

Holistic indigenous and atomistic modernity: analysing performance management in two Indian emerging market MNCs

Article

Accepted Version

Malik, A., Budhwar, P., Patel, C. and Laker, B. ORCID: <https://orcid.org/0000-0003-0850-9744> (2021) Holistic indigenous and atomistic modernity: analysing performance management in two Indian emerging market MNCs. *Human Resource Management*, 60 (5). pp. 803-823. ISSN 1099-050X doi: <https://doi.org/10.1002/hrm.22057> Available at <https://centaur.reading.ac.uk/96126/>

It is advisable to refer to the publisher's version if you intend to cite from the work. See [Guidance on citing](#).

To link to this article DOI: <http://dx.doi.org/10.1002/hrm.22057>

Publisher: Wiley

All outputs in CentAUR are protected by Intellectual Property Rights law, including copyright law. Copyright and IPR is retained by the creators or other copyright holders. Terms and conditions for use of this material are defined in the [End User Agreement](#).

www.reading.ac.uk/centaur

CentAUR

Central Archive at the University of Reading

Reading's research outputs online

Holistic Indigenous and Atomistic Modernity: Analysing Performance Management in Two Indian Emerging Market MNCs

Abstract

Analyzing qualitative case-study data from two emerging market multinational corporations (MNCs) from the Indian pharmaceutical industry, we develop two theoretical frameworks for analyzing performance management systems in an indigenous and a modern pharmaceutical MNC. The indigenous Ayurveda pharmaceutical firm offered a holistic approach to managing multiple stakeholders. Its overarching performance goal focused on all stakeholders collectively contributing to the patient and others' holistic wellbeing. The unified and singular efforts of all employees and stakeholders dovetailed to achieve physical, mental, emotional, spiritual and environmental wellbeing as a proxy for performance. Organizational values, culture, and contextual influences of informal learning, empowerment and task variability helped in the achievement of its overarching goals. The second case, however, followed Western scientific approach, focused on an atomistic, granulated and objective way of assessing and evaluating performance, wherein, cost-effectiveness, innovation and high-performance were vital performance outcomes. Performance coaching and task invariability adversely affected individual outcomes. Implications for research and practice are discussed.

Keywords: *Performance management, Training and development, Performance assessment, Goal setting, Job design, Qualitative research.*

Holistic Indigenous and Atomistic Modernity: Analysing Performance Management in Two Emerging Market MNCs

There has been an extensive interest by human resource management (HRM) scholars in unravelling the critical mechanisms that explain the 'performance black-box' (Pelled, Eisenhardt, & Xin, 1999; Messersmith, Patel, Lepak, & Gould-Williams, 2011). Research in this stream tends to fall into two main categories: individual-level performance using performance appraisals and performance management systems (PMS) and organisational performance using an integrated system of HRM practices for its collective impact (e.g., DeNisi & Murphy, 2017). Despite extensive research, systematic reviews and meta-analyses in both streams of research, several gaps and questions remain unanswered, thereby warranting the need for further research on the topic of managing and achieving high performance (e.g., De Nisi & Murphy, 2017; Subramony, 2009; Jiang, Lepak, Jia, & Baer, 2012). In a significant review of the field by DeNisi and Murphy (2017), several gaps emerged. **These include gaps such as the importance of training for employees and managers in managing performance and the purpose or the goal of ratings and analysing employees' cognitive processes during performance management.** Acknowledging the general support for the impact of contingency factors (Boyd, Haynes, Hitt, Bergh & Ketchen, 2012), numerous gaps remain. **These specific research gaps identified relating to the role of contingency factors include factors, such as industry type, enterprise size and employee levels (De Nisi & Smith, 2014), focusing on a range of stakeholders (Jackson et al., 2014) and including other mediating mechanisms, such as ambidexterity and adaptability (Chang et al., 2013; Patel et al., 2013).**

The gaps concerning investment in training, the purpose of ratings and employees cognitive processes along with the inclusion of a range of contingency and contextual factors noted above necessitate future research to explore new approaches in managing performance.

The research from new cultural and industry contexts, focusing on the social and relational aspects is rare, as is focusing on the opportunity or ‘O’ factors as noted in the AMO (ability, motivation and opportunity) framework (Boxall et al., 2016; Jiang, Lepak, Jia & Baer, 2012). Given that contextual factors such as the work climate, empowerment, trust (Dirks & Ferrin, 2001; Mooardin et al., 2006), organisational and national culture, and collective norms and beliefs (Varma & Budhwar, 2019) are noted as critical factors in PMS research, we include the influence of culture, values and beliefs in this research. Such research is critical as cultural, social and relational norms can influence employee and manager’s perceptions of the workplace and their motivations to perform, the effectiveness of performance appraisals, employees’ perception of rewards, feedback and other aspects of the PMS (DeVoe & Iyengar, 2004; Gelfand, Erez, & Aycan, 2007).

Further, cognizant of several calls by scholars to address the appreciation of context (e.g., Cooke, 2018; Budhwar & Sparrow, 2002), researchers in HRM have unequivocally highlighted the importance of context prior to following any universalistic paradigms for research in applied disciplines such as HRM and Organisational Behaviour (Cooke, 2018; Farndale et al., 2017; Malik et al., 2017). Therefore, this research draws attention to context and provides an elaboration of its importance, as context not only shapes the meaning of concepts that influence performance, context also influences the direction and sign of the relationships examined (Schuler et al., 2002). Scholars have presented meta-analytic evidence, which suggests that context-specific measures are a better and valid predictor of supervisory ratings of an individual contributor’s job performance, as compared to established generic measures (Shaffer & Postlethwaite, 2012). Further, implementing Western PMS and competitive expectations in managing individual performance is likely to create long-term tensions in social structures (Raghuram et al., 2017). Context is also known to moderate the relationships as Kozlowski and Klein (2000) found in the impact of new

technology adoption's influence on job design, which then moderates the relationship between employee personality and performance. There is also a strong social and political context, which explains that managers and appraisers often have other agendas and goals other than objectively rating their subordinates (Tetlock, 2000).

There exists limited research that focuses on emerging market contexts such as from Brazil, Russia, India, China and South Africa (Budhwar, Tung, Varma, & Do, 2017; Cooke & Budhwar, 2015; Nankervis et al., 2013) and especially on indigenous and modern performance management issues (Agarwal, Budhwar, & Varma, 2008). Thus, in line with the Special Issue's call for context-specific research from emerging market MNCs on PMS, this paper develops new theoretical models of indigenous PM approaches that can help MNCs implement effective and context-specific PMS in emerging markets. Such research is timely as in different industry contexts, such as professional services firms (Hitt, Bierman, Uhlenbruck, & Shimuzu, 2006) and manufacturing (MacDuffie, 1995), researchers have found significant differences in PMS due to numerous human capital and contingency factors. Indeed, this was also the case in emerging market MNCs, and wherein, the researchers found numerous differences in HRM practices even for firms operating in one industry and national cultural context (Pereira & Malik, 2015). Therefore, there is need for further research to answer questions that address the research gaps of limited indigenous MNCs research from emerging markets such as India, and a single industry sector. To this end, in the context of India's pharmaceutical industry, this research seeks to answer the following two questions: (1) what is the nature and extent of performance management systems in indigenous and modern [management approaches in two](#) emerging market [Indian](#) MNCs?; and (2) why do emerging market MNCs, operating in a single industry and national culture differ in their performance management approaches?

By focusing on performance management systems in Indian pharmaceutical industry's two sub-segments: indigenous *Ayurveda* (which focuses on India's ancient knowledge system of way of life and ancient medicinal treatments) and modern allopathic pharmaceuticals (which focuses on the science-based approach of developing medicines and treatments), [this paper aims to \(1\) develop a deep contextual understanding of the factors affecting PMS in the two Indian MNCs; \(2\) contribute by developing two conceptual frameworks for understanding PM practices; and 3\) highlight how context-specific research can yield newer understandings of PMS generally, and about specific sub-sectors of the pharmaceutical industry, in particular. This is important, as in the pharmaceutical industry. There is a vast diversity of firms in the industry in India. These include Allopathic, Naturopathic, Yunani \(or Unani\) and Ayurvedic formulations and preparations for curing a vast set of ailments. To address our research aims, using theoretical sampling of two similar, yet very different cases, on a range of dimensions, we purposively selected the cases from the same industry and cultural context of an emerging market - India \(Eisenhardt & Graebner, 2007\). While such an approach reduces some extraneous variations \(e.g., focusing on the pharma industry and same country \[i.e., India\]\), the theoretical sampling of two extreme and 'polar types' of cases \(Eisenhardt & Graebner, 2007: p. 27\) allows us to explore several other polarities that are appropriate for inductively developing context-specific PMS frameworks. Given the purpose of this research is to extend/develop new and contextualised theorisations of PMS in an emerging market context, our focus on theoretical sampling is logical as it helps in achieving replication logic, theory extension, contrary explanations as well as removing alternate explanations \(Yin, 2003; Eisenhardt & Graebner, 2007\). The selected firms, a medium-sized \(about 150 employees\) Indigenous *Ayurveda* MNC pharmaceutical firm \(hereinafter referred to as Indi-Pharmaco\) and a large Indian MNE focusing on Western, Allopathic or modern scientific drugs manufacturing \(hereinafter referred to as Mod-Pharmaco\), can provide](#)

valuable, rare and rich insights for building context-rich theoretical models of two very different philosophical and operational traditions. While Indi-Pharmaco offers indigenous Ayurveda solutions focusing on an individual's holistic wellbeing, Mod-Pharmaco manufactures and sells generic and new discovery drugs targeted at lifestyle diseases. Such a comparison is invaluable as Mod-Pharmaco focuses on micro and molecular levels of new drug discovery, or alternative reconfiguration and recombination of molecules to produce generic drugs for specific ailments. In contrast, Indi-Pharmaco focuses on extracting natural medicinal properties from herbs and natural products for achieving overall wellbeing for all in an individual's ecosystem.

The rest of the paper is organised as follows. First, we offer a brief review of how indigenous management practices, including from small and medium enterprises (SMEs), healthcare and family firms to show how these affects individual-level performance. Second, we offer a review of literature on performance management systems generally, but with a specific focus on modern performance management practices in the Indian context. Next, we offer details of the methodology employed, analytical techniques and key findings from this study. Finally, the paper discusses vital implications for theory and practice and concludes by noting the limitations of this research along with avenues for future research.

Indigenous Management and HRM Practices

The literature on indigenous management from emerging markets emphasizes the importance of local folklore and indigenous knowledge rooted in ancient religious and philosophical ideologies, such that these knowledge systems are at odds with Western management practices (Gopinath, 1998; Marsden, 1991). Further, as Marsden (1991, p.32) highlighted, “strategies based on European scientific techniques ignore the rich resources, both practical and intellectual, which exist in non-Western societies (...). ‘Local’, ‘traditional’ or ‘folk’ knowledge is no longer the irrelevant vestige of ‘backward’ people who have not yet made

the transition to modernity, but the vital well-spring and resource bank from which alternative futures might be built.” The need for a contextual understanding was reinforced by Gerhart (2005), who highlighted the inadequacy of Western HRM frameworks in offering a complete understanding of non-Western contexts. Research from Greece (Katou & Budhwar, 2006), Israel (Harel & Tzafrir, 1999) and China (Zheng, Morrison, & O'Neill, 2006) highlights the importance of contextual understanding in examining the relationship between HRM practices and performance.

Indigenous Indian Management Practices in SMEs, Healthcare and Family Firms

Examining the impact of HRM practices on performance in the Indian cultural setting also confirms that contextualisation matters (Budhwar & Sparrow, 1997; Sparrow & Budhwar, 2006; Malik, Pereira & Budhwar, 2017). For example, research from indigenous Indian SMEs suggests that such firms adopt a unique indigenous approach to managing people (Saini & Budhwar, 2008: p. 417), wherein they focus on the ‘provision of financial, emotional and social support’ to employees. Additionally, the authors found, indigenous SMEs have an extensive focus on employee involvement, skills development, employee care and extended familial support programs adopted a paternalistic approach, industrial harmony, and serving the local and regional community in employment decisions were central tenets of people management philosophy in these firms. Both firms followed an export-led growth strategy, exporting goods to the most advanced nations in the world.

