6) - Human resource path coefficient on management accounting techniques

| Direct path | Path coefficient | Standard Error | Statistics | P-value | Result |
|-----------------|------------------|----------------|------------|---------|-----------------------------|
| Human resources | .355 | .028 | 12.45 | .000 | The hypothesis is confirmed |

f. The result of second hypothesis of the research

In Hypothesis 2, as shown in Figure (2), the path coefficient is estimated to be 0.372 with a standard error of 0.027. Of course, given the P-value, which is equal to 0.000 and is less than 0.05, it can be concluded that this path coefficient is significant. That is, the power of information structure has a significant and positive effect on the use of management accounting practices.

Table (7) -Information structure path coefficient on management accounting techniques

| Direct path | Path coefficient | Standard Error | Statistics | P-value | Result |
|-----------------------|------------------|----------------|------------|---------|-----------------------------|
| Information structure | .372 | .027 | 13.67 | .000 | The hypothesis is confirmed |

g. The result of the third hypothesis of the research

According to Figure (2) in Hypothesis 3, the path coefficient is estimated to be 0.199 with a standard error of 0.023. Given that the probability value (P-value) is equal to 0.000 and is less than 0.05, it can be concluded that this path coefficient is significant at the level of 0.05. In other words, the power of organizational culture has a significant and positive effect on the use of management accounting techniques.

Table (8) – Organizational culture path coefficient on management accounting techniques

| Direct path | Path coefficient | Standard Error | Statistics | P-value | Result |
|------------------------|------------------|----------------|------------|---------|-----------------------------|
| Organizational culture | .199 | .016 | 11.95 | .000 | The hypothesis is confirmed |

h. The result of the fourth hypothesis of the research

In Hypothesis 4, based on Figure (2), the path coefficient of 0.298 is estimated with a standard error of 0.017. Given the P-value, which is equal to 0.000 and is less than 0.05, it can be concluded that this path coefficient is significant at the level of 0.05. In other words, power relations in management systems have a significant and positive effect on the use of accounting techniques.

Table (9) -Management systems coefficient on management accounting techniques

| Direct path | Path coefficient | Standard Error | Statistics | P-value | Result |
|--------------------|------------------|----------------|------------|---------|-----------------------------|
| Management systems | .298 | .024 | 12.37 | .000 | The hypothesis is confirmed |

VII. Conclusion

One of the problems faced by managers of small and medium-sized enterprises is the lack of proper use of management accounting practices. These managers think that by reducing costs and increasing profitability, they have implemented some of the management accounting techniques. In contrast to these managers, there are other managers who use management accounting practices. But they do not get the right answer from using the desired technique. These managers have ignored the contingency theory in the implementation of the techniques. Contingency theory suggests that one technique is considered an opportunity for one type of business and a threat to another. Managers must have sufficient knowledge of the components of their economic institution before using management accounting practices. With this knowledge, they can implement the scope of each technique, which includes identifying costs and financial control, providing information for planning and managing, reducing resource waste, and creating value for decision making. This research is the first research on the impact of organizational DNA components on management accounting practices using structural equation modeling. Organizational DNA is a form of business thinking. It makes the business look like a multi-faceted charter and directs managers to think and understand enough about the structure that makes up their organization. Organizational DNA in this study consists of

four parts: human resources, information structure, organizational culture and management systems, each of which has a related subset. According to the above, one main hypothesis and four sub-hypotheses along with the researcher-made questionnaire were examined.

The results of the first hypothesis indicate that a successful manager can communicate with his / her human resources properly before implementing his / her institution and lead them towards the goals of his / her collection. Managerial recruitment policies also refer to how new staff are accepted and the individual stays in the organization. Successful institutions determine employees based on their competencies and job status. Such managers believe that human resources, as a visible and valuable asset, can help implement management accounting practices with adequate training, job creation skills, and appropriate leadership.

The results also showed that the process of information flow, which is provided by subordinates as tasks assigned to its organizational charter for each section, is generally provided to managers. Process flow refers to the agility and flexibility of the organization. A company has the dynamism to be able to make flexible decisions in different opportunities and situations. This decision requires agility and operational structure.

Organizational culture was addressed with two elements of valuable behavior and business assumptions in the questions. Valuable behaviors are actually related to organizational ethics or professional ethics at work. A person is considered to be a valuable that has responsibility, commitment and honesty. Managers answered such questions in the affirmative. All managers need systems through which they can plan survival systems to compete, budget, and control to estimate costs and revenues as operational budgeting, a measure of business performance appraisal that is actually planning, Organize and monitor. Also, the incentive system to motivate employees will lead to the behavior of the members of the organization towards the goals in a management system that managers answered positively to such questions and the hypotheses were confirmed.

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Impact of Work-Life Balance on Employee Performance: An empirical study on a Shipping Company in Sri Lanka

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Abstract

In the modern world, balancing professional life and family life has become a great challenge for almost every organisation. Also, the absence of work-life balance has an adverse effect on employee performance in many respects. Thus, it is essential to understand the impact of work-life balance on employee performance. Consequently, this study will analyse the impact of work-life balance on employee performance. Furthermore, this research will elaborate on the relationship between work-life balance and employee performance as well. Accordingly, a quantitative study is conducted by collecting primary data through a self-administered questionnaire. The secondary data for the study were collected through books, journals, and articles. Moreover, this study comprised a sample size of 84 employees of a leading shipping company in Sri Lanka. The sampling technique was convenient sampling. Data analysis comprised of both inferential and descriptive statistics. Descriptive statistics included frequencies, means, and standard deviations. When it comes to Inferential statistics, the impact of work-life balance on employee performance was analysed using simple linear regression analysis by using the SPSS tool. Based on the correlation analysis, it was revealed that there is a strong positive relationship between work-life balance and employee performance. Then the regression analysis confirmed that there is a significant impact of work-life balance on employee performance. Thus, based on these research findings, the theoretical and managerial implications and directions for future research and at last, the limitations of the current research are discussed.

Keywords: Work-Life Balance, Employee Performance, Spillover Theory, Shipping Industry, Sri Lanka.

I. Introduction

According to Redmond, Valiulis and Drew (2006), the work-life balance (WLB) as the flexible working environment allows employees to balance personal and employment responsibilities.

It has become a crucial concept that concerns different workers in the private and public sectors. Further, WLB balance does not just limit personal life and the professional role, which has directly influenced a person's social, mental, psychological well-being, and economic as well. As per Lilian, Uzochukwu and Francisca (2015), all these problems are shown through a person's productivity that inevitably impacts employee performance. In every organisation, employees are extremely valued asset. Baral and Bhargava (2010), clarifies that a productive, successful business can simply be achieved by actively engaging employees in improving their performance. An interview made with a senior manager of a leading shipping company, the researcher reveals that the employees in the company often deal with high work pressures in catering to the requirements made by customers to make the delivery of the shipment to the customers on agreed time and dates. Thus, in this research study, the researcher aims to determine whether there is an impact of work-life balance on a leading shipping company's employee performance in Sri Lanka.

Further to the above author noticed that many research studies associated with finding the impact of work-life balance on employee performance have done related to the apparel sector/telecommunication sectors. There is a lack of research studies related to work-life balance and employee performance among the shipping companies of Sri Lanka. The primary importance of work-family balance, whether explicit or implicit to the organisations, cannot be ignored by employees. When employees suffer to balance their personal and work lives, that will negatively affect employee performance (Gryzwacz & Carlson, 2007). The current study focuses on testing the impact of work-life balance on employee performance. Moreover, it looks at the concepts of work overload, work-life balance, and employee performance. Also, this research intends to find out the relationship between these variables.

1.1. Problem Statement

When it comes to the Shipping Industry, the employees encounter tremendous pressure arising from a significant workload. Thus, they are often occupied in the work context by limiting their time spent with family. All these issues have arisen for an imbalance in catering to the demands of work and personal life. Further, it has lead to a debate in discussing the importance of work-life balance and how it could affect employee performance when it comes to the workplace. The work-life balance is the balance between two completely different functions to manage by

the individual in the professional role, and family life achieves the satisfaction of their life (Shaffer, Reiche, Dimitrova, Lazarova, Chen, Westman & Wurt, 2016). Thus, work-life balance has an impact on employee performance as it deals with the professional role too.

Due to the significant impact of work-life balance on employee performance, many researchers have conducted their research studies to assess the impact of work-life balance on employee performance in different industries and countries (Soomro, Breitenecker & Shah, 2018; Konrad & Mangel, 2000; Perry-Smith & Blum, 2000; Rothbard, 2001; Mäkelä & Suutari, 2011; Rotondo & Kincaid, 2008). Many such research studies revealed that there are a significant relationship and impact among these two variables. But many of such studies in the Sri Lankan context were only limited to the apparel and telecommunication sector (Dissanayaka & Hussain Ali, 2013; Weerakkody & Mendis, 2017). Thus, this study attempts to identify the impact of work-life balance on employees' performance in a leading shipping company in Sri Lanka to fulfill the existing contextual and empirical gap. Accordingly, the problem statement of the current study can be stated as follows:

"What is the impact of work-life balance on employee performance of employees; An empirical study on a shipping company of Sri Lanka."

1.2. Research Aims and Objectives

Investigating the impact of work-life balance on employee performance serves as the main aim of the study. Further, the primary research objectives of the current study are indicating as follows,

- i. To identify the relationship between work-life balance and employee performance
- ii. To evaluate the impact of work-life balance on employee performance
- iii. To recommend directions for future research.

1.3. Significance of the Study

In the Sri Lankan context, many researches associated with the variables of work-life balance and employee performance have been conducted for the apparel and telecommunication industry (Dissanayaka & Hussain Ali, 2013; Weerakkody & Mendis, 2017). But there was no research attempt to find the impact of work-life balance on employee performance among

shipping sector employees of Sri Lanka. Thus, this study attempt to fill this vacuum existing in the Sri Lankan context.

Accordingly, this study's findings will provide inputs for managers, HR professionals, and other organisational decision-makers in the shipping sector to identify how work-life balance impact employee performance and come up with various strategies and employees to uplift the work-life balance. Accordingly, by improving the work-life balance of employees, the organisation could increase employees' performance where it will ultimately contribute to the organization's increased performance. Further, these research findings will also be necessary for students and academics in the field of social science and various counselors and psychologists to understand the attitudes and behaviors of employees within organisation.

II. Literature Review

a. An Overview of Work-Life Balance

According to Kalliath and Brough (2008), work-life balance is defined as how an individual's insight between work and non-work functions is compatible and how important their current life priorities. Also, it could consider as the balance between two completely different functions to manage by the individual in the professional role, and family life achieves the satisfaction to their life (Rothbard, 2001; Greenhaus, Collins & Shaw, 2003; Liyanage & Janadari, 2007; Makela & Suutari, 2011; Shaffer et al., 2016).

As per the article of Cieri, Holmes, Abbott and Pettit (2005), De Cieri and Bardoel (2009), four categories been introduced to review work-life balance such as flexible working arrangement (i.e., compressed hours and working from home); leave arrangement (annual leave and parental leave); dependent care assistance (child care arrangements together with crèche) and general services (employment assistant programs). One important aspect of work-life balance is about an individual's perception as they complete multiple and often challenging roles (Cieri et al., 2005; Cieri & Bardoel, 2009).

Work-life balance is a kind of achievement of job-related expectations negotiated by the organisation to the employee and role partners in the work area and family domains (Grzywacz & Carlson, 2007). In this context, individuals need to understand the preferences and ideas of other role partners' objectives in both extend in family and work.

Voydanoff (2008) mainly concerns the positive and effective participation in both ends of an individual with related work and family life. It is a global assessment between family demand and the resources to live in a happy environment. In other words, it can be noticed that the importance of work-life balance is about an individual's insight as to when they fulfill multiple and often challenging roles.

Based on Chandrasekar's article, the employee environment heavily impact employee's performance, efficiency, and moral (Chandrasekar, 2011). Further, Hackman and Oldham (1975) stated that work-life balance benefits give improved efficiency and a high level of internal job motivation in work.

i. Factors Affecting Work-Life Balance

A study conducted by Vyas and Shrivastava (2017) it is identified that the factors effects on work-life balance are community factors, organisational matters, stress concerns, lack of knowledge in information technology, mismanagement of workload, family problems, social issues, supportive factors from the organisation, individual responsibilities and lack of knowledge towards the work. In addition to that, some other factors been introduced by Hartel's study that affects work-life balance are flex hours, job sharing, freelance work, compressed work weeks, parental leave, telecommuting, a daycare facility for children etc (Hartel, 2007).

Bulger, Matthews, & Hoffman (2007) argued that the overlap between home and work could cause employee dissatisfaction. It is essential to have a clear differentiation between these main domains, and it must have some degree of separation from the two functions. It can be expressed that if the work-life is a balance between organisation and individual, it leads to having more benefits to both concerned parties. Introducing and implementing family-friendly policies gives a distinct advantage to the company's productivity and profitability with the growth of employee satisfaction (Allen, 2001).

Creating a culture of honesty and trust by implementing work-life balance programs contributes to staff admitting to homegrown issues and assisting the needy (Maxwell & McDougall, 2004). Also, it is observed that doing work-life balance programs in the organisation leads to lower recruitment due to lesser employee turnover, minimize training costs, and can be improved productivity (Ulshafer, Potgeisser & Lima, 2005), decreased job

exhaustion (Haar & Roche, 2010), more natural service delivery, boosted quality service, greater employee capability, minimize poor attendance, lower throughput, employee adoption ability, skills to thrive in rapidly altering markets, increased organisational commitment, amplified levels of organisational citizenship behaviors and develop levels of participation within the organisation and initiative (Maxwell & McDougall, 2004). According to the study of Jennings and McDougald (2007), numerous strategies have been used to minimize the stress of work-life balance such as accommodation, segmentation, compensation and lifetime same career strategy and hiring help around the house for child care etc. When work stumbles over into the family or vice versa can cause potential stress and unconstructive work attitudes and values, which are positively related to the dissatisfaction of the employee, workplace conflicts that lead to lower output in day to day job functions (Chernyak-Hai & Tziner, 2015; Preena & Wanigasekara, 2019).

b. An overview of Employee Performance

An employee's performance is the measurement that is associated with the output concerning quality, quantity, and timelines in the current job role (Mathis & Jackson 2009). Employee performance signifies an individual's work accomplishment after utilising the required effort on the job role, which associates with getting a significant work allocated by the employer (Karakas, 2010). On the other hand, employee performance directly impacts the organization's financial or non-financial outcome (Anitha, 2014). The business dictionary recorded that employee performance is the activities in the job which expected of a worker to complete and how well those activities were completed. With reference to the study of Michael Armstrong (2007), it defines performance in terms of output of the achievement of the set quantified goals. Performance can be expressed as to how best an employee can achieve their job requirements. An employee's extra performance rate originates from appropriate behavior and effective application of awareness, skills, and capability. Many studies have been introduced various methods to evaluate organisational performance, which includes the knowledge, quality, creativity, and quantity of employees towards to complete, which has been given at the time of measurement period. In any assessment, systems must have some standard parameters to calculate the performance that can be relied upon (Wong & Wong, 2007).

i. Factors Affecting Employee Performance

According to the study of Muda, Rafiki, and Harahap (2014), job stress, communication, and motivation were highlighted as the effects of the main factors on employee performance. Further, Diamantidis and Chatzoglou (2018) conducted research. Employee performance effect factors can be divided into two main categories, i.e., Job-related factors and employee-related factors, for job-related factors figured as job environment, job communication, and job autonomy. On the other hand, employee-related factors are figured as proactivity, adaptability, intrinsic motivation, skill flexibility, commitment, and skill level.

Another study identified gives a direction of factors effect on employees having a relationship with the manager or superior's attitude and the organisation's culture. The employee's private concerns, job content, and financial benefits such as salary and perks are also directly affected by employee performance (Nayab,2013). Through the literature review, it is found that HRM factors are also could influence firm performance, such as the performance measurement of employees, organisational culture, job fulfillment, training, and common events to develop employee mentality have contractual evidence on the relationship with employee performance (Aboazoum, Nimran & Musadieq, 2015). Research provides a greater relationship with a significant variation in job performance among employees with factors such as gender, age, salary stress, motivation and job satisfaction, training development, and organisational culture have been studied to determine the relationship of these variables to job performance (Beck, Behr, & Güttler, 2010; Ng & Feldman, 2008; Ittner, Larcker, & Pizzini, 2007; Hourani, Williams & Kress, 2006).

In order to achieve the competitive advantage of organisation they need the high performance of its employees (Sonnetag & Frese, 2002). Similarly, employee performance helps an organisation increase productivity, performance, and turnover (Cegarra- Leiva et al, 2012). Loyal employees are more productive than disloyal employees. (Frone *et al.*, 1992). Baral and Bhargava (2010), illuminates that a successful and efficient business can simply be achieved by actively fetching employees to improve their continuous performance. Employee Performance is a very important area in the organisation. It can help the organisation increase and utilise the human resources' capacity with increasing efficiency. It can transform a business into good and quality service, delivery and interaction with customers in every area of the organisation. Firms must set policies that will inspire employee performance to retain in

business. The company must also be aware of their employees' capacities to manage them and align them with the firm's overall business strategy (Boxall & Purcell, 2011).

c. Work-Life Balance as a predictor of Employee performance

The research done by Dissanayaka and Hussain Ali (2013) revealed a positive relationship between employee performance and the work-life balance of employees who work in seven apparel organisations in Sri Lanka. Further research done by Mulanya and Kagiri (2018) found that lack of flexible work schedules had decreased the encouragement of individual commission on revenue allocation in Kenya to continue performing well in the organisation. Another research study to find the impact of work-life balance on employee performance in the telecommunication field in Sri Lanka done by Weerakkody and Mendis (2017) introduced a significant relationship between work-life balance and employee performance. A study of work-life balance is in relation to employee performance as an outcome (Konrad & Mangel, 2000). Interference between non-work and work accountabilities has a number of negative outputs that have been established in this study. In terms of job attributes, employees subjecting high levels of both life-to-work and work-to-life conflict to prove lower levels of job satisfaction as well as lowering organisational commitment. Reduced work effort and reduced performance of behavioural outcomes are directed to conflicts and increased absenteeism and turnover in the organisation (Greenhaus, Collins, Singh & Parasuraman, 1997). Both life-to-work and work-to-life conflict have been associated with increased stress and cognitive burnout problems such as staying awake overnight, lack of concentration towards work, low alertness, and reduced general health and energy levels.