Similarly, Holtbrügge and Garg (2016) suggest the influence of social, political, cultural and religious scriptures has been a part of the dominant discourse in Indian policy-making and modern Indian business values and practices. The authors highlight examples from information technology, automobile manufacturing, hospitality and a range of diversified industry sectors, including the influence of these practices at the subsidiary operations of the

indigenous Indian MNCs. Such a view or a focus on aspects of indigenous ‘Indianness’ is widespread in domestic and global operations of these firms (Laleman et al., 2013). Further, Sharma (2002) noted in his review of Indian indigenous management principles, to focus on human welfare, ethical profit, single action, the concept of work and worker as being part of a family and avoidance of extremes. The influence of ‘family’ in the cognitive maps of Indian managers and leaders has been captured in earlier studies (Kalra, 2004), which reinforces the idea of social and care concepts inherent in Indian SMEs, family-owned and other indigenous firms. For a recent account of modern and indigenous Indian management practices, we direct the reader to Budhwar, Varma and Kumar (2019).

India is a country that embraces modernity alongside indigenous values and traditions, often producing integrated and hybrid forms of managing people and work (Holtbrügge & Garg, 2016). The roots of indigenous Indian philosophy of managing people can be traced back to the 2nd century BCE and 3rd century CE in the collection titled *Arthashastra*, a treatise on the science of politics, economics, government, military strategy, ethics, markets, trade and policy by Kautilya (Chaturvedi, 2001). Another dominant and indigenous philosophical knowledge system – *Ayurveda*, focused on the ways humans should live and conduct themselves by focusing on knowledge of life and living (Sujatha, 2020; Wujastyk & Smith, 2013). Ayurveda is a way of life that focuses on achieving sustainable health and wellbeing for all. Ayurveda’s underlying principles have conceptual overlaps with the ancient Greek *humoral theory*, which focuses on the human body as a composite of fluids and notes that prime health is possible when all the fluids are in balance with each other (Stone, 1979).

Theoretical Perspectives on Managing Individual Performance

PMS typically comprise of three interrelated sets of practices: *goal setting*, *evaluating goals* and *providing feedback*, usually, once or twice, a year (DeNisi & Pritchard, 2006). The current reviews on PMS suggest there are gaps in each of the three core practice areas.

Evaluating the history of PMS, Pulakos, Mueller-Hanson and Arad (2019), in their review, reinforce the challenge of the value of PMS due to lack of objective and accurate ratings, rater motivation, and the influence of contextual factors, such as political and social factors on ratings and the PM process. Their review highlights the need for moving away from an episodic and cyclical goal setting, development and reviews feedback process to a continuous approach to PMS, wherein the expectations, feedback and development should occur on an ongoing basis. The authors concluded that formal PM processes disengage employees. Therefore, robust informal conversations should occur on an ongoing basis, one that takes into account contextual influences in the design and implementation of PMS should be evaluated.

Similarly, Schleicher et al. (2019), in their integrative conceptual review of the last three decades of research on the effectiveness of PM, found several questions that were still not answered. These questions focus on aspects, such as the processes that translate individual-level outcomes of PM to unit-level outcomes, the impact of positive reactions on the effectiveness of PM, and what value does performance rating add and to whom? Tseng and Levy (2019) developed a relationship leadership framework, where they argued that managers as focal leaders could have a significant impact in engendering behaviour change and performance of employees through individualised, team-level and organisational-level influencing.

Goals often tend to change, and it is for this reason that some scholars have suggested considering performance management as a continuous process (Latham, Almost, Mann, & Moore, 2005), though there are some detractors this line of thinking (Aguinis, 2013; Murphy, 2019). Once the goals are set, the perceptions about variability or invariability of performance goals, respectively, can have a positive or negative impact on work performance (Kuvaas, Buch & Dysik, 2014). This was borne out in a study of steel mills wherein mills

with a higher control-oriented had higher scrap rates than those following a commitment-oriented approach to management (Arthur, 1994). In a similar vein, studying two types of call centres, Batt and Colvin (2011) found that firms employing a high-performance strategy for managing employees had higher employee attrition rates and lower customer satisfaction, relative to firms that focused on high employee involvement. When employees perceive their goals as invariable, they experience the presence of control systems, which typifies the presence of deadlines, targets, surveillance and performance evaluations (Kuvaas, Buch & Dysik, 2014). Such an approach is consistent with the fundamental tenets of cognitive evaluation theory, which suggests that deadlines and surveillance (Amabile, DeJong, & Lepper, 1976) are expected to harm work performance, as the presence of such practices may negatively impact employee's intrinsic motivation and hence, their performance (Gagne & Deci, 2005). The relevance of atomistic and cascading approaches of PMS (Buckingham & Goodall, 2015) and excessive control orientation is questionable, as such approaches focus on past, instead of, future performance (Cappelli & Travis, 2016).

For evaluating individual performance, a vast majority of research focuses on the tricky topic of rating scales, performance criteria and its reliability and validity issues (DeNisi & Murphy, 2017; Varma, Budhwar & DeNisi, 2008) as the most contentious sub-activities of PMS's design choices, performance criteria (objective/subjective), frequency and the evaluator forms a significant part of the activities. These practices are contextual, and in part, determined by the purpose and goals of the business and its orientation, values, national and organisational cultural influences. Finally, implementation of PMS is influenced by a range of contextual and contingency factors, such as industry, enterprise size and employee level (De Nisi & Murphy, 2017; Hitt et al., 2006; MacDuffie, 1995). Other influences include focusing on a range of stakeholders (Jackson et al., 2014), environmental issues and sustainability as core performance outcomes (Jackson, Ones, & Dilchert, 2012), coaching

(Schaufeli & Salanova, 2007) and frame-of-reference of training for PMS, work design, perceptions of task variability, autonomy and empowerment (e.g., Kuvaas et al., 2016; Pulakos, 1984). Through a complex interaction of the design and implementation choices, the final evaluation of the goals and outcomes can be undertaken.

More recently, the importance of contextual factors was reinforced. Analysing the impact of context on the perception, behaviour and outcomes of performance appraisal practices in Chinese public sector organisations, Wang et al. (2019: 913) called for future research to engage in “deep-contextualisation for developing theories and applying theory to new contexts.” Similarly, McDermott et al. (2019) highlight the need for developing bespoke PMS that is suited to highly interdependent social contexts such as those in healthcare settings, where the context requires a high degree of relational coordination between employees, managers and other stakeholders in the system.

Performance Management in India. The evolution of PMS in India can be traced back to the early 1940s (Basu, 1988) wherein early industrial entities, civil services and Indian armed forces employed assessment centres and ratings for making administrative decisions. The uptake of more advanced PMS emerged in the late 1970s to early 1980s (Amba-Rao et al., 2000; Rao & Pareek, 1996). Differences due to contextual influences such as ownership type and management values also influence diversity in performance appraisal (PA) in India (Amba-Rao et al., 2000), wherein, relative to private and public sector firms and foreign joint ventures/MNC and Indian family firms were more adaptive to PA changes and sharing knowledge and power (also see Budhwar & Boyne, 2004). The strategic and more sophisticated role of PMS in India emerged in the post-liberalisation era of 1991 (Budhwar et al., 2006), reflecting some knowledge and practice spillovers due to an increasing proliferation of MNCs in India. In the Indian cultural context, the importance of supervisor-subordinate relationships cannot be under-estimated as there have been reported instances of

nepotism and favouritism in the ratings for sub-optimal performers (Varma, Pichler & Srinivas, 2005). Sharma, Budhwar and Varma (2008) highlight some of the critical challenges facing the Indian organisations in implementing PMS. These challenges include a lack of performance planning efforts by managers; disproportionate focus on technical and functional competencies relative to HR competencies of managing performance planning, review and feedback; biases and inaccuracies in the rating system; and lack of linkages between performance management and other related aspects of HRM such as training and rewards and issues of fairness and trust. In a similar vein, Biswas and Varma (2012) found that organizational psychological climate and transformational leadership explained employees job satisfaction, which in turn predicted employees' in-role and extra-role performance. The importance of social and relational factors was highlighted as critical areas for future research. Building on this line of thinking, in Garengo and Sharma's (2014) study, the importance of relational influences over structural influences was also borne out in a comparative study of Indian and Italian SMEs. The changes to the governance structures of Italian firms did influence their PMS, but not in the case of Indian SMEs and family firms, which were affected more by wherein changes to the broader environment and the Indian firms were more open to adaptation. The theme of focusing on the broader context in studying PMS in healthcare organizations in India found diversity in PMS owing to the size of providers, wherein smaller firms had mostly informal systems. However, large healthcare providers employed advanced 360-degree feedback systems, where the focus of improving employee performance was done by incorporating feedback from a diverse set of stakeholders, including patients (Srinivasan & Chandwani, 2014). A critical gap identified by Srinivasan and Chandwani (2014) in their review of healthcare studies was around the lack of performance differentiation in rewarding employees based on their performance. Also, from India's modern healthcare system, Malik et al.'s study (2017) found evidence of

differentiation and individualised rewards for nurses and physicians to support, encourage, and retain talent as well as carry our innovations in clinical areas and hospital's business processes. The evolution of Indian PMS is indicative of crossvergence, wherein a duality or hybridity of practice in PMS is evident. However, the extent to which it occurs is a function of contextual factors such as size, industry, and nature of work organisation and complexity of tasks performed (also see Malik, Pereira, & Budhwar, 2020).

Based on the above reviews, we note that contextual factors in part explain the problems in the practical design and implementation of PMS and that future research directions call for further explorations of how context matters even more so in a highly interpretive, culture-sensitive and politicised settings of PMS. To this end, our focus on contextual factors is timely and relevant for developing new theoretical understandings in an emerging market context, especially in firms where indigenous management practises is a key focus. Next, we outline the methodological approach employed and then focused our analysis on the core activities of PMS in our two case study organisations.

Methodology

Data Collection. A theoretical and purposive sampling choice of two extreme, revelatory and polar cases (Eisenhardt & Graebner, 2007; Yin, 2003) is deemed critical here, as it offers an in-depth and rich contextual information of two emerging market multinationals from India – an indigenous and a modern pharma firm, which, despite their similarities, differed in its management and product approaches. A theoretical sampling technique is appropriate for supporting theoretical replication, theory extension, contrary explanations and removing alternate explanations (Eisenhardt & Graebner, 2007; Yin, 2003). Our access to the natural environments of both Indi-Pharmaco at their corporate offices and production and delivery sites in remote and rural settings, and Mod-Pharmaco, at their multiple sites for drug development and corporate services, offered us the opportunity for an in-depth investigation

into the phenomenon in their natural settings. Adoption of such an approach increases the construct validity and reduces bias (Yin, 2003). External validity is improved by analytical generalisation by examining theoretically about the phenomenon of interest in the dataset (Yin, 2003), a strategy that has been used in several theory-building and theory-extending efforts (Eisenhardt, 1989; Yin, 2003).

Sixteen interviews with senior leaders and employees generated 787 minutes of interviews and transcripts exceeding 75,000 words (see Table 1 for interviewee details). Following Eisenhardt and Graebner (2007: p. 28), to reduce any biases in data collection, we interviewed several *“highly knowledgeable informants who view the focal phenomena from diverse perspectives....from different hierarchical levels, functional areas, groups, and geographies...”*. Such an approach reduces the chance of *“convergent retrospective sensemaking and/or impression management”* (p. 28).