d. Theories on Work-Life Balance and Employee Performance

Spillover theory is one of the constructive theory of this research. Therefore researcher aimed to discuss further the spillover theory with the assistance of other scholarly articles. Guest (2002) put forward the spillover theory, suggests conditions under which spillover between the family and work could be positive or negative. If work-family connections are strictly organized in time and space, then energy, the spillover of time, and individual behavior are negative. In the same time when flexibility occurs, it allows individuals to incorporate and overlap personal and official responsibilities in space and time. This leads to positive spillover,

which is instrumental in gaining a healthy work-life balance. Work-family border theory is dedicated only to work and family spheres. Thus, the outcomes of interest in the border theory are the work-family balance, which implied satisfaction and good operation at work and home (Clark, 2000). The basement of this theory is that family and work constitute different spheres or domains that could influence each other. Given their opposing purposes and cultures, the work and home could be associated with two different countries where language differences constitute an acceptable behavior of differences and the differences in achieving tasks. Hence the researcher decides to base the study on the work-family border theory too during the study as a working theory.

e. Research Model and Hypotheses Development

Previous literature shows that employers generally sustained positive work-life balance policies and found both business and personal benefits to both ends (Redmond et al., 2006). The literature stresses that work-life balance practices can help organisations increase productivity and performance and reduce turnover (Cegarra-Leiva & Cegarra-Navarro, 2012).

In this study, the dependent variable or the problem variable would be employee performance, whereas the independent variable is work-life balance. A research study of Soomro, Breitenecker, and Shah (2018) to find the relation of work-life balance, family-work conflict, and work-family conflict with employee performance indicates that work-life balance has a positive relationship with employee performance. The same finding has been done with the following studies i.e. Konrad and Mangel (2000), Perry-Smith and Blum (2000), Rothbard (2001), and Mäkelä and Suutari (2011).

Not only that, with the study of work-life balance and employee performance in selected banks in Lagos state by Obiageli, Uzochukwu, and Ngozi (2015) found that work-life balance practice is an essential feature in increasing employee performance. Further, Dissanayaka and Hussain (2013) study findings by using 200 employees in different branches of HDFC and PNB Banks and Bajaj Alliance indicated that the work-life balance is positively related to employee performance.

Thus, based on findings of previous research studies in both the local and international contexts with work-life balance and job performance, the following hypotheses were developed for testing in the current research study.

H₁: There is a significant impact of work-life balance on employee performance.

H₀: There is no significant impact of work-life balance on employee performance.

i. Conceptual Framework

Figure 2.1: The Conceptual Framework of the Study



Source: Author, 2020

III. Research Methodology

3.1. Research Approaches of Choice

In this study, the deductive approach is used to research since the deductive approach develops a hypothesis based on existing theory and design a strategy to test the developed hypothesis starting from a complex problem. Further, it has been noticed that there are some distinct advantages of using a deductive approach as well, such as the possibility of explaining relationships between variables, concepts so that it can be measured quantitatively and generalise research findings to a certain level Saunders et al. (2009, p.108).

3.3. Methodological Choice

This research investigates the relationships between variables. Creswell and Ollerenshaw (2002) argue that the proper design to observe the relationships between variables is predictive and correlational quantitative research.

Further, in the quantitative analysis, usually, the problem is well-defined. At the same time, the scholar believes and is unbiased that there is a truth or else used to highlight that there is a reality despite theoretical aspects of reality (Newman & Benz, 1998). Therefore, the researcher used a mono-method that involves using one research approach for the study.

3.4. Time Horizon

In this study, data were collected just once, perhaps over the period of days, to answer a research question. Therefore this study is called a cross-sectional study.

3.5. Research Strategy

Accordingly, the survey is a process of gathering data that could involve a wide variety of data collection methods, including a questionnaire and reviews frequently engaged in small-scale research that recognise the relationship between variables (Punch, 2003; Collins, 2010). This study researcher will use the survey strategy because it is usually associated with the deductive approach.

3.6. Data Collection

In this research, the researcher selects the method of the survey with a questionnaire to achieve the primary data and the secondary data for this research extracted from published journal articles and research methodology books.

3.7. Population and Sampling

In this study, the researcher chooses 90 (Sample size) employees from a leading shipping company in Sri Lanka out of 120 (Population) employees as the sample of this study.

Accordingly, the researcher expects to use this method to distribute 90 questionnaires expecting responses from 75-85 individuals. Apart from that, the below table analyses the sampling methods.

3.8. Survey Instruments

The structured questionnaire was developed and distributed among respondents, which included close-ended questions. Further, the researcher used five-point Likert scales to find the relationship between variables to test the hypothesis ranging from Highly agree (5) to Highly disagree (1).

3.9. Data Analysis Tool

This study used questionnaires and analysed the data through Statistical packages for social science (SPSS). Besides factor analysis, the information collected for the study has been processed and analysed with the help of appropriate statistical tools like mean, standard deviation and frequency distribution (Tull & Hawkins, 1993). Further, the ANOVA test has been used to assess the difference among group means. Additionally, Regression Analysis has been used to study the impact of work-life balance approach on the employees' performance.

3.10. Pilot survey

This research, the researcher conducted a pilot survey by executing the questionnaire to 10 employees of the subjected company to test the reliability and few adjustments. Accordingly, the Cronbach's Alpha for the construct based on the pilot study is provided in Table 3.1. As the Cronbach's Alpha values exceeded the accepted range of 0.7, the questionnaire was reliable to distribute among the sample.

Table 3.1: Pilot Reliability Test

| Construct | Cronbach's Alpha | N of Items |
|----------------------|------------------|------------|
| Work Life Balance | .973 | 8 |
| Employee Performance | .969 | 7 |

Source: Pilot survey date, 2020

3.11. Limitation of Research Methodology

Accordingly, the limitations of this study are time constraints as the research was needed to conduct within a minimal period, and if there is an adequate period for data collection, the

conclusions and findings of the study might differ. Another limitation is the questionnaires used. Since respondents were asked to state their level of satisfaction for statements on a Likert scale, they find it difficult to give actual value for their thoughts. In addition to that, the sampling method also a limitation for the study. Since it used convenient sampling, the researcher gets the respondents' feedback where there is convenient access due to the time factor. As a result, it might not get a response from critical employees.

IV. Findings and Discussion

4.1. Survey response

In order to obtain data information for the analysis of the objectives of this study, a standard questionnaire was handed over to 90 employees in five departments, but only 84 employees submitted the questionnaire. Accordingly, the response rate for this survey was 93%.

4.2. Reliability Test

Initially, before proceeding with data analysis, the reliability of the constructs was assessed using the reliability test. Accordingly, the relevant test results are indicated in Table 4.1.

Table 4.1: Reliability Test

| Construct | Cronbach's Alpha | N of Items |
|----------------------|------------------|------------|
| Work life balance | 0.931 | 8 |
| Employee performance | 0.922 | 7 |

Source: Survey data, 2020

The outcomes of Cronbach's alpha test of 84 questionnaires are stated in the above table 1.1. The Cronbach's alpha values for both the constructs are above the rule of thumb of 0.7 for a reliability scale (Hair et al.,2010), which indicated that each construct's high internal reliability is satisfactory.

4.3. Descriptive Statistics Analysis

The main constructs explored in the current study are work-life balance and employee performance. In the descriptive analysis, the mean, median, mode, and standard deviation of the construct are also evaluated. In mathematics and statistics, the arithmetic mean, or simply the mean, is the sample's average value. It is calculating through the sum of the numbers divided by the size of the collection. Further, the standard deviation is used to measure the dispersion of a dataset relative to its mean.

4.3.1 Descriptive Statistics Analysis for Work-Life Balance

Table 4.2: Descriptive Statistics Analysis for Work-Life Balance

| Construct | Mean | Median | Mode | Std. Deviation |
|-------------------|-------|--------|-------|----------------|
| Work Life Balance | 4.036 | 4.375 | 4.500 | 0.814 |

Source: Survey data, 2020

As shown in table 4.2., the mean value of the distribution is 4.036, and the standard deviation is 0.814. It is indicated the most of the respondents are agreeable towards the. Also, median and mode values are 4.375 and 4.500, respectively.

4.3.2 Descriptive Statistics Analysis for Employee Performance

Table 4.3: Descriptive Statistics Analysis for Employee Performance

| Construct | Mean | Median | Mode | Std. Deviation |
|----------------------|-------|--------|-------|----------------|
| Employee Performance | 4.119 | 4.429 | 4.570 | 0.763 |

Source: Survey data, 2020

According to the above table 4.3, it can be noticed that the mean value of the employee performance variable is 4.119, and the standard deviation is 0.763. Hence, the employee performance construct is towards agreeableness. Also, the median and mode values are accounted for 4.429 and 4.570, respectively.

4.4. Bivariate Analysis

The Bivariate analysis includes the correlation and regression analysis used to examine the relationship between work-life balance and employee performance and the impact of work-life balance on employee performance.

4.4.1 Correlation Analysis

The correlation analysis was conducted to identify whether there is a relationship between the work-life balance and employee performance. Accordingly, the Pearson correlation analysis was conducted at 0.05 significant level with the two-tailed test. The relevant results are shown in Table 4.4.

Table 4.4: Correlation Analysis

| | | Employee Performance | Work Life Balance |
|--|---------------------|----------------------|-------------------|
| Employee Performance | Pearson Correlation | 1 | .949** |
| | Sig. (2-tailed) | | .000 |
| | N | 84 | 84 |
| Work Life Balance | Pearson Correlation | .949** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 84 | 84 |
| **. Correlation is significant at the 0.05 level (2-tailed). | | | |

Source: Survey data, 2020

As per the above table, it is revealed that work-life balance has a strong positive relationship with employee performance ($r = .949$, $p = .000$). This study's findings were in line with past research findings (Konrad & Mangel, 2000; Perry-Smith & Blum, 2000; Rothbard, 2001;

Mäkelä & Suutari, 2011; Rotondo & Kincaid, 2008). According to the research done by Breitenecker and Shah (2018), they have found a relationship between work-life balance, family-work conflict and work-family conflict with employee performance. It also has shown that work-life balance has a positive ($r = 0.22$) relation with employee performance. Moreover, these findings were in line with Hussain Ali's (2013) past research conducted by using employees of seven apparel organisation. Further, the Hussain study indicated a Pearson correlation of 0.521 and a significant value of 0.000 that suggested a positive relationship between work-life balance and employee performance.

4.4.2 Regression Analysis

The regression analysis is used to examine the impact of the independent variable on the dependent variable. Accordingly, the model summary results of the regression analysis are indicated in table 4.5.

Table 4.5: Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .949 _a | 0.900 | 0.899 | 0.242 |

a. Predictors: (Constant), Work-Life Balance

b. Dependent Variable: Employee Performance

Source: Survey data, 2020

Table 4.6: ANOVA^a

| Model | Sum of Squares | Df | Mean Square | F | Sig. |
|--------------|----------------|----|-------------|---------|-------------------|
| 1 Regression | 43.545 | 1 | 43.545 | 741.493 | .000 ^b |

| | | | |
|----------|--------|----|-------|
| Residual | 4.816 | 82 | 0.059 |
| Total | 48.361 | 83 | |

a. Dependent Variable: Employee Performance

Source: Survey Data, 2020

The above table 4.6 shows the results of the simple linear regression analysis. Accordingly, the adjusted R square is 89.9%. It indicated that work-life balance has an impact of 89.9% on employee performance. Moreover, the inspection of the coefficient is shown in Table 4.7. The results revealed that that work-life balance (Beta = .949, p = .000) is a significant predictor of employee performance. Thus, high work-life balance is associated with a higher level of employee performance.

Table 4.7: Coefficients^a

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | 95.0% Confidence Interval for B | |
|--------------------------------|-----------------------------|------------|---------------------------|--------|-------|---------------------------------|-------------|
| | B | Std. Error | Beta | | | Lower Bound | Upper Bound |
| (Constant) | 0.539 | 0.134 | | 3.931 | 0.000 | 0.261 | 0.796 |
| ¹ Work Life Balance | 0.890 | 0.033 | 0.949 | 27.230 | 0.000 | 0.825 | 0.955 |

a. Dependent Variable: Employee Performance

Source: Survey Data, 2020

Accordingly, the data analysis findings supported the hypothesis that there is a significant impact of work-life balance on employee performance. Therefore, the H₁ hypothesis (There is a significant impact of work-life and employee performance) was accepted by rejecting the null hypothesis H₀ (There is no significant impact of work-life on employee performance). Also, Khatri and Behl (2013) research to find out the impact of work-life balance on employees'

performance in the organisation has also identified a beta value of 0.66, which represents a positive correlation between work-life balance approach and performance and Adjusted R Square of 0.43. Also, another study conducted by Weerakkody and Mendis (2017) to assess the impact of work-life balance on employee performance in the telecommunication industry in Sri Lanka also indicated an adjusted R Square value of 0.34 and an F Value of 27.391, which is significant at 1% ($p = 0.000$) that shows that there is an impact of work-life balance on employee performance. Hence, based on the empirical investigation of the research, it can be concluded that there is an impact of work-life balance on employee performance in the shipping company in Sri Lanka.

V. Conclusion

Investigating the impact of work-life balance on employees' performance in a leading shipping company, Sri Lanka, was the primary aim of the current research study. Accordingly, findings revealed that there is a significant impact of work-life balance on employee performance. Further, this study is grounded on two theories: spillover theory and work/family border theory. In addition to that, the research findings also highlighted the valuable empirical and managerial or practical implications as well. Hence, it was discussed the importance of having and introducing proper work-life balance strategies and policies within the organisation. The current study's primary limitation was the generalisability of research findings as the findings were applicable and limited only to one shipping company in Sri Lanka. Finally, the directions for future research were proposed. Thus, it suggested evaluating the current theoretical model by introducing a moderating and mediating variable.

VI. Implications of the Study.

The implications can be discussed under two main areas as empirical and managerial/practical. The current study's theoretical model is grounded on the spillover theory and work/family border theory. The previous research studies of similar nature have focused on investigating the impact of work-life balance on employee performance based on these theories related to other industries like apparel, telecommunication, banking, etc. But the current study focuses on the shipping industry, where a similar study has not been conducted in the Sri Lankan

context before. Accordingly, this study contributed to fill the existing vacuum in the Sri Lankan context.

When it comes to managerial/practical implications, this study revealed that there is an impact of work-life balance on employee performance. It indicates that managers can increase employee performance by introducing them to proper work-life balance policies. In the shipping industry, employees are very much busy with their work schedules from morning to late at night. Thus, the work-life balance of employees is somewhat questionable. Therefore, the managers could introduce flexible time and work arrangements, professional programs that focus on giving employees sufficient skills on how to handle job-related challenges and introduce proper work-life balance policies. Further, the managers could first assess the employee capacity and assign them a suitable workload where they could easily manage without being pressurised. The company could also implement workshops and programs that trained employees on how to balance their work and personal life.

VII. Limitations of the Study

In any research, limitations are unavoidable. Accordingly, one such limitation of the current study is that this study is cross-sectional in nature. Hence, data were collected at one time only. But, the results might have differed if data were collected at two different times. Thus, future studies can adopt a longitudinal design to collect data for more accurate findings. The next limitation of this study is the generalisability of the results, as the current research conducted only to one shipping company in Sri Lanka. As a result, the findings are limited solely to the selected shipping company of Sri Lanka, so the generalisability of research findings to the entire shipping industry, other industries, and other countries is difficult and impossible.

VIII. Areas for Future Studies

Many future research directions can be drawn from the current study. Thus, future researches can evaluate the relationship between work-life balance and employee performance by introducing a mediating or moderating variable for the present research framework. The suggested few such moderating variables are gender, organisational culture, family support, supervisor support, and stress. And such mediating variables are training and development, supervisor/family support, employee commitment, and organisational culture. Further, a

qualitative study also can be conducted to explore the reasons for such impact and relationship. Furthermore, future research can be done as a longitudinal study since the current study is cross-sectional.

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Impact of emotional labor on emotional exhaustion of bank tellers in private banking sector in sri lanka

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ABSTRACT

The purpose of this study is to examine the Impact of Emotional Labor on the Emotional Exhaustion of Bank Tellers in the Private Banking Sector in Sri Lanka. Emotional labor can be simply defined as managing the facial expressions, body language, and inner feelings to appropriate to the situation. Emotional labor can be enacted in two major ways; Surface acting or Deep acting. While surface acting considers the external appearance and the employee's behavior who interacts with the customers, deep acting tries to change the inner feelings so that the emotional worker feels genuine. The researcher was able to achieve specific objectives at the end of the study. The survey method was used to avoid personal biases and use a well-structured questionnaire for data collection from 250 domestic private bank tellers. It was revealed that there is a negative relationship between emotional labor and emotional exhaustion, and this finding was consistent with research suggesting. The research study proved that deep acting has a greater impact on emotional exhaustion than surface acting has on emotional exhaustion. Finally, the researcher concluded that the performance of deep acting is healthy for the tellers, and surface acting is unhealthy. It is recommended to persuade tellers to perform more deep acting to enact emotional labor to achieve better internal and external customer satisfaction.

Keywords: Deep Acting, Emotional Exhaustion, Emotional Labor, Surface Acting

I. Introduction

Human resourcing is the key to determining organizational success. Organizations' success is judged by the quality and quantity of employee performance. Many factors affect employee performance, and mainly it is affected by employee emotions. However, employee emotional exhaustion is one of the critical issues faced in many industries currently.

Especially in service providing companies, employees are highly stressed because of direct interactions with customers. This cause leads to high work stress, emotional exhaustion, and lower job performance.

A significant transformation of the world economy from a manufacturing era to a service era has increased the concern of emotional labor. A study on call center workers (Lewig & Dollard, 2003)

mentioned that this transition created a relatively new labor market characterized by work roles that emphasize interactions between front-line service workers and customers.

Consequently, a new type of work demand, that of emotional labor, has emerged as a key component of interactive service work (Lewig & Dollard, 2003).

As explained in the study of Chu (2002), the economy in most of the developing countries has shifted from manufacturing to the service industry, the nature of job role requirements has changed.

This gives the idea of the importance and the recognition of front-line service employees' job roles. Increasing competition among service organizations has pushed them to consider the quality of their service to the customers.