To this end, we selected informants who could provide rich insights and were selected from multiple levels of the hierarchy, geography as well as different sites as per the above logic and in terms of multiple levels of informants. Data were collected in both cases, from senior leadership (e.g., Head of Strategy and IP and Head of Hospital & Administration), functional heads (e.g., Group Head of HR, R&D Head, Head-New Drug Discovery and Head Physicians) as well as frontline and middle-level managers (e.g., Business Development Managers, HR Manager, Patents and Innovation Manager and Deputy Physician) and employees (e.g., Employee Support Leader, Quality and Compliance, Therapists). Not only are these represented from different functional areas, e.g. research and development, marketing and business development, HR and administration, patent management, quality assurance and frontline employees and staff who have no line management responsibility, but the sample is also from different geographical locations. In the case of Mod-Pharma, drug development was in a different geographical city and state. The multiple sites visited include

the corporate office of both case organisations. Visits to the drug production facilities followed this site visits for both Indi-Phramaco (two geographical locations, albeit in the same city) and Mod-Phramaco (three site visits - two offices [head office and corporate office]). As data collection spanned several days, it allowed us also to observe the routines and interactions as a non-participant observer.

In terms of similarities, the Head of HR and Group Head of HR at the Mod-Pharmaco compares well with Indi-Pharmaco's Head of Hospital and Administration, who is tasked with developing the entire set of people management policies, and undertakes vital HR functions, such as recruitment, selection, rewards, culture change and indeed performance management. Likewise, both cases employed business development managers who were tasked with developing the business and undertaking market segmentation for the business. There is some similarity in the role of three physicians at Indi-Pharmaco, who perform the role of directing the potion-makers and mixtures needed for making Ayurvedic drugs and formulations, similar to what the Head of R&D and New Drug Discovery roles would do at Mod-Pharmaco, though each follows a remarkably different technical process and approach in producing the drugs. Finally, in terms of employees, the therapists at Indi-Pharmaco and employee support leader, compares well with the quality and compliance manager and patents and innovation managers, as both have no direct reports or line management responsibility and are therefore considered employees. Furthermore, for example, the therapists and employee support manager have to ensure that the treatment is supported as per the guidelines in the authentic Ayurveda scriptures, a role that is akin to the quality and compliance manager. The therapists also have a role in reporting back to the physician/doctor (*Vaid*s) their daily observations, and insights drawn from such observations are taken into consideration of preparing new drugs, potions and other such concoctions to which a patient

may respond more favourably. This role is akin to what patents and innovation managers perform at the pharmaceutical firm.

In addition to data from interviews, non-participant observation, organisational documents supplied by the case organisations and information available through the public domain, e.g. websites and news items from the Internet were also collected and analysed.

-----Insert Table 1 about here-----

Data Analysis

The key research question for this study required an inductive approach to data analysis. To offer further *transparency* and *verifiability* of our analysis and findings, we adopted a dual analytical strategy involving: (1) using Leximancer–4.5 application, for automated extraction of themes and concepts (Smith and Humphreys, 2006); and (2) following an abductive logic, iterative process of manual theoretical coding of concepts and themes were followed (Gioia, Corley & Hamilton, 2013; Malik et al., 2017). Such approaches are evident in leading management journals (Malik, Pereira & Tarba, 2017; Malik et al. 2018; Malik, Froese & Sharma, 2019; Wilden et al., 2016). Following Gioia et al. (2013), once the first-order raw open codes and second-order theoretically informed themes and aggregate dimensions are analysed and coded, a data structure is presented (see Figures 1 and 3). This data structure provides a clear pathway to the reader to see how the researchers have logically derived the second-order themes and aggregate dimensions.

Case Analysis of Indi-Pharmaco

Ten themes extracted, in the order of their frequency in the dataset are *people*, *patient*, *treatment*, *doctors*, *individualised*, *making*, *meaning*, *states*, *herbs* and *timing*. Following Gioia et al. (2013), theoretical codingⁱ of Indi-Pharmaco’s 38 concepts and ten themes was undertaken. Given the presence of *Sanskrit* language terms used in the practice of *Ayurveda*

at Indi-Pharmaco, we also offer preliminary in vivo English language coding of these terms.

Table 2 offers details of theoretical codes sourced from organisational documents.

-----Insert Table 2 about here-----

The analysis ensured that interviewee voice (first-order concepts) was aggregated to second-order theoretical concepts from the literature on PMS. Thus, data analysis iteration moved from first-order concepts to second-order theoretical coding, and subsequently, to the main aggregate dimensions. Figure 1 depicts the data structure of Indi-Pharmaco. Next, given that most performance management processes involve making design choices of the performance management process in terms of the purpose of PMS, performance criteria, frequency, instrument, evaluator and contextual implementation issues and evaluation outcomes, theoretical coding was undertaken for each case study's dataset. In our next stage, we developed our conceptual model for Indi-Pharmaco (Figure 2) based on the above and situated these theoretically in the literature on PMS. The second-order themes and aggregate dimensions were then modelled to depict the theoretically informed relationships between performance management process and choices, performance management outcomes and the role of contextual influences and reflect the contextual differences due to the nature of the managerial approach, products and services, work processes and different goals espoused by each case organisation.

-----Insert Figures 1 and 2 about here-----

Performance Management Processes

Two key themes relating to the design of performance management at Indi-Pharmaco that were evident in the interview, organisational data, records and documents were: (1) the overarching focus on the performance goal of *sustainable and holistic wellbeing* and (2) the *performance criteria* employed, its *frequency*, the *instrument* and *evaluator*.

Performance Goal of Sustainable and Holistic Wellbeing. The Indian system of Ayurveda comprises of an interrelated set of several knowledge sub-systems. Guided by an overarching philosophy of achieving *holistic* wellbeing, it focuses on the physical, mental, emotional, social, environmental and spiritual wellbeing of employees, patients and other stakeholders working in the hospital's ecosystem. To support this overarching goal, Indi-Pharmaco has also adopted from Ayurveda texts a set of 19 values and guiding principles for serving people allows for guided action (See Table 1 for details). The central idea that an overarching philosophy supported by an organisation's values and belief system can shape individual's behaviours and actions is well-supported in the literature on theories of planned behaviour or reasoned action (Ajzen, 1991). Based on the above value system and guiding principles and as part of the core work ethos at Indi-Pharmaco, employees perform routine, specialised or a combination thereof, of duties and activities to support the holistic wellbeing of staff, patients and community members. [The non-participant observations confirmed the presence of this approach.](#) This approach informs the goal setting, reviews, learning and induction at the workplace to ensure smooth and sustainable functioning of the hospital and delivery of Ayurvedic medicines. As part of the work goals, all employees undertake to promote effective and holistic wellness for the community, patients and guests. Further, the employees undertake that their ability to offer complete wellness for different stakeholder groups is only possible if they practice self-discipline to remain healthy and lead a good quality of life. Such a belief stems from the different knowledge and management systems of indigenous Indian texts. Unlike modern pharmaceutical firms, Ayurveda does not support specialisation as it focuses on a holistic approach to care and cure. The focus on interconnectedness and holism is a dominant approach at Indi-Pharmaco. The holistic approach extends beyond the patient-physician-people hospital system to the broader community ecosystem. [It was also specified in individuals' charter of employment \(see Table 3 for details\).](#)

-----Insert Table 3 About here-----

Unifying System of Values and Guiding Principles. There exists a strong sense of recognition among employees of the overarching set of values and principles that help them guide their actions. Several examples of fundamental unifying values and principles practised by employees are reported here. For employees to uphold the values and apply these vigorously to various aspects of their work and employment, they must imbibe the value of *self-discipline and absence of ego*. Team working happens not only because of a high degree of interdependence between the different groups of employees but also due to Indi-Pharmaco's value system and the local cultural expectations, wherein the therapists, cooks, cleaners and physician teams are required to interact with the patients frequently. Employees set aside their *ego* to come and work together.

Performance criteria, frequency, evaluators and instrument

Performance Criteria. The focus of managers (physicians) on the actions for managing performance of every day, specific and urgent tasks revolves around the precise application of Ayurveda principles. Further, strict adherence to authentic principles of Ayurveda serves as the critical reference frame for all every day, specialised or urgent tasks, activities and responsibilities. However, this frame of reference is highly subjective as different physicians interpret the scriptures and the patient's situation differently to treat their ailments with existing or new concoctions. This is particularly true when some local herbs are not available, and alternates need to be explored for making the drug. See Table 3 for details.

Instrument, evaluator and frequency. [Organisational records suggest that the](#) typical hospital stay for a patient varies between 3 to 12 weeks. Given that *Ayurveda* is not a materials-based science, rather a physician-based science, this necessitates multiple physician-patient interactions on a daily basis for monitoring the effects of medicines in the form of symptoms and bodily changes; Indi-Pharmaco follows a system of *monthly* performance reviews

undertaken mainly by the *physician*. Performance management's overarching guiding approach is to focus on the holistic wellbeing of the patients, community and all individuals working at Indi-Pharmaco. Although there was a notional division of labour in terms of individuals' every day, specialist and urgent tasks, they invariably dovetail into the unified and holistic goal of overall wellbeing. As the focus was on wellbeing, the duration of stay helped develop a sense of belonging and affiliation between the employees and patients.

Contextual Implementation Factors

Three key second-order contextual factors relating to the implementation of performance management were evident in the interview and organisational records and documents: (1) influence of *national and organisational culture*; (2) the *task variability and empowerment*; and (3) *informal learning and development*.

National and Organisational Culture. One of the critical aspects of the Indian national culture is captured in the Sanskrit expression *Atithi devo bhava*, which almost translates to 'A guest is equivalent to God'. This idea was substantiated at Indi-Pharmaco's work culture as part of its values and cultural approach to the concept of *service*. The desire to *serve* and be *compassionate* to others was evident [via non-participant observations of the services offered to the patients, co-workers and the wider community \(see Table 3 for details\)](#).

Task Variability and Empowerment. There was evidence also of the organisational value of sacrificing personal gains through teamwork, empowerment and freedom to complete the tasks in a manner that attempts to serve critical stakeholders in the system. To this end, the nature of work design required each employee to remain flexible and support co-workers, patients and guests for achieving the overarching goal of holistic wellness. Also, as part of the orientation and socialisation, colleagues and line managers reinforced this overarching philosophy, values and guiding principles for disciplined actions. Whether an employee is a

therapist, gardener, housekeeping staff, kitchen staff or general staff, they affirm to commit to several actions. Indi-Pharmaco has many Ayurveda hospitals in India and overseas. As per Ayurveda's guiding principle of *service* and values of *teamwork*, employees understand so that they can be allocated tasks at different hospitals at different times. This collective and community spirit at work and in its immediate ecosystem, a teamwork-based flexible work design that leads to different activities being performed and reviewed as per the job rotations. Nevertheless, despite the changing goals and objectives, there are performance assessment criteria that remain stable. For example, the workload ratio for physicians is set at one senior physician for every 12 patients. The family-focused culture and workplace autonomy contributed to low employee turnover and high retention.

Informal Learning and Development. Further, as part of the performance management system as well as Ayurveda values, ongoing training and learning for employees to become more knowledgeable about Ayurveda to offer holistic and personalised care plans is encouraged. The criteria are not assessed for an individual employee in isolation. Instead, the focus is on adopting a holistic approach to assessing how their tasks, duties and activities link in with the activities of others and lead to the patient's and other stakeholders' overall wellbeing.

Performance Outcomes

Two key second-order contextual factors relating to performance outcomes were evident in the data: (1) alignment to patient outcomes and (2) subjective assessment and an individual-outcome focus.

Alignment to Patient Outcomes. The overarching focus on the holistic wellbeing of the patient surrounds all common, specialist and urgent tasks, activities and responsibilities. There is a fundamental belief that holistic wellbeing cannot be achieved in isolation of the other elements that constitute the concept of wellbeing. Ayurveda, as a way of life, focuses

on bringing about harmony and sustainable living. The core focus is to align the treatment to achieve the above patient outcomes.