Arlie Hochschild introduced the concept of emotional labor in her book "The Managed Heart" published in 1983. Emotional labor is a relatively new term. Arlie Hochschild has explained that people control their emotions in personal life as well as work life. Hochschild has mentioned two types of emotional acting: surface acting and deep acting. Emotional labor can be defined as the degree of manipulation of one's inner feelings or outward behavior to display the appropriate emotional response to display rules or occupational norms (Chu, 2002). Surface acting and deep acting (active deep acting and passive deep acting) are two dimensions of emotional labor. Surface acting is expressing emotion without feeling emotion (Hochschild, 1983). The deep acting display is a natural result of working on feeling; the actor does not seem happy or sad but expresses it spontaneously (Hochschild, 1983). There are two ways of doing deep acting. One is by directly exhorting feeling, the other by making indirect use of a trained imagination.

Further, many studies have emphasized the importance of emotional labor, which refers to employees' ability to control their emotions and empathize with customers. Specifically, Mayer stated that "the ability to perceive emotions, integrate emotion to facilitate thinking, understand, and manage emotions to promote personal growth is paramount to professional achievements and mental health and well-being" (Chu, 2002).

Researchers increasingly are recognizing important and unique demands and far-reaching consequences associated with the customer-management interface. According to Chu (2002), under service settings, customer satisfaction becomes significant. Employees' experiences in their work worlds are correlated with the experiences they provide for customers, and that it is these customer experiences that get translated into customer satisfaction. Proliferation in the services sector work has created "customer-oriented bureaucracy".

The literature shows evidence that emotional exhaustion is one of the most often cited negative consequences of emotional labor. Emotional exhaustion is one of the three dimensions of burnout and is identified as the stress-related exhaustion of the individual's emotional and physical power (Chu, 2002). In the study of Grandey (2000), it was suggested that both of the emotional labor dimensions (i.e., surface and deep acting) should be related to burnout, implying that emotional labor should be linked with emotional exhaustion.

Many international research evidence proved that there is a relationship between emotional labor and emotional exhaustion and the two ways of performing emotional labor, (i.e. surface acting and deep acting) are related to emotional exhaustion (Chu, 2002).

Along with globalization, new technologies are introduced to the banking sector to enhance service quality, which is consequential to attract and retain rational customers. In the competitive market, banks in both public and private sectors apply different strategies to improve their services. However, there is a lack of recent evidence to show how these services' quality affects customer satisfaction, leaving a significant hole in Sri Lankan literature.

Today, the increasing awareness among customers and their rights, changes in the demand, and high competition in the banking sector require constant progress in service quality from the bank to satisfy their customers.

The Sri Lankan commercial banks compete with each other, giving better service to their valued customers. Therefore, the quality of the services is considered as key component among the banks to provide better service to the customers. In a competitive market situation, banks in both the public and private sectors in Sri Lanka apply different and important strategies to improve the quality of their services.

However, in Sri Lanka, with heavy competition among commercial banks to attract and retain customers, they introduce different strategies to maximize customer satisfaction, which is very important for banks' performances. Sri Lankan banking industry expanded with the introduction of private banking corporations and foreign banks. The banking sector's present condition in Sri Lanka is very competitive, and it is a growing industry in the Sri Lankan service sector. The banking industry, especially commercial banks in Sri Lanka, is one of the economy's growing sectors.

The total net intake of employees in the banking sector was about 2,095 in the last two years, reaching the total number of employees at 55,257.

This shows the greater banking inclusion taking place throughout the country, which reflects a considerable increase in mobilization of deposits, lending, and fee-based financial services (Institute of Bankers of Sri Lanka - Performance Report 2016).

When considering the employees of the service sector, emotional labor is a vital topic. Tellers are the employees who directly contact the customers in banks. They are emotional labor in the banking sector. As competitive service organizations, tellers in Sri Lankan banks also have to play a significant role in satisfying their customers to protect and enhance their market share. Customer perception about the quality of service highly depends on the performance of tellers in the bank. Along with the growing competition, the workload of banking employees has also increased.

Customers are highly satisfied with personal attention to them regarding banking activities. Significantly, private bank customers prefer to transact their banks due to this individualized attention to them. Customers are delighted to take attention from bankers because they can solve all their transactions and other financial problems regarding the banking sector after discussing with bankers. Also, the willingness or readiness of the banker to provide the required customer service without any inconvenience will strongly influence customer satisfaction.

Hennayake (2017) & Morawakage (2013) analyzed the banking industry's service quality in Sri Lanka. In Sri Lanka, they found that banking sector employees do not always provide prompt and exact service to their customers to enhance responsiveness. As a result, customers are not perfectly satisfied with the employees' activities. Further, that study revealed that both public and private banks' responsiveness and emotional dimensions have the highest positive impact on customer satisfaction. This significant positive relationship of responsiveness to customer satisfaction realizes that both public and private banks are willing to help their customers when the customers need the banks' service. Further, that result reveals that both public and private banks in Sri Lanka need to improve quality services to satisfy customers' needs & the bankers need to pay much attention to the customer complaints to meet customers' expectations. Those findings are essential to enable bankers to understand better customer's perception of service quality of banking and, consequently, how to improve their satisfaction concerning service quality.

Considering that situation, private banks provide more attention to customers. Bankers' reaction towards private banks customers offers high priority to attract customers and increase the fund gaining the highest profitability.

In this case, emotional labor indirectly affects bankers by negatively affecting the performance of the bank. Among a range of factors leading to turnover intention, burnout has been found to play a significant role, and surface acting contributes to burnout, job dissatisfaction, and turnover intention. It will also have adverse effects on the service quality of the bank. In turn, it will negatively affect customer satisfaction.

Therefore, in order to improve corporate performance, increase employee motivation, and enhance employee's job satisfaction, it is important to address employees' emotional labor issues.

On the other hand, the banking sector is considered to be very competitive compared to other sectors. Since many competitors are available in the industry and rivalry among them is very high. Typically banker's job is considered highly stressful. The organization should take the necessary steps to look after their employees in a manner they are satisfied. Job satisfaction of tellers as they have to manage their feelings to tally with organizational norms and display some emotions for commercial purposes is very important.

In general we can see high labor turnover in Sri Lankan banking sector employees. Most researchers have found that Low job satisfaction & emotional pressure are the main reason for issues to arise in the banking sector. The banking staff turnover rate shot up to 48%, subsequently required bringing satisfaction to beloved employees. There was significant employee turnover intention seen in the banking industry in Sri Lanka (Sri Lanka Banking Sector, 2013).

It has to be clearly understood that there is no standard formula to calculate the banking sector's attrition rate. This is because many service banks can not include the freshers' attrition to leave the bank because of higher education or within their probation period.

An online survey conducted by the Central bank of Sri Lanka, 2018 has revealed that in the Banking industry, about 70% of the population of bankers is neither happy nor satisfied working in a bank, which resulted in a very stressful, disappointing cadre.

Based on the above findings, before deciding on this area to do research, the researcher was carried out few discussions with private & public bank tellers to verify whether bankers get emotionally exhausted & how it has affected their customer satisfaction. The discussion conducted using private and public sector bankers indicated that most of them get exhausted and revealed that they are vulnerable to exhaustion.

Further, they accepted that their emotional labor directly affects to not only customer satisfaction & service quality but also their own job satisfaction.

Based on these discussions carried out and empirical evidence, the present study examines why bankers in private sector banks are emotionally exhausted in Sri Lanka?. There is an empirical and theoretical knowledge gap about Emotional Labor's impact, deep acting, and surface acting on bank tellers' emotional exhaustion in Sri Lanka's private banking sector.

Hence this study is conducted to analyze the impact of Emotional Labor on Emotional Exhaustion of bank tellers in the private banking sector in Sri Lanka.

To achieve the above purpose, the researcher has developed four hypotheses with the aid of literature as follows.

H1: There is a significant impact of Emotional Labor on Emotional Exhaustion.

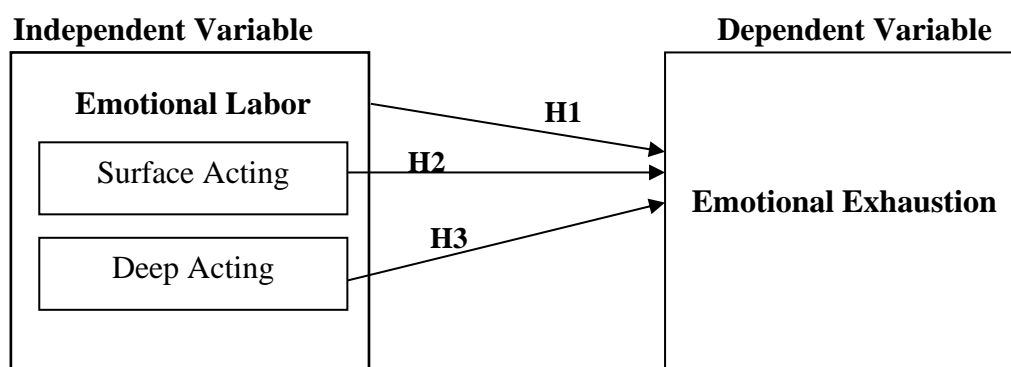
H2: There is a significant positive impact of surface Acting on Emotional Exhaustion.

H3: There is a significant negative impact of Deep Acting on Emotional Exhaustion.

H4: Deep acting has a lesser significant impact on emotional exhaustion than surface acting.

Based on the above four hypotheses, the conceptual framework of the study is as follows:

Figure 1: The Conceptual Framework of the Study



Source: Author, 2019

1. Methods and Materials

This study was totally based on primary data, and a questionnaire was used as the data collection method. The questionnaire was selected as the data collection strategy due to several reasons. The respondents' secrecy should be highly considered as they might fear revealing information related to emotional exhaustion with their job. Thus, the questionnaire was a possible method to collect reliable information while informing the respondents that they cannot be identified from their information. Secondly, this study is an either explanatory or hypotheses testing research study, which comes under quantitative research methodology & it is more in line with the questionnaire as a data collection method rather than the interviews and observations.

In this research, the researcher used a personally administered questionnaire to fulfill the purpose of this study. The questionnaire was designed to fit the objectives of the study and the conceptual framework of the study. Further, this was a personally administered questionnaire as the survey was confined to a limited geographical area and the particular banks were willing to assemble the employees to respond to the questionnaire at the workplace. To make the questionnaire more understandable, an introduction was given on one page attached with the questionnaire and disclosed

the researcher's identity. The questionnaire was comprised of three sections. The three sections were closed-ended questions, except the question rose for obtaining the information on the tenure as a teller.

The context for the present study is the banking sector in Sri Lanka. This sector was selected due to two basic reasons. The banking sector expanded during the year whilst exhibiting resilience by maintaining capital and liquidity well above the regulatory minimum through both global and local conditions were challenging. The banking sector continued to dominate the financial sector, accounting for about 62.4 percent (excluding the Central Bank) of the financial sector's total assets at the end of 2018 (Central bank annual report, 2018).

Therefore, the banking sector can be identified as a fast-growing and competitive sector in the service industry in Sri Lanka; thus, the concept of emotional labor is more applicable. Second, very few research studies were able to identify which were done in the banking sector relating to the emotional labor concept.

The job role of a bank teller was selected because it is a job role that requires the jobholder to interact with various types of people daily for long hours. It was also identified that there is a research gap on emotional labor relating to bank tellers.

Accordingly, this research population is based on bank tellers who are working in eleven domestic private banks in Sri Lanka.

According to the study population, the researcher selects the sample by considering Krejcie & Morgan's formula (1970). It displays the recommended sample size required for the research to be statistically significant where the researcher adjusts the tabulated value based on the size of the population, which should be less than or equal to 120.

Based on this formula, this researcher aimed to calculate a simple random sample size of 250 for a general population of 29132 with a confidence level of 95% and a margin of error of 5%.

II. Data analyses and Presentation

a. Demographic Information

The sample has composed of both men and women, which subject to 129 males and 121 females, respectively. The survey data described that 51.6% of males and 48.4% of females out of the sample.

According to the data gathered, the maximum number of the employees of the sample was represented by the male employees.

In terms of age, the majority of respondents were below under 20-29 years, and it takes 68.0% of the sample, 23.6% is between 31-39 years, and 8.4% of the sample is between the age 40-49 years. These details are significant to the study since the study is focused on the emotional labor of the bank tellers can be affected by the age of them

With respect to marital status, the sample is composed of married & unmarried tellers, subject to 186 single and 64 married employees respectively. 74.4% of the respondents were unmarried, and 25.6% were married.

According to years of experience as a Teller, it could be identified that 67 bank tellers have been working in the banks, recorded less than a year (Below 1yr). It was 26.8% out of respondents. 93 bank tellers have been working for one to two years (1yr-2yr). It was 37.2% out of respondents. 64 bank tellers from the data set have worked in the banks for two years to four years (2yr-4yr). It was 25.6% out of respondents. 26 bank tellers have been working in the banks for more than four years. It was 10.4% out of respondents. It shows that most bank tellers have been working for within one to two years (1yr-2yr) in the banks.

b. Preliminary Analyses

According to Kline (2005), a rule of thumb for the skew index's total value is less than 03, and a kurtosis value less than 10 was used to test the normality of the data distribution. The results indicate that the sample data is normally distributed. Scatter plot diagram was drawn to examine linearity between variables, and scatter plots took an approximately linear according to the visual inspection. Reliability was examined with Cronbach's Alpha test.

Accordingly, all values of reliability are greater than 0.7, which shows high reliability in measures. The Cronbach's Alpha test results are given in the table below, which suggests that each instrument's reliability is satisfactory.

Table 3.1: Reliability Statistics of the constructs

| Construct/ Dimension | No of Items | Cronbach's Alpha |
|----------------------|-------------|------------------|
| Surface Acting | 8 | .911 |
| Deep Acting | 8 | .990 |

| | | |
|----------------------|---|------|
| Emotional Exhaustion | 8 | .992 |
|----------------------|---|------|

Source: Survey Data, 2019

3.3 Bivariate Analysis

The hypothesis testing was carried out by using the Pearson product correlation matrix with a one-tailed & two-tailed test of significance to investigate the study's directional & non-directional relationships. Further, it includes a simple regression analysis to determine the impact of independent variables on the dependent variable under bivariate analysis.

3.3.1 Correlations Analysis

The Correlation Analysis is used to measure the magnitude and direction of the relationship between two variables.

Table 3.2: Correlation between Emotional Labor and Emotional Exhaustion

| | | Emotional Labor | Emotional Exhaustion |
|----------------------|---------------------|-----------------|----------------------|
| Emotional Labor | Pearson Correlation | 1 | -.378** |
| | Sig. (2-tailed) | | .000 |
| | N | 250 | 250 |
| Emotional Exhaustion | Pearson Correlation | -.378** | 1 |
| | Sig. (2-tailed) | .000 | |
| | N | 250 | 250 |

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data, 2019

3.3.2 Regression Analysis

The researcher has selected Simple Regression Analysis to determine the functional impact among each independent and dependent variables under bivariate analysis.

3.3.2.1 Regression Analysis for Emotional Labor and Emotional Exhaustion

Table 3.3: Regression Analysis for Emotional Labor and Emotional Exhaustion

| Model | R | R Square | Adjusted |
|-------|---|----------|----------|
|-------|---|----------|----------|

| | | R Square | Std. Error of the Estimate |
|---|-------------------|----------|-------------------------------|
| 1 | .914 ^a | .624 | .723 |

a. Predictors: (Constant), Emotional Labor

Source: Survey Data, 2019

3.3.2.2 Regression Analysis for Deep Acting and Emotional Exhaustion

Table 3.4: Regression Analysis for Deep Acting and Emotional Exhaustion

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|----------------------|-------------------------------|
| 1 | .924 ^a | .854 | .853 | 4.11723 |

a. Predictors: (Constant), Deep Acting

Source: Survey Data, 2019

3.3.2.3 Regression Analysis for Surface Acting and Emotional Exhaustion

Table 3.5: Regression Analysis for Surface Acting and Emotional Exhaustion

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|----------------------|-------------------------------|
| 1 | .909 ^a | .826 | .825 | 4.49208 |

a. Predictors: (Constant), Surfaceacting

Source: Survey Data, 2019

According to the pearson correlation analysis, there is -.378 correlation coefficient between emotional labor and emotional exhaustion and it is statistically significant at the .000 (2-tailed). It indicates a significant weak negative relationship between emotional labor and emotional exhaustion.

Further R Square (.624) value under simple regression analysis indicates that 62.4% of emotional exhaustion can be explained by emotional labor and which is a moderate and strong impact of emotional labor on emotional exhaustion.

The simple regression analysis of surface acting on emotional exhaustion indicated that the 82.6% (R Square (.826)) variation of Bank Tellers' emotional exhaustion is explained by surface acting. Simple regression analysis of deep acting on emotional exhaustion indicated that the 85.4% (R Square (.854)) variation of the emotional exhaustion of Bank Tellers is explained by deep acting.

Hence H1, H2, H3 hypotheses were accepted, and the H4 hypothesis were rejected. Moreover, results were concluded that there is a greater negative impact of deep acting on emotional exhaustion. Thus the researcher concluded that deep acting highly affect the tellers to reduce the emotional exhaustion they experienced more than surface acting highly affect the tellers to increase the emotional exhaustion.

III. Limitations of the Study

Some limitations of the study can also be identified, which would be helpful in further researches. Since this study has been conducted only for domestic private banks in Sri Lanka, the findings of the study cannot be confidently generalized to all bank tellers in Sri Lanka.

The next limitation of this study is related to the sampling technique. The researcher has used the simple random sampling technique. Therefore the data was gathered from the limited sample of bank tellers. Since it was ignored, the majority opinions and the results could be somewhat biased.

Another limitation of the study is the data collection method. Data has been collected only through the questioner. It might not be sufficient. And also, respondents may not have enough time to put answers and read the questionnaire. A long time was spent on collecting the data, as the respondents were so busy with their work. The researcher had to remind and convince them to fill the questionnaires as soon as possible.

Access to the information of banks also another major limitation the researcher faced. Further contacted banks were not much pleased to allow the researcher to collect from the bank teller, which will hinder the teller's productivity and security policy.