Subjective Assessment and an Individual-outcomes Focus. The focus on personalised and individual outcomes also stems from the Ayurveda philosophy. Furthermore, as it is a physician-based and not a materials-based science, the entire team of physicians, junior doctors and therapists have to focus on the individual rather than be driven by a prescribed set of targets and process routines. The focus on individual outcomes is rooted in the concept of nature (or *Prakriti* in Sanskrit) that is an individual's original primal matter or bodily constitution at the time of his/her birth. The treatment, therefore, needs first to be understood from an individual's nature and constitution, as it was at the time of their birth. The use of horoscope and other indicators are integrated into the diagnosis and treatment.

Individual nature. A coconut tree will be a coconut tree...That is our constitution. ...I can't exactly translate [Prakriti], ...if you go to a little more into the other steps it's the same, these three innate qualities that make up the five elements, Vata- is made up of ether and air; Pita is made up of fire and water, and Kapa is made up of earth and water. So, this Indian philosophy also says we are made up of these....

We all have something predominant- some elements are more dominant than others, so this is important in understanding. So, the treatment aspect is to bring back these elements to your natural levels or constitution to the state it should be. ...when we think about the big vision. It is...and we always say then. I can, ...personalised care is one of the highlighting things, so if you follow some rules and routines for that thing [then] it becomes odd, it will not [work].

Case Analysis of Mod-Pharmaco

Thirteen themes, in the order of their frequency in the dataset, were identified: *people, work, drug, team, organisation (company), new activities (things), business needs (need), product, market, training, management, industry and important*. An analysis of the themes suggests a robust organisational focus work performance, for discovery and production of new drugs and innovative products, employing cross-functional team designs. Additionally, the focus on prioritisation of activities and management of activities from a strategic viewpoint, business needs and for example.

Three key clusters are evident in the dataset. The first cluster of themes and textual analysis suggests Mod-Pharmaco's high orientation on innovation, high-performance work and teamwork. The second cluster focuses on the importance of business needs, innovative development of new products, experimenting new and different ideas that fall within the ambit of medium to longer-term the strategic intellectual property development plans of the organisation. This cluster is supported by appropriate people management, training, work design and management activities. The third cluster of themes is around R&D, product and new drug development, keeping in mind the market and industry needs and trends. The importance of training, people management and other management practices and culture are central in supporting Mod-Pharmaco's focus on high performance, cost-effectiveness and innovative product development strategies.

Gioia et al.'s (2013), a theoretical coding of Mod-Pharmaco's 43 concepts and 13 themes were undertaken. Thus, data analysis iteration moved from first-order concepts to second-order theoretical coding and subsequently to main aggregate dimensions. Figure 3 shows Mod-Pharmaco's data structure.

-----Insert Figure 3 about here-----

Focusing on the design choices of Mod-Pharmaco's performance management system, the following section provides evidence and analysis, using an iterative theoretical coding process, of the *core processes* of performance management and the nature of issues during its *implementation* and *evaluation*.

Performance Management Processes Choices

Two key themes relating to the design of performance management at Mod-Pharmaco through the interview and organisational data, records and documents are: (1) the focus on performance goals of *innovation, cost-effectiveness and high-performance systems* and (2) the nature of *performance criteria, its frequency, instrument* and *evaluator* choices made.

Goals of Innovation, Cost-effectiveness and High-Performance Systems. Mod-Pharmaco's overarching organisational mission and goals focus of achieving high levels of growth at a business and individual-level through a culture that supports innovation and high-performance management and focuses on regulatory compliance and cost-effectiveness. Like most pharmaceutical firms, Mod-Pharmaco suffered from coordination issues between each of the four parallel sub-organisational groupings: sales, manufacturing, R&D and corporate services. The focus is different for each business group. For example, R&D and Business Development have different areas where they can innovate (for details, see Table 4).

Performance: criteria, frequency, evaluator and instrument. In order to overcome some of the performance challenges involved in managing a large, geographically dispersed, emerging market MNC across all four organisational sub-groupings, Mod-Pharmaco's management and leadership implemented several strategies. These include having a differentiated workforce structure focusing on unique performance criteria for each sub-organisational group; a cross-functional team design for inter-functional coordination, managing interdependence between groups; and developing a technical and behavioural competency framework for the entire organisation with varying emphases on different roles. The differentiated workforce model identified high-performing talented individuals and supporting them through different talent growth programs. The performance management employed a half-yearly review undertaken by immediate line managers. Performance criteria for key result areas (KRAs) employed its proprietary competency framework of 11 competencies. A biannual review and tollgate approach allowed the monitoring of progress—emphases of technical and behavioural competencies varied by role (see Table 4 for details).

Contextual Implementation Factors

Three second-order contextual factors relating to the implementation of performance management were evident in the interview and organisational records and documents: (1)

high-performance organisational culture & values system; (2) the Task variability and coordination; and (3) Performance coaching and talent development programs.

High-Performance Organisational Culture & Values System. The main cultural elements at Mod-Pharmaco include *an open culture, participative management practices, focusing on innovation and continuous improvement, agility, employee empowerment and having fun.* Its culture of high performance was supported by nine core values, such as *winning, openness, courage, knowledge, humility, ambition, reputation, depth and trust* (see Table 4 for details).

Task invariability and coordination. The allopathic pharmaceutical industry is a highly regulated industry and staff working in sales, manufacturing and R&D, even though it needs high levels of inter-functional coordination due to workflow interdependencies, they have minimal leeway and choice for organising their work. As a result, most groups have little to no autonomy and discretion in scheduling their tasks. The entire value chain is process-driven and regulated through standards. This has a direct effect on employee motivation, risk-taking behaviours, and the opportunity they have to apply their ability and motivated behaviours.

Performance Coaching and Talent Development Programs. The talent management and performance coaching programs offered specialised training and career progression tracks, relative to the rest of the non-talent identified groups to foster a sense of competitiveness and excellence within all levels of employees. This approach encouraged a sense of continued innovation in each of the four organisational groups. To promote internal competition using talent management programs, Mod-Pharmaco used forced distribution in its performance rankings for differentiation between people. For managing the talent pipeline program, Mod-Pharmaco uses performance coaches to focus on the uplifting performance of talent profiles for each of the four business groups. For example, in Sales, three levels of talent profiling are ‘Emerging’, ‘Surge’ and ‘Upsurge’. For Leadership and R&D talent program focuses on

identifying ‘Hypos’ or high performing individuals and for Manufacturing leaders, it has ‘Mod-Pharmaco Lead’ program (see Table 4 for details).

-----Insert Table 4 About here-----

Performance Outcomes

Two key second-order factors related to performance outcomes were evident in the dataset:

(1) *alignment to customer centricity and teamwork* and (2) *strategic fit for new product/IP development*.

Alignment to Customer centricity and teamwork. For fulfilling customers’ latent and expressed needs, teamwork, high levels of inter-functional coordination and interdependence was needed between different divisions. This resulted in the senior leadership, making it amply clear to all managers that they wanted was customer-centricity and teamwork.

Building customer-centricity took sustained investments by the business development team. This also required coordination between different units for the best outcomes for the business.

Strategic fit for new product IP development. In most pharmaceutical firms, the development of new chemical entities (NCEs) or new drugs, relative to reproducing an Abbreviated New Drug Application (ANDA) for generic drugs, is always tricky. So, to sustain growth and revenues, several emerging market MNCs have a disproportionate share on filing ANDAs to the US FDA for drug patents that are about to expire. This becomes a core strategic planning function as it involves identification, selection and then the development of ANDAs with the hope of securing the rights to develop and sell a drug that goes off patent. In addition to NCE R&D set up and making generics for products that are going off-patent, Mod-Pharmaco’s primary focus is on developing lifestyle drugs where the focus is on patient compliance, and drug delivery mechanisms as several patients struggle to complete the prescribed dosages for a range of lifestyle reasons. This is a significant growth

area for Mod-Pharmaco, and it has been successful in securing several IP and patents to its name (see Table 4).

Developing the conceptual model for Mod-Pharmaco (Figure 4) and situating it theoretically in the literature on PMS, the second-order themes and aggregate dimensions were included to depict the theoretically informed relationships. Specifically, the differences in the performance process and choices (e.g., the goal of innovation, high performance, use of competency frameworks, and formalization of processes), and contextual factors (e.g., task-invariability and coordination, high-performance work culture and performance coaching and talent management programs) influenced performance management outcomes (alignment to customer-centricity, teamwork and strategic fit for new IP development) were captured in the conceptual model.

-----Insert Figure 4 about here-----

Discussion

To summarise, unlike Indi-Pharmaco, Mod-Pharmaco followed a very prescriptive and control-oriented approach, using a highly structured, tollgate-based performance management approach using a competency framework. The focus of Mod-Pharmaco on cost-effectiveness, profits, growth and innovations for satisfying external stakeholders typified a Westernised and atomistic managerial approach. In contrast, Indi-Pharmaco's extensive focus on the holistic wellbeing of not only the individual but also other employees and community members from local villages to grow and prosper in harmony with nature sustainably reflected Ayurveda's philosophy. In contrast to Mod-Pharmaco, Indi-Pharmaco had a focus on real-time rather than ongoing time-based performance reviews, a practice that Aguinis (2013) and Murphy (2019) and others (Pulakos et al., 2019) have recommended in recent reviews. Several of these similarities and differences are outlined in Table 5.

-----Insert Table 5 about here-----

The focus of Mod-Pharmaco on forced distribution is also a practice that is widely entrenched in modern PMS, especially in the US and Anglo-Saxon contexts. There are limits to the assumption that performance is normally distributed. Instead, several scholars have highlighted Power Law distributions over normal distribution (Murphy, 2019). Mod-Pharmaco's focus on talent identification might benefit more from a Power Law distribution.

Besides, to focus on performance distributions, the objectivity in performance evaluation has always been a contentious and some might even argue an unnecessary and in some cases, even undesirable practice (Murphy, 2019), as several jobs require subjective and judgmental assessments (Murphy et al., 2018). The inherently and declared subjectivity in performance evaluation by the physician at Indi-Pharmaco contrasts nicely with Mod-Pharmaco's meticulously developed objective and tangible measures for performance using competency frameworks and tollgate-based approaches.

Indi-Pharmaco's culture allowed variability in goals, which created a perception of trust, autonomy and empowerment among its employees. This overall positive work climate and focus on harmony and sustainability increased employees' intrinsic motivation and commitment, which consequently affected their performance and retention at the work organisation (Kuvaas et al., 2016). Consistent with earlier calls for research (e.g., DeNisi & Pritchard, 2006; Pulakos, 1984), our study contributes by offering a nuanced understanding of PMS in two indigenous and modern Indian emerging market MNEs by focusing on the role of values and culture on the concepts of perceived task variability of job autonomy and performance outcomes in PMS. Our findings support the importance of these contextual factors on job performance as well as other individual and firm outcomes, such as commitment, attrition and retention. In contrast to the commitment and empowerment-focused work design at Indi-Pharmaco, Mod-Pharmaco, by its compliance focus and workflow standards and processes, a perception of task invariability prevailed among

employees. This gave employees perception of high levels of control over their workflow, especially regarding sales targets, deadlines and a constant sense of surveillance during the drug development and testing protocols in the drug discovery and patenting processes, as well as in the sales function. This high level of control over the workflow, together with a culture of high-performance, constant pressure to innovate and growth targets, reinforced a sense of loss of control over employees' workflow and led to Mod-Pharmaco's high employee attrition rates in sales, corporate services and other functional areas. All these factors contributed to perceived levels of low job performance, poor inter-functional coordination between units and a relatively flat revenue and profit growth rates, as was found in the case of steel mills (Arthur, 1994) and research on call centres (Batt & Colvin, 2014).

In an attempt to turn this around, Mod-Pharmaco introduced in its work design, a differentiated workforce model, wherein, multiple Talent Management programs were launched for each major workplace group. Mod-Pharmaco implemented a highly differentiated rewards structure, forced distribution rankings and performance coaching for ensuring high levels of performance. The use of performance coaches played the role of frame-of-reference for training employees and managers for an understanding of high-performance expectations.