Lack of relevant literature in the Sri Lankan context regarding this topic was also the main limitation. The researcher was difficult to gather more literature with regard to the impact of Emotional Labor on Emotional Exhaustion in the Sri Lankan banking industry.

IV. Directions for Future Research

According to the current research study, the consideration of tellers' deep acting behavior is relatively high, so it will be vital to conduct further research in this regard. It was especially important to consider the personal & organizational factors that would affect the deep acting behavior of people and other job-related attitudes. In the future, it will be substantial for the improvement of the Human

Resource Management field as well. The relationship of this study can be tested among employees in other levels and other sectors as well.

Hence this study could not inquire about the difference between Emotional Labor and Emotional Exhaustion based on gender differences, the future studies can be conducted to assess the impact of gender differences on emotional labor and emotional exhaustion.

V. Conclusion

This research makes an effort to show the emotional labor seriously affects employees' emotional exhaustion. Since the greater negative impact of deep acting on emotional exhaustion researcher concluded that deep acting highly affects the tellers to reduce the emotional exhaustion they experienced more than surface acting highly affect the tellers to increase the emotional exhaustion.

However, contextual factors can be the main reason for this result, as in the Sri Lankan cultural context, people are very patient and hospitable. Therefore they have a huge ability to change their emotions according to the situation. Further, in the present context, the increasing awareness among customers and their rights, changes the demand, and high competition in the banking sector requires constant progress in service quality from the bankers to satisfy their customers. Therefore, they need to introduce different strategies to maximize customer satisfaction, which is very important for banks' performances. Basically, they should focus on internal banker's satisfaction in order to increase external customer satisfaction.

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The impact of Covid-19 on women and girls

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Abstract

Covid-19 has been the global concern since December 2019. Until a disease like covid-19 occurred the entire mankind was behind materialistic things in life. Covid-19 has suddenly cropped up pushing aside everything thereby prioritizing struggle for survival of life. The struggle for survival has become the key priorities of days since December 2019 when Covid was first identified in Wuhan, China. It is commonly found and telecasted in media often that India has been not that affected as much as the most developed countries. However even in India, Covid-19 has made its impacts on the human lives, Economy, Educational scenario, Mental Health and so on. This paper discusses about the Impact of Covid-19 on the mental health of Women. The Disease has brought a situation of Lockdown for more than one and a half months which is being discussed as the most important cause for the Mental health of people being affected. The key aspects are discussed in the paper.

Key words : Covid-19, Mental health, impact of Covid-19, Wuhan, China, Corona Virus

I. Introduction

Covid -19, otherwise denoted as Corona Virus is the talk of the globe since December 2019. It is significantly making an impact on all aspects of the developed, developing and under developed countries invariably. The Industries are badly affected due to the lockdown situations, lack of employee availability, and also are unable to predict when the situations would resume to be normal. This has also forced work from home for most of the organizations and many organizations are surprisingly finding it more productive than normal days.

The spread of corona virus has led to Lockdown at the country level since 25th march 2020 and is still not over in various states. Still the spread of the disease has not decreased. The major impacts of the disease and the following Lockdown is listed below:

1. All private and public organizations are shutdown throughout the country
2. The transport from district to district, state to state has been widely curtailed
3. Work from home culture has become very common and inevitable.
4. Shopping for necessities itself has become very difficult
5. All schools and colleges are shutdown.

As a result of all these aspects all the members of the family are compelled to stay indoors even away from visitors by all means. This has caused a mental pressure on all people like the husband, wife, children, grand parents at home in various forms. This study was a simple survey done among women to understand their perception about impacts of covid 19.

II. Review

Related literature was reviewed and is discussed below.

Kanksshi Agarwal and Anjali G Sharma [2020] has mentioned in their study that women are under severe threat of being affected by covid 19. Their study was with special focus about the front line health force workers and the women who are in their maternity stages.

Rhea Mathews [2020]: has mentioned in her article that women and girls are exposed to violence, abuse and discrimination during this covid 19. She has also insisted that the leaders must consider in their policy making about development of such women who are bound to be affected.

Rita Bissoonauth (2020) Has discussed in detail about the impact of covid-19 on girls and women in africa. It is stated that women and girls face violence in schools and colleges based on gender. It is emphasized that post covid women and girls should be cared for with regard to the mentioned issue through quality education and this also has to be included in the policy decisions of the country.

International Labour Organization [2020] has mentioned about gender equality prevailing in G7 nations. The article further stated that the G7 nations have to sort out the gender equality issues in future for betterment of women in general.

Sophie Cousins [2020] : Has mentioned that Natalia Kanem, executive director of the UN Population Fund has warned about interrupted wellbeing facilities and a rise in gender-centered brutality. It has also been stated in the article that as covid -19 is increasing day by day the threat for women with regard to their maternal well being prevails.

UN Women [2020]: States that the global pandemic has a severe impact on girls and women in terms of increased discrimination, Increased violence etc. Women are found to be helpless due to the severity of the pandemic where no one appears to be stretching a helping hand.

Krithika.J & Sowmya.K.R(2020): has stated in their study that the girls students are unable to handle the pressure of online education, and students who were awaiting placements after the course are now held up without jobs as they are unable to complete their course due to the global pandemic. The study also has mentioned that women are unable to handle the mental pressure of online system that has become a compulsion that has led to lot of challenges in managing or balancing between work and home.

The discussed literature reveals that covid 19 has caused lot of issues for the women in terms of gender inequality, violence towards women, women facing psychological pressure etc.

III. Methodology

Convenient sampling by non – probability method was exploited for the study. Women were the respondents. Data was collected through a self-structured tool to study the impact on mental health of women. Data was collected through google forms circulated to various parts of the countries. Hence the findings from this study can be interpreted as the opinion of the women across the country.

The self-structured tool containing 10 items was tested for its reliability and validity before being circulated for data collection. The cron-bach alpha value was 0.831 for the tool. Hence the tool was found to be highly reliable and hence was appropriate to be exploited for this study.

IV. Data Analysis

Women were the respondents for the present study. Their demographic profile is as follows:

**Table 4.1. Demographic Distribution of the Respondents
Number of Respondents - 255**

| S.No | Aspects | No | Percentage |
|------|---------------------------|-----|------------|
| 1 | Working women | 125 | 49% |
| | House wives | 130 | 51% |
| 2 | Gender | 255 | 100% |
| 3 | Marital status[Married] | 199 | 78% |
| | Marital status[Unmarried] | 56 | 22% |

| | | | |
|---|------------------|----|-----|
| 4 | Age [>25 to 35] | 89 | 35% |
| | Age [> 35 to 45] | 94 | 37% |
| | Age [> 45] | 72 | 28% |

| SNo | Item | Yes | No | PERCENTAGE | |
|-----|---|-----|-----|------------|-----|
| 1 | I feel highly stressed with all my family members at home | 219 | 36 | 86% | 14% |
| 2 | I feel over working all day | 184 | 71 | 72% | 28% |
| 3 | I am losing my temper frequently with my children | 165 | 90 | 65% | 35% |
| 4 | I am not able to balance home and work from home | 222 | 33 | 87% | 13% |
| 5 | I am unable to spend time for myself | 172 | 83 | 67% | 33% |
| 6 | I surprisingly feel unhappy that all are at home | 152 | 103 | 60% | 40% |
| 7 | I wish the routine life restores back soon | 182 | 73 | 71% | 29% |
| 8 | I have been able to do many things that I have not been able to do so far | 92 | 163 | 36% | 64% |
| 9 | I am able to connect with my old friends and peers | 132 | 123 | 52% | 48% |
| 10 | My opinion towards life has changed after this covid-19 | 145 | 110 | 57% | 43% |

V. Discussion and Conclusion

The study concludes that women are finding it very difficult to face the lockdown period and are becoming stressed. They report stress due to being forced to cook all three times and spending more time at the kitchen if they were a housewife. They are forced to take care of children who do not have schools or colleges, do the cooking for the family and also attend to the husband at home. They are forced to do multitasking. Working women are added with one more pressure to all that has been mentioned as that of also working from home. Hence women are reporting stress at a larger scale and are facing huge challenges.

Strategies to overcome the challenges:

1. Prioritize their activities – It is doubtless that they have too many things to do as mentioned. But they should know how to effectively prioritize their work in order and ensure that emotionally they are not affected
2. Meditation and Yoga – Women would have never had the opportunity to spend time for these activities in their life during regular days. Now they can make use of this lockdown period in which they can spend time for yoga and meditation.
3. Connect with people – Connecting with varied people which had been an impossible act for life can be made possible during time by phone call, video calls etc.
4. Looking through memorable photographs – Looking at past photographs is a great way to go down the memory lane and refresh their memory of various happy moments that they had experienced in life.

5. Spending time on writing, drawing etc – Women can choose to spend their time on the lovable hobby of their own like writing, drawing etc. This will help to feel like having accomplished something as per their wish.

Conclusion

This study concluded that its undoubtedly agreed by 86% of women that they are feeling stressed up due to the Covid-19 and its followed Lockdown in the country. Since it is unavoidable women are recommended some suitable strategies by the researcher to keep themselves occupied so that they do not feel stressed. This study undeniably states that the mental health of working or non-working women, married or unmarried women has been affected and needs to be cared for by the other family members. However, a contrast opinion also prevails as that this lockdown has been viewed as a compulsory break whereby the family members are able to spend time together which has never happened so far in their lives.

Women are trapped at home during this covid times with their entire family members who were out during the regular period for various reasons like school, office etc. Working women feel they have lost their little freedom of going out for working and are double burdened by continuous work at home in addition to working from home themselves. During this pandemic the hospitals and other health care system are also concentrating on covid patients and normal people are requested to stay away from visiting hospitals for other medical reasons other than covid. Women feel they are unable to stay a healthy life as they are stressed up for which they are unable to get medical attention. This has added fuel to the fire.

Women are exposed to more threat globally as almost 70% of frontline health workforce consists of women. Although globally reports are evidential that men are dying more than women , women are directly under the threat of pandemic due to the vulnerable workforce of women directly being exposed to catching virus. Maternal mortalities also has increased due to the virus and women are affected seriously again.

Globally it has to be realized that women have always been a backbone to the society for various reasons contributing to flourishing of the country . There is an urgent need for women to be involved in policy decisions, economic planning and recovery strategies planned by the Governments with regard to COVID 19.

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A survey on satisfaction level of services offered by the Corporate Hospitals

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Abstract

It has always been a want to concentrate on providing effective Customer relationship in Hospitals. The hospitals have their own understanding about customers' wants and they provide customer service. However the customers may understand it as provided or may differ in their perception. This study is an attempt by the researcher to find the difference between the perception and the actual satisfaction of the customers with respect to the CRM practices provided by the corporate hospitals in Chennai. Paired sample t-test was applied to ascertain the perception and satisfaction level on services offered by the Corporate Hospitals. The findings and implications from the study has been discussed in detail in the paper.

Keywords : CRM, Corporate Hospitals, Chennai Hospitals, Relationship Management

I. CRM IN HOSPITALS

Customer relationship is a very important aspect in the health care industry as it is one of the most significant components of the service sector. There could be a choice of using the other sectors like education, hotels, tourism etc. However there could be no option of skipping the health care services which serves as mandatory irrespective of ages and health conditions. People visit hospitals for mere checkups to massive operations. Customers are of different income groups that may avail services by paying money or purely availing insurance. Whatever may be the type and size of treatment, and cost involved, the demands of the customer to have supreme services at affordable cost is the want of all the customers in market. With lots of technological advancements these days it is not a simple task to handle customers with moderate services as the customers demand customer delight rather than just satisfaction.

Customer relationship management in healthcare is all about the use of technology to provide value-added services to its patients and creating customer delight and improving customer loyalty. There is a need for pre-planning and executive support to address the human aspects of implementation. For successful implementation, special CRM software and cloud-based CRM systems can be very helpful to disseminate the valuable information and needless data¹.

II. Review of Literature

Customer relationship management with respect to several aspects have been studied by several authors of which important studies have been done by T,Gurung (2003) , A.,M.,Khan (2007) ,H, Zaim et al (2010) , S, Arshad et al , R.Kavitha et al. (2012),Rana et al (2012) ,A,Kamari et al (2012),Irfan.S.M et al (2012) ,N, Ebrahimi et al.,(2013) ,N, Kazemi et al (2013) , A,R.Raheem., et al (2014), A,M.Ahmed et al (2014),S, Mohamed et al(2015) ,B, Umath et al (2015) . The analysis of the studies indicate that customers perception and actual satisfaction are two different aspects and also the major 7 aspects discussed in this study are the parameters that were considered important by the customers with respect to their expectations from corporate hospitals.

III Methodology

The study was conducted among patients from top ten corporate hospitals from Chennai city . They are Apollo Hospitals, Frontier Lifeline Hospital, Madras Medical Mission, Fortis Malar Hospital, MIOT Hospital, Vijaya Hospital and Health Centre, Billroth Hospitals, SRM hospital, Sri Ramachandra Medical Centre and Chettinad Health City. Convenient sampling by non-probability method was exploited for choosing the samples. 222 customers from best top 10 hospitals from Chennai city were chosen for the purpose of study owing to their sizes (number of beds), treatment facilities and preferences of customers. A tool consisting of 14 items was used to study Customer Relationship Management with respect to Premises/employees, Doctors' medical service, Diagnostics, Nursing medical service, Admissions, Meals and Room facilities. The tool was tested for reliability and its Cronbach's Alpha co-efficient was 0.84.

IV. Analysis and Discussion

Paired samples t-test was applied to ascertain the significant variation between the respondent's perception and satisfaction towards the services offered by the Corporate Hospitals in Chennai. The following null hypothesis is framed:

Hypothesis : There is significant variation between expectation and satisfaction towards the services offered by the Corporate Hospitals

Table 4.17

Variation between perception and satisfaction towards the services offered

| Services | | Mean | S.D | t-value |
|---------------------------------|--------------|------|-------|----------|
| Premises/employees | Perception | 3.91 | 0.854 | 3.218** |
| | Satisfaction | 3.53 | 0.727 | (p=.003) |
| Doctors' medical service | Perception | 3.96 | 0.863 | 3.826** |
| | Satisfaction | 3.66 | 0.682 | (p<.001) |
| Diagnostics | Perception | 3.93 | 0.835 | 3.221** |
| | Satisfaction | 3.62 | 0.759 | (p=.001) |
| Nursing medical service | Perception | 3.95 | 0.812 | 4.105** |
| | Satisfaction | 3.61 | 0.679 | (p<.001) |
| Admissions | Perception | 3.85 | 0.801 | 3.238** |
| | Satisfaction | 3.61 | 0.785 | (p<.001) |
| Meals | Perception | 3.79 | 0.881 | 3.074** |
| | Satisfaction | 3.59 | 0.717 | (p=.002) |
| Room facilities | Perception | 3.88 | 0.839 | 3.291** |
| | Satisfaction | 3.66 | 0.796 | (p<.001) |

** Significant at 1% level

The obtained 't' values 3.218, 3.826, 3.221, 4.105, 3.238, 3.074 and 3.291 for comparison of respondent's perception against their satisfaction towards the services offered by the Corporate Hospitals in Chennai. Significant variation is observed between perception level and satisfaction level towards "Premises/employees", "Doctors' medical service", "Diagnostics", "Nursing medical service", "Admissions", "Meals" and "Room facilities" at 1% level. Further on comparing the mean values of perception and satisfaction level towards the services offered by the Corporate Hospitals, it is understood that the Perception level is more than the satisfaction level. But at the same time satisfaction is not low, this shows that the respondents are having good satisfaction towards the services and their perception level is little higher than the satisfaction level towards the services offered by the Corporate Hospitals in Chennai.

Significant variation is observed between perception level and satisfaction level towards "Premises/employees", "Doctors' medical service", "Diagnostics", "Nursing medical service", "Admissions", "Meals" and "Room facilities" at 1% level. Further on comparing the mean values of perception and satisfaction level towards the services offered by the Corporate Hospitals, it is understood that the Perception level is more than the satisfaction level. But at the same time satisfaction is not low, this shows that the respondents are having good satisfaction towards the services and their perception level is little higher than the satisfaction level towards the services offered by the Corporate Hospitals in Chennai.

Respondents are satisfied about the CRM initiation in Corporate Hospitals. Consultant in due course of times, transparency in procedures, patients are received with good enthusiasm and explanation of fee structure clearly is the key aspects of CRM initiation. It is also observed that maintenance of records, Hospitals staff's kindness, system followed in appointments is the other important aspects of CRM initiation.

Respondents are satisfied about the maintenance in Corporate Hospitals. Wards free from infection, clear explanation of tests, tidy sample collection rooms and availability of wheel chairs and stretchers all the times are the key aspects of Maintenance in Corporate Hospitals. It is observed that hassle free procedures, comfortable wards, nurses are available on calls, diet in Hospitals, well equipped pharmacy, proper wastage disposal, proper maintenance of medical records and equipments are other important aspects of CRM maintenance in Corporate Hospitals.

Respondents are satisfied about the technology used in Corporate hospitals. Accurate precision of equipments, advanced medical technology, appropriate usage of equipment by the trained personnel, easy payment modes and maintenance of database of all patients are the key aspects of technology used in Corporate Hospitals. Telemedicine facilities, latest medical equipments, availability of e-appointments and availability of insurance facilities are the other important aspects of technology used in Corporate Hospitals.

Respondents are pleased with the relationship orientation in Corporate Hospitals. Honesty in diagnostic findings and following treatment, appointments schedule, no misuse of customer data and timely and efficient medical support are the key aspects of relationship orientation in Corporate Hospitals. Easy approach, professionalism in working, clear explanation of treatment procedure, ethical and accurate treatment

procedure and confidence given by the doctors and nurses are other important aspects of relationship orientation in Corporate Hospitals.

V. Conclusion

From the study it is found that customer opinion about the factors like Premises/employees, Doctors' medical service, Diagnostics, Nursing medical service, Admissions ,Meals , and Room facilities contributed largely to the CRM of corporate hospitals in Chennai city. The findings from the study can be generalized to whole of the country as it was done among top ten corporate hospitals in Chennai. Chennai is one of the largest ,metropolitan city consisting of cosmopolitan crowd of people , whose opinion may be consisting of people from various parts of the country residing in Chennai. The study was done and analyzed using paired sample t test and was found that there is significant variation between expectation and satisfaction towards the services offered by the Corporate Hospitals.

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