Theoretical Contributions, Practical Implications and Limitations

In conclusion, our study highlighted significant differences in the nature and extent of choices firms make to their PMS due to a range of contextual factors at play, as was demonstrated at Indi-Pharmaco and Mod-Pharmaco. These differences emanate from contextual factors, such as Indi-Pharmaco's indigenous philosophy and ideology, informed by the ancient Ayurveda knowledge system and Mod-Pharmaco's adoption of scientific Western management practices, which requires a highly regulated and institutionalised ways of managing allopathic pharmaceutical MNCs. This research contributes by developing two different theoretical

frameworks respectively for understanding PM processes at an indigenous (Indi-Pharmaco) and modern (Mod-Pharmaco) pharma firm. The design choices, contextual influences and outcomes in each of the two case studies, highlight context matters and how differences in industry sub-sector, management ideology, organisational values and culture had a profound impact on PM design choices, such as nature of goals of a business, PMS elements such as criteria, instrument and evaluator and a range of contextual factors and performance outcomes. Further, differences in *goals*, *values*, and perceptions of *task invariability* or *variability* also had profound impacts on individual outcomes. It is not surprising then to see how over-specification of performance goals can have adverse effects on performance (Latham & Locke, 2009). As specified in goal-setting theory, transparent, quantifiable and specific goals are more motivating than fuzzy and vague goals (Locke & Lathan, 1990). This conflicts with findings from task invariability, which suggests that high-performance and control orientation may be demotivating for employees and may result in adverse job and performance outcomes (Arthur, 1994; Batt & Colvin, 2014).

Managerial Implications

One critical managerial implication of our finding is to have open and flexible PM processes that support the overarching purpose of the PMS. As indicated in the findings at Indi-Pharmaco, allowing employees task variability and autonomy, and involving them by seeking their input is critical for gaining their commitment. By doing so, managers can engender a sense of participative decision-making, which can help in individual and collective wellbeing for all internal stakeholders, including employees' as well as the clients. Through a sense of ownership, participation, and collective decision-making, managers can develop a feeling of care and interpersonal trust (Mooradin *et al.*, 1997). Our findings also suggest that for managers to achieve effective teamwork, employees' involvement, participative management and a sense of ownership and empowerment is critical. Another critical implication is that

when managers can develop customer-centricity values in conjunction with employee well-being in their line of sight, it is a win-win path to success.

On the other hand, the atomistic and control-oriented focus has often been linked to adverse employee-level outcomes, if managers and coaches use coaching as a means for clarifying employee's assumptions, then employees' role and self-efficacy can be highly improved, leading to better overall outcomes for employees and the business. Managers must also attempt to define and plan for achieving fit and alignment between goals, context and the means to get there. Although our study provides evidence that fit and alignment matters in achieving desired outcomes, a key question for managers is to define outcomes for more than one stakeholder clearly. Doing so would encourage to look for a range of new mechanisms and contextual factors to help achieve positive PM outcomes for all stakeholders (Malik et al., 2018). In summary, if managers adopt an involvement, collaborative and empowerment-focused approach to managing people and their performance, paying specific attention to contextual factors, they can achieve remarkable PM outcomes for individuals and the business (Malik et al., 2017).

Future Research and Limitations

Future research should test the findings from the in-depth and context-rich lessons learnt from our case studies in different indigenous and cultural contexts. Future study may look at longitudinal designs to analyse and test the mediating role of HRM practices on firm performance. Additionally, future research is needed on multi-level analyses of employee-manager dyads and the role of a range of other contextual and relational factors such as relational coordination (Gittell, 2000), perceived supervisor support (Dysvik & Kuvaas, 2012) and the role of trust in expanding the opportunity-enhancing practices within the AMO paradigm.

Despite highlighting the influence of contextual factors in shaping the nature and extent of PMS in indigenous emerging market MNCs, our research has several limitations. One fundamental limitation is due to time and funding constraints we were unable to have access to greater diversity in our theoretical sample. By including other firms, such as popular luxury Spa and wellbeing Ayurveda firms, those selling over-the-counter concoctions (e.g. immunity boosters, vitamins and lifestyle management drugs), Western complementary and alternative medicine MNCs, as well as Western Pharmaceutical firms operating in India, would have expanded the range of contextual factors at play.

We also note the cross-sectional nature of research meant that we were unable to observe the effects of the data and its findings over a period of time, as researchers focusing on context-specific (Cooke, 2018) have highlighted that temporal analysis of a phenomenon over sustained periods may give further strength to the study's findings or at least, for understandable reasons explain the variations to the theme.

Our study, while it included multiple groups of employees and managers, external validation from the end user's perceptions, can also through some further light on the findings. Therefore, future studies could include the end-users, suppliers and perhaps, where possible, conduct interviews of people who may have left the organisation or, if available, corroborate the evidence using exit interview records.

References

- Aguinis, H. (2013). *Performance management* (3rd ed.). Upper Saddle River, NJ: Pearson/Prentice-Hall.
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179-211.
- Amabile, T. M., DeJong, W., & Lepper, M. R. (1976). Effects of externally imposed deadlines on subsequent intrinsic motivation. *Journal of Personality and Social Psychology*, 34, 92–98.

Amba-Rao, S. C., Petrick, J. A., Gupta, J. N. D. & Von der Embse, T. J. (2000) Comparative performance appraisal practices and management values among foreign and domestic firms in India, *International Journal of Human Resource Management* 11(1): 60–89.

Arthur, J. B. (1994). Effects of human resource systems on manufacturing performance and turnover. *Academy of Management Journal*, 37(3), 670–687.

Basu, M. K. (1988). *Managerial Performance Appraisal in India*, Delhi: Vision Books.

Batt, R., & Colvin, A. J. S. (2011). An employment systems approach to turnover: Human resource practices, quits, dismissals, and performance. *Academy of Management Journal*, 54(4), 695–717.

Biswas, S., & Varma, A. (2012). Antecedents of employee performance: an empirical investigation in India. *Employee Relations*. 34 (2), 177-192

Boyd, B.K., Haynes, K.T., Hitt, M.A., Bergh, D.D., & Ketchen, D.J. (2012). Contingency hypotheses in strategic management research: Use, disuse, or misuse? *Journal of Management*, 38, 278–313.

Budhwar, P. & Boyne, G. (2004) Human resource management in the Indian Public and Private sectors: An empirical comparison. *International Journal of Human Resource Management*, 15(2): 346-370

Budhwar, P. S., & Sparrow, P. R. (1997). Evaluating levels of strategic integration and devolvement of human resource management in India. *International Journal of Human Resource Management*, 8(4), 476-494.

Budhwar, P. and Sparrow, P. (2002) An Integrative Framework for Determining Cross-National Human Resource Management Practices. *Human Resource Management Review*, 12 (3): 377-403.

Budhwar, P., Tung, R. L., Varma, A., & Do, H. (2017). Developments in human resource management in MNCs from BRICS nations: A review and future research agenda. *Journal of International Management*, 23(2), 111-123.

Budhwar, P., Varma, A. and Kumar, R. (2019) (Eds) *Indian Business – Understanding a Rapidly Emerging Economy*. London: Routledge.

Buckingham, M., & Goodall, A. (2015). Reinventing performance management. *Harvard Business Review*, 93(4), 40-50.

Cappelli, P., & Tavis, A. (2016). The performance management revolution. *Harvard Business Review*, 94(10), 58-67.

Chang, S., Gong, Y., Way, S.A., & Jia, L. (2013). Flexibility-oriented HRM systems, absorptive capacity, and market responsiveness and firm innovativeness. *Journal of Management*, 39, 1924–1951.

Chaturvedi, B. K. (2001). *Kautilya's arthshastra*. Diamond Pocket Books (P) Ltd..

Cooke, F. L. (2018). Concepts, contexts, and mindsets: Putting human resource management research in perspectives. *Human Resource Management Journal*, 28(1), 1-13.

Cooke, F. L., & Budhwar, P. (2015). Human resource management in China and India. In F Horwitz & P. Budhwar (Eds) *Handbook of Human Resource Management in Emerging Markets*. Edward Elgar Publishing.

DeNisi, A. S., & Pritchard, R. D. (2006). Performance appraisal, performance management and improving individual performance: A motivational framework. *Management and Organization Review*, 2(2), 253–277.

DeNisi, A. S., & Murphy, K. R. (2017). Performance appraisal and performance management: 100 years of progress? *Journal of Applied Psychology*, 102(3), 421.

DeVoe, S.E., & Iyengar, S.S. (2004). Managers' theories of subordinates: A cross-cultural examination of manager perceptions of motivation and appraisal of performance. *Organizational Behavior and Human Decision Processes*, 93(1), 47–61.

Dysvik, A., & Kuvaas, B. (2012). Perceived supervisor support climate, perceived investment in employee development climate, and business unit performance. *Human Resource Management*, 51(5), 651–664.

Eisendhart, K. M. (1989). Building theories from case study research. *Academy of Management Review*, 14: 532–550.

Gagné, M., & Deci, E. L. (2005). Self-determination theory and work motivation. *Journal of Organizational Behavior*, 26, 331–362.

Garengo, P., & Sharma, M. K. (2014). Performance measurement system contingency factors: a cross analysis of Italian and Indian SMEs. *Production Planning & Control*, 25(3), 220-240.

Gelfand, M.J., Erez, M., & Aycan, Z. (2007). Cross-cultural organizational behavior. *Annual Review of Psychology*, 58, 479–514.

Gerhart, B. (2005). Human resources and business performance: Findings, unanswered questions and an alternative approach.” *Management Reveu*, 16, 174-185.

Gioia, D. A., Corley, K. G., & Hamilton, A. L. (2013). Seeking qualitative rigor in inductive research: Notes on the Gioia methodology. *Organizational Research Methods*, 16(1), 15-31.

Gopinath, C. (1998). Alternative approaches to indigenous management in India. *Management International Review*, 257-275.

Hitt, M.A., Bierman, L., Uhlenbruck, K., & Shimuzu, K. (2006). The importance of resources in the internationalization of professional service firms: The good, the bad, and the ugly. *Academy of Management Journal*, 49, 1137–1157.

- Holtbrügge, D., & Garg, R. (2016). Indigenous Indian management philosophies. In Ashish Malik & Vijay Pereira, *Indian Culture and Work Organisations in Transition*, pp. 59-75. New Delhi: Routledge.
- Jackson, S.E., Schuler, R.S., & Jiang, K. (2014). An Aspirational Framework for Strategic Human Resource Management. *Academy of Management Annals*, 8, 1–56.
- Jackson, S.E., Ones, D., & Dilchert, S. (2012). *Managing human resources for environmental sustainability*. San Francisco, CA: Jossey-Bass
- Jiang, K., Lepak, D.P., Jia, J., & Baer, J.C. (2012). How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms. *Academy of Management Journal*, 55, 1264–1294.
- Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting and task performance*. Englewood Cliffs, NJ: Prentice Hall.
- Kalra, S.K. (2004). Consultative managerial leadership style in India: a viable alternative, in N.M. Partha and S. Chandan (Eds), *Indigeneity and Universality in Social Science: A South Asian Response* (pp.407–428). New Delhi, India: Sage
- Kozlowski, S. W., & Klein, K. J. (2000). *A multilevel approach to theory and research in organizations: Contextual, temporal, and emergent processes*. San Francisco: Jossey-Bass
- Katou, A. A., & Budhwar, P. S. 2006. Human resource management systems and organizational performance: A test of a mediating model in the Greek manufacturing context.”*International Journal of Human Resource Management*, 17, 1223-1253.
- Laleman, F., Pereira, V., & Malik, A. (2015). Understanding cultural singularities of ‘Indianness’ in an intercultural business setting. *Culture and Organization*, 21(5), 427-447.
- Latham, G. P., & Locke, E. A. (2009). Science and ethics: What should count as evidence against the use of goal setting. *Academy of Management Perspective*, 23(3), 88–91.
- Latham, G. P., Almost, J., Mann, S., & Moore, C. (2005). New developments in performance management. *Organizational Dynamics*, 34(1), 77–87.
- MacDuffie, J.P. (1995). Human resource bundles and manufacturing performance: Organizational logic and flexible production systems in the world auto industry. *Industrial and Labor Relations Review*, 48, 197–221.
- Malik, A., Boyle, B., & Mitchell, R. (2017). Contextual ambidexterity and innovation in healthcare in India: the role of HRM. *Personnel Review*, 46(7): 1358-1380.
- Malik, A., Froese, F. J., & Sharma, P. (2020). Role of HRM in knowledge integration: Towards a conceptual framework. *Journal of Business Research*, 109, 524-535.
- Malik, A., Pereira, V., & Tarba, S. (2019). The role of HRM practices in product development: Contextual ambidexterity in a US MNC’s subsidiary in India, *The International Journal of Human Resource Management*, 30(4), 536-564.

- Malik, A., Pereira V., & Budhwar P. (2018). Value creation and capture through human resource management practices: Gazing through the business model lens, *Organizational Dynamics*, 47, 180-188.
- Malik, A., Pereira, V., & Budhwar, P. (2020). HRM in the global information technology (IT) industry: Towards multivergent configurations in strategic business partnerships. *Human Resource Management Review*, 100743.
- Marsden, D. (1991). Indigenous management, *International Journal of Human Resource Management*, 2 (1): 21-38.
- McDermott, A. M., Conway, E., Cafferkey, K., Bosak, J., & Flood, P. C. (2019). Performance management in context: formative cross-functional performance monitoring for improvement and the mediating role of relational coordination in hospitals. *The International Journal of Human Resource Management*, 30(3), 436-456.
- Messersmith, J. G., Patel, P. C., Lepak, D. P., & Gould-Williams, J. S. (2011). Unlocking the black box: Exploring the link between high-performance work systems and performance. *Journal of Applied Psychology*, 96(6), 1105.
- Murphy, K. R. (2019). Performance evaluation will not die, but it should. *Human Resource Management Journal*, 30(1), 13-31.
- Murphy, K. R., Cleveland, J. N., & Hanscom, M. (2018). *Performance appraisal and management: Why does it fail and how can it be fixed?* Thousand Oaks, CA: Sage.
- Nankervis, A. R., Cooke, F. L., Chatterjee, S. R., & Warner, M. (2013). Performance management, human resource development, rewards and remuneration systems. In *New Models of Human Resource Management in China and India* (pp. 111-128). Routledge.
- Pelled, L. H., Eisenhardt, K. M., & Xin, K. R. (1999). Exploring the black box: An analysis of work group diversity, conflict and performance. *Administrative Science Quarterly*, 44(1), 1-28.
- Pulakos, E. D. (1984). A comparison of rater training programs: Error training and accuracy training. *Journal of Applied Psychology*, 69, 581-588.
- Pulakos, E. D., Mueller-Hanson, R., & Arad, S. (2019). The evolution of performance management: Searching for value. *Annual Review of Organizational Psychology and Organizational Behavior*.
- Raghuram, S., Brewster, C., Chen, X.-P., Farndale, E., Gully, S., & Morley, M. J. (2017). On theory, technique and text: Guidelines and suggestions on publishing international human resource management research. *International Journal of Human Resource Management*, 28(12), 1640-1660.
- Rao, T. V. & Pareek, U. (1996) Performance appraisals in the new economic environment, in T. V. Rao and Udai Pareek (eds.) *Redesigning Performance Appraisal Systems*, New Delhi: Tata McGraw-Hill.

- Saini, D. S., & Budhwar, P. S. (2008). Managing the human resource in Indian SMEs: The role of indigenous realities. *Journal of World Business*, 43(4): 417-434.
- Schaufeli, W., & Salanova, M. (2007). Work engagement: An emerging psychological concept and its implications for organizations. In S. W. Gilliland, D. D. Steiner, & D. P. (Eds.), *Work engagement: A handbook of research on its antecedents, consequences, and future research* (pp. 10-32). Mahwah, NJ: Lawrence Erlbaum Associates.
- Schleicher, D. J., Baumann, H. M., Sullivan, D. W., & Yim, J. (2019). Evaluating the effectiveness of performance management: A 30-year integrative conceptual review. *Journal of Applied Psychology*, 104(7), 851.
- Schuler, R. S., Budhwar, P. and Florkowski, G. W. (2002) International Human Resource Management: Review and Critique. *International Journal of Management Reviews*, 4(1): 41-70.
- Sharma, T., Budhwar, P., & Varma, A. (2008). Performance management in India. In Varma, A., Budhwar, P. S., & DeNisi, A. (Eds.). (2008). *Performance management systems: A global perspective*. Retrieved from <http://ebookcentral.proquest.com> on 3rd December 2019.
- Smith, A., & Humphreys, M. (2006). Evaluation of unsupervised semantic mapping of natural language with Leximancer concept mapping. *Behavior Research Methods*, 38, 262–279.
- Sparrow, P. R., & Budhwar, P. S. (1997). Competition and change: Mapping the Indian HRM recipe against world-wide patterns. *Journal of World Business*, 32(3): 224-242.
- Srinivasan, V., & Chandwani, R. (2014). HRM innovations in rapid growth contexts: The healthcare sector in India. *The International Journal of Human Resource Management*, 25(10), 1505-1525.
- Stone, G. C. (1979). Health and the health system: a historical overview and conceptual framework. In G. C. Stone, F. Cohen and N.E., Adler (Eds), *Health Psychology – a handbook*. San Francisco: Jossey-Bass.
- Subramony, M. (2009). A meta-analytic investigation of the relationship between HRM bundles and firm performance. *Human Resource Management*, 48(5), 745–768.
- Tetlock, P. E. (2000). Cognitive biases and organizational correctives: Do both disease and cure depend on the politics of the beholder? *Administrative Science Quarterly*, 45(2), 293-326.
- Tseng, S. T., & Levy, P. E. (2019). A multilevel leadership process framework of performance management. *Human Resource Management Review*, 29(4), 100668.
- Varma, A., Pichler, S. & Srinivas, E. S. (2005) The role of interpersonal affect in performance appraisal: evidence from two samples – U.S. and India, *International Journal of Human Resource Management* 16(11): 2029–44.

- Varma, A., & Budhwar, P. (Eds.). (2019). *Performance Management Systems: An Experiential Approach*. SAGE Publications Limited.
- Wang, M., Zhu, C. J., Mayson, S., & Chen, W. (2019). Contextualizing performance appraisal practices in Chinese public sector organizations: the importance of context and areas for future study. *The International Journal of Human Resource Management*, 30(5), 902-919.
- Wilden, R., Devinney, T. M., & Dowling, G. R. (2016). The architecture of dynamic capability research identifying the building blocks of a configurational approach. *Academy of Management Annals*, 10(1), 997-1076.
- Yin, R. (2003). *Case study research: Design and methods* (3rd ed.). Thousand Oaks, CA: Sage.
- Zheng, C., Morrison, M., & O'Neill, G. (2006). An empirical study of high-performance HR practices in Chinese SMEs. *The International Journal of Human Resource Management*, 17(10): 1772-1803.

Table 1: Interviewee and Secondary Data Details (With labels)

Organisation	Interviewee Designation (Labels for Tables 3 & 4)	Number of interviews
Mod-Pharmaco	HR Manager (HR)	1
	Business Development Manager (BD)	1
	Group Head of HR (HHR)	1
	Head of R&D (R&D)	1
	Head Strategy and Intellectual Property(IP)	1
	Head New Drug Discovery(NDD)	1
	Quality and Compliance (QC)	1
	Patent and Innovations Manager (PIM)	1
Total Interviewees - Mod-Pharmaco		8
Indi-Pharmaco	Head of Hospital & Administration (HHR)	1
	Head Physician-1 (DR1)	1
	Head Physician-2 (DR2)	1
	Deputy Physician (JDR)	1
	Employee Support Leader (ES)	1
	Business Development Manager (BD)	1
	Therapist- 1 (EMP1)	1
	Therapist- 2 (EMP2)	1
Total interviewees - Indi-Pharmaco		8
Secondary Data: Annual Report(AR), HR Policy (HRP), Manuals (M), Website (WWW)		

Table 2: Conceptually Clustered Matrix of Indigenous Sanskrit concepts and Respondents English Language Explanation at Indi-Pharmaco

Performance Management Approach	Key Sanskrit Terms practised at case firm	English Language explanations of key terms provided by Senior Managers and Policy Documents
Overarching Philosophy of Indigenous Indian 'Ayurveda' system	<i>Bhakti and Archana</i>	Love and respect for humanity for the universal goal of ' <i>holistic wellbeing</i> ' for all in the ecosystem. This includes patients, staff, colleagues, family members, the environment (living and non-living), self, knowledge and wisdom, and <i>karma</i> or past actions, which affects the present, and the present informs our future actions.
An overarching philosophy supported by a specific system of nineteen Values	<i>Ahimsa</i> <i>Advesta Sarvabhutanam;</i> <i>Maitra karuna ca</i> <i>Nirmama</i> <i>Nirahamkara</i> <i>Santustamstata</i> <i>Drdhanizcaya</i> <i>Anapeksha</i> <i>Saggavivarjita</i> <i>Abhyasa</i> <i>Tyaga</i> <i>Karmaphala Tyaga</i> <i>Yojna</i> <i>Analasata</i> <i>Ardhika</i> <i>Ksama</i> <i>Jingyasa</i> <i>Seva bhava</i> <i>Satyam</i>	Non-violence against all our fellow human beings No enmity /hatred towards any being Being friendly and compassionate towards others Non-possessive and absence of prejudice Absence of ego Always content Having a firm conviction or faith in the vision Free from any wants Free from any attachment Continuous practice Sacrifice Sacrificing personal gains for achieving the vision A team Absence of procrastination Sharing Forgiveness Desire to learn Desire to serve Truth
Values are reinforced by indigenous Guiding Principles for work at Indi-Pharmaco	<i>Panch-maha-yagna</i>	This translates into creating a community of people that focuses on 'serving' all stakeholders in the organisation's immediate ecosystem, such as the earth, environment, patients, animals, senior citizens, children, highlighting also a need for learning, and fellow human beings
Design and Implementation of performance management for common, specific and urgent tasks, duties, activities and responsibilities	Three groups of <i>Dharma</i> : - <i>Samanaya Dharma</i> - <i>Vishesha Dharma</i> - <i>Apat Dharma</i>	'Dharma' refers to a system of duties, activities and responsibilities that individuals in an organisation have to perform. First, <i>Samanya Dharma</i> or 'common/ordinary' duties, responsibilities and tasks apply to all individuals. This includes tasks such as sustaining and holding together; protection of co-workers and resources; self-development; and disposal through re-use, re-cycle and re-store. Second, <i>Vishesha Dharma</i> refers to 'specialist' duties are based on specific capabilities of critical people. Third, <i>Apat Dharma</i> refers to duties and responsibilities in an emergency. If the first two are lacking, emergency actions will be needed.

Figure 1: Data Structure at Indi-Pharmaco

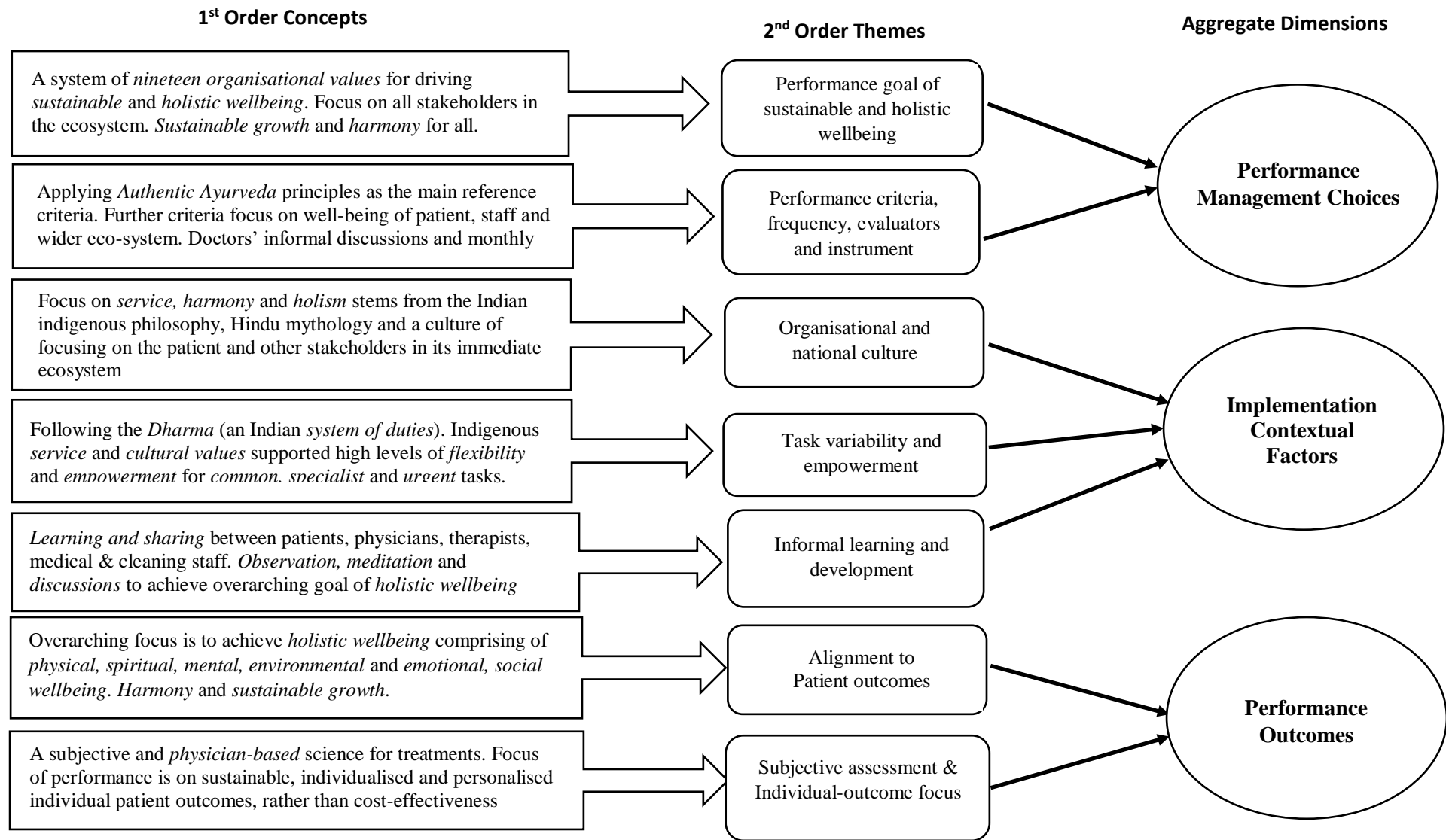


Table 3: Indi-Pharma Data Evidence- Performance processes and choices, contextual factors and performance outcomes

Performance Processes and Choices	Contextual Factors	Performance Outcomes
<p><u>Performance Goal of Sustainable and Holistic Wellbeing (5)</u> <i>1.Okay, but everything is connected, that is the difference. You can't take everything apart from the... like somebody can't take every, the neurological issue with the cardiac issue or so on,.... basically, Ayurveda scriptures say that if the treatment has to be effective, there are four major pillars.... One is the doctor, the second is the patient, the third one is all the helpers, all workers.... And the fourth one is medicine. These four have to be jointly working for the diseased. Then only you get the full result So this has got [be], equally the doctor, the therapist [and medicine], each has almost the same contribution. (DR1)</i> <i>2....one of the trust's activities is that we are using the farms and giving the opportunity to [villagers to] grow the herbs and vegetables. So, they can sell it here; also, they can sell it elsewhere... we have [been] planning for 10 villages for these kinds of activities. This is the first one. After this, we are selecting another village We are giving solar connections for the village. For the students, we are giving them tuition every day. ...as they don't have any electricity in the tuition premises, so, we give them the solar power there. (HHR)</i> <i>3.Indi-Pharmaco is committed to creating an environment where the staff can live comfortably with their families and live using local and natural resources extensively....whereby the community is as self-sufficient as possible and living in close association with nature- this is what leads to a sustainable environment. (HRP)</i></p> <p><u>Unifying System of Values and Guiding Principles (3)</u> <i>1. I am aware that Indi-Pharmaco has a very strong value; I believe in those values andI realise that by living by these values will contribute immensely to my own wellbeing (HHR)</i> <i>2. Self-discipline: I understand that Indi-Pharmaco believes in self-discipline. I am committed to that discipline which will enable the entire Indi-Pharmaco team to live harmoniously and peacefully, as also help in my personal growth and evolution...and I will endeavour to give my best to achieve the vision of 'authentic Ayurveda for wellbeing.(EMP1)</i> <i>3. Absence of Ego: I understand that only teamwork will help Indi-Pharmaco community to grow and sustain; I will keep my ego aside and become an integral part of the team to enable the achievement of the vision(EMP2)</i></p> <p><u>Performance criteria, frequency, evaluators and instrument(3)</u> <i>1.Performance criteria We say it has interpretations because when I actually go to the scriptures, everything is mentioned there. ...But we have to interpret according to the model of and apply it to the current situation. That is, you should be able to interpret and make it happen... Practice in the field. We are still practicing... only a little bit. But it has been explained in that age, but how we are able to interpret and understand thoroughly and interpret and implement it in the present situation –this is our ability. (JDR)</i></p> <p><u>Instrument, evaluator and frequency(3)</u> <i>I am aware that I (as part of Indi-Pharmaco's team) am fully responsible for the patient's wellbeing; and since the patient's wellbeing includes physical, mental, social, environmental and spiritual wellbeing, my work is not restricted to therapy, gardening,; my work includes "doing all (as per the physician's advice) that will make the patient well and happy.(JDR)</i> <i>I know that Indi-Pharmaco is a community; I know that the patient is part of an extended family, and I am fully aware that philosophy of Indi-Pharmaco includes treating the patient as part of the family and making them as comfortable as they would be in their own house.(BD)</i></p>	<p><u>National and Organisational Culture (3)</u> <i>1.The rationale is because this is not just an Ayurveda hospital, I told you, it is a community. So, we want to make the whole community sustainable and available. (DR2)</i> <i>2.So, this is a part of it, it's to make the village people aware of one, of what is available for our service and what is our mission. So, this surely helps them to know what we are doing.(HHR)</i></p> <p><u>Task Variability and Empowerment (3)</u> <i>...believes in the dignity of labour, everybody of willing to do any work that required as of that moment, especially in the absence of the person who is supposed to do the particular work. (JDR)</i> <i>I am looking to lead a good quality of life, and also to serve others, and that is the primary reason I am joining Indi-PharmacoI am willing to do any other work that is required of me, in the interest of the patient, including, but not restricted to front-office, therapy, housekeeping, maintenance, gardening, medicine making, kitchen work, office work, etc. (EMP1)</i> <i>....I am aware that based on need, I will be requested to render my services at any of these hospitals for a specific period of time; and that on a rotational basis my service may be utilised at each of these hospitals.(EMP2)</i></p> <p><u>Informal Learning and Development (3)</u> <i>Here the dynamic is very good...because doctors, they will have a meeting and personally teach staff why we are doing that and how we are doing that. We have more than a mere process... [Only] then they'll understood about the principles (JDR)</i></p>	<p><u>Alignment to Patient Outcomes (3)</u> <i>Basically, what we say is, ...healthy state is not just a stage where there is no disease. It is not like that. A healthy state means that some doshas [imbalances] are there. ... A healthy state is what that spiritual wellbeing is...that environmental well-being...that you are considering... So all these five basic wellbeing statuses [mental, emotional, physical, spiritual and environmental] are required for a person to achieve that. (DR2)</i></p> <p><u>Subjective Assessment and an Individual-outcomes Focus (3)</u> <i>Yeah, it is a physician-based science, it is not a material-based science. So, for one disease, a different physician may treat ten people can give ten different medicines, and ten different medicines will work. (DR1)</i></p>

Note: Figures in parentheses () suggests the least number of observations for that theme in the data

Figure 2: Performance Management at Indi-Pharmaco

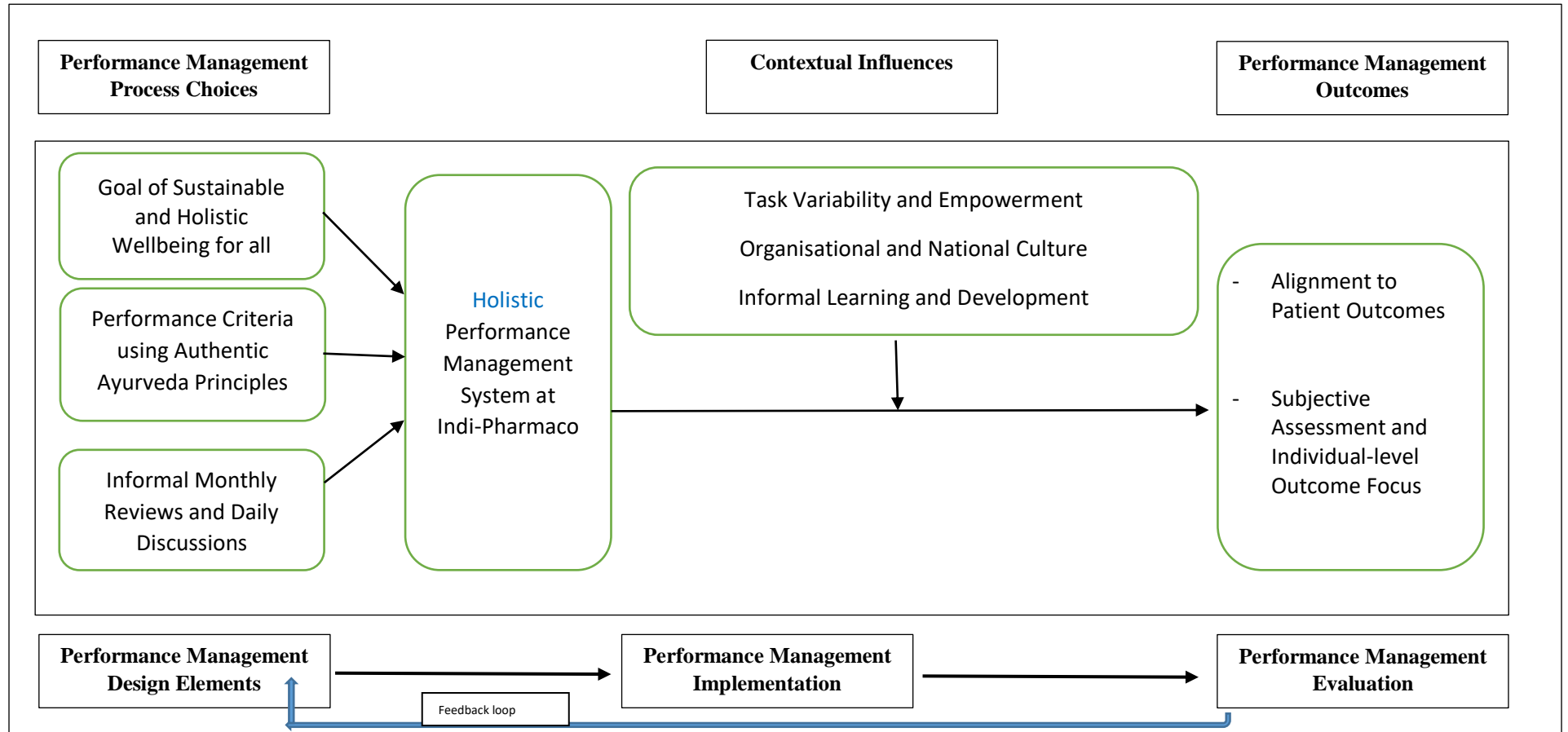


Figure 3: Data Structure at Mod-Pharmaco

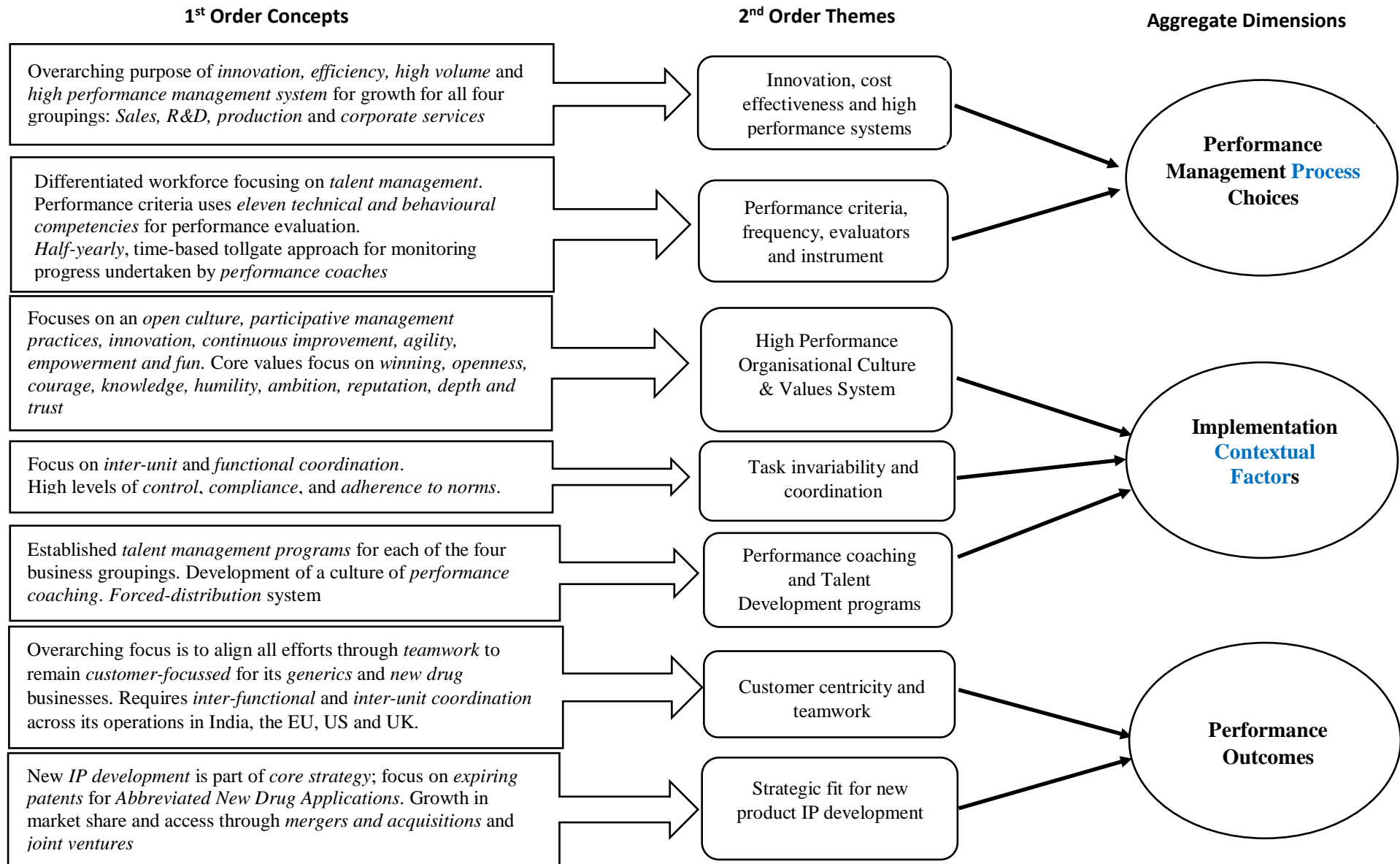


Table 4: Mod-Pharma Data Evidence- Performance processes and choices, contextual factors and performance outcomes

Performance Processes and Choices	Contextual Factors	Performance Outcomes
<p>Goals of Innovation, Cost-effectiveness and High-Performance Systems (4)</p> <p>1. It never grew less than 20% year on year, so he was always at that kind of pace.the big pro is that if you've got a reasonably good organisation which has what, a decent amount of standing in that market, standing I mean in terms of in terms of a bit of legacy....The US and UK combined together to form the bulk of our revenue, almost about 75 per cent plus 15-20 other geographies including India.(BD)</p> <p>2. Exploitation control mechanisms are there. Exploitation is more process-driven. Exploitation, I would say is relatively low tech because the model is in place, the model works, it works well if you flog the model.(HHR)</p> <p>3. Exploration work that our Business Development team does is different. You keep sniffing for opportunities. You reach out to different clients ten times; one time might work out. Fifty guys come to meet you. One guy might ask to make a deal with him. So, those are I would say non-drug discovery exploration. Exploration is about the opportunity.Keep looking for opportunities with an open mind so these buggers have a standard they will keep these people at all times. (BD)</p> <p>4. there's only so much you can flog a dead horse. ...all your portfolio, every product has a life cycle, it reaches the end of the life cycle because somebody creates a better product. We are very big in pain management in any segment of the market where people have maybe a better product at a cheaper price. So, you have to f***ing innovate to stay relevant.(HHR)</p> <p>Performance criteria, frequency, evaluators and instrument (3)</p> <p>1. So, next what we have done is we are working on a cross-functional team which will work on strategy who will pick up a set of hypos [High-potential] who will work as a cross-functional team instead of [individual]... The agenda ... we are trying to sort of focus on them on [their] future path ...Their agenda would be to define the agenda of this company from three to six years onwards.(HR)</p> <p>2.....competencies, such as domain knowledge, system orientation, drive for achievement, interpersonal and team skills, communication skills, leadership skills, creativity and innovation customer orientation, negotiation and influencing skills, customer orientation, business acumen and analytical problem-solving(M)</p>	<p>High-Performance Organisational Culture & Values System (4)</p> <p>1. For example, our Chairman's review came out of need for performance coaching. Look, I want the performance coaching to be a part of the culture in the company, so you start from the stop. So, we have picked up the top 100 people and training them. (HHR)</p> <p>2.so HR does come into picture in terms, of course, recognising the people who are making a significant contribution in terms of their career progression and other incentives around that nature does play a role. Even within that, there are team dynamics in terms of levels of performances and the high performer need to be recognised and rewarded in their areas.(HR)</p> <p>Task invariability and coordination(3)</p> <p>1. Compliance is a major role...the main role of quality...it is compliance.firstly, in development, then in process and then in manufacture.(QC)</p> <p>2. So, if you look at the current US set up, they have a set of standards what they call as quality by design. So, what they say is that by quality standards, they don't mean just the product, they also mean every stage of the process. So, whatever they have broken up the process into various stages including,...a manufacturing facility and outside of the manufacturing facility, which is my canteen, my roads, ...toilets, everything put together. They have standards for everything. So, when we say we say US FDA accredited and MHRA accredited, it means that from gate-to-gate they have [accredited our processes]...(QC)</p> <p>Performance Coaching and Talent Development Programs (8)</p> <p>1.I look at Talent Management and Leadership. What I do on the Talent mapping capabilities.... So, this involves identifying Talent within the company, seeing who needs to be trained Two, [it involves] beefing capability in terms of strategic resource acquisition mapping etc., so what I do is ...talent mapping across the industry. (HR)</p> <p>2. We have forced distribution. We follow the bell curve you know... we do the same... we have the same bell curve for the management as well.... We follow the same system, we will pay our bonuses differently, but we maybe measure performance the same [way]. (HHR)</p> <p>3. Yes, so that is decided every year, and then we decide that the team leaders with their respective junior scientists, through mutual discussion and knowing that what is the project's requirement, frame their KRAs ...reviewing this six-monthly, and depending on the performance achieved on a real scale, ...everybody gets ranked.(IP)</p> <p>4. So we have something called a research trainee scheme like a manager trainee we have a research trainee ladder. So, identify promising doctoral students across the country who enter into that. If research is my strategic area I better...(R&D)</p> <p>5. Yeah, in fact for all the team leaders, the mentoring and the coaching is one of the important key areas.(HHR)</p> <p>6. Then you go to the next level, which is the frontline leaders, frontline manager ...His role is only two things. One is to set the culture in the team. Two is to be a coach. How does he coach his subordinates to groom them to higher levels and how does he coach his subordinates' subordinate. Okay, so he performs a typical Level 2 role. The third is advancing leaders. Now advancing leaders are people who are looking at the senior or the top management, the level above, that is like me. So, our role is how do you manage the resources. (BD)</p> <p>7. ...we put them through an eight-month program. It's interesting, they start off ...with some eight assessments, then a master coach is assigned to them,... Now they have a developmental coach, starts working with them on coaching. They work on a live project, become part of the business plan for next year, they work for eight months because they have to present to the Chairman. (HHR)</p>	<p>Alignment to Customer centricity and teamwork (6)</p> <p>1.Customer-centricity in every action and decision.(BD)</p> <p>2. Yes. It is a hard-core, in-house, sales-driven organisation. We have salespeople, ...marketing people, ...medical marketing people, they go to doctors....it does not work in this way in the USA, [there] the model is that there are three large, let's call them super distributors. ...Three accounts are key accounts- they meet five of the largest customers. So, in the UK, the National Health Service [NHS] is the biggest customer. So, tender business is huge in the UK Government; the tendering process is the focus in the UK.(HHR)</p> <p>3....when I took over in the UK, in our business we were promising things, not delivering, and all kinds of stuff ...was happening. So, I spent six months going in the field visiting every customer, listening to them. They used to make comments like, "You're crap, you're rubbish. We just see you as a, when we need you kind of using when we need you like a use and throw, just a filler. We don't see you as a company we want to build our business with." ... But if you're actually listening to them, what they're saying and then going through more interactive processes of, "Okay, right, this is not right. Okay, what else is not right. Okay, how, what is your expectation? What are you looking for?" rather than say, "I've fixed it all." ... then you're making some points and... what they saw was that okay, somebody came and tried...., "Let's say, okay, well I'm not going to give a zero, but I'd probably leave him at zero, but I won't give a negative score. Okay, I'm very neutral. Let me see what he does." Then, the actions matter. (BD)</p> <p>4....there's a lot of relationship building. Customer service management becomes a very key part of that business. ...We have agreed to a price. For whatever f***ing reason. I have a stock-out, and I cannot supply. I am legally bound to get the source from wherever, at whatever price, and give it to NHS for 10 bucks.(HHR)</p> <p>5.Normally all formulation scientists get a lot of satisfaction with the number of filings and patents the number of ANDAs. Filing is dependent on multiple levels and units of coordination. It can be a manufacturing delay, development delay and several other touchpoints.(PIM)</p> <p>Strategic fit for new product IP development</p> <p>1.Like IP [intellectual property], selection starts from here, but from the strategic planning team.... only market projections and the only business case doesn't make sense because if you know that if for this particular product we cannot do marketing before the particular launch date, or if the product's patent expiry is in 2025 expiry, then there is no point including that product in the [planning] grid [for ANDAs].(PIM)</p> <p>2. Only market projections are not a good way to include it in the target grid of molecules- so we look at products and screen them from an IP side and look at products that give us revenues in 3-4 years.... I would say we have between 70-100 molecules in the list that we work on. ... From a patent perspective and from a higher-level market perspective [we create a list of] the doable products from a patent perspective- we know the technical challenges and its market potential (IP)</p>

Note: Figures in parentheses () suggests the least number of observations for that theme in the data

Figure 4: Performance Management at Mod-Pharmaco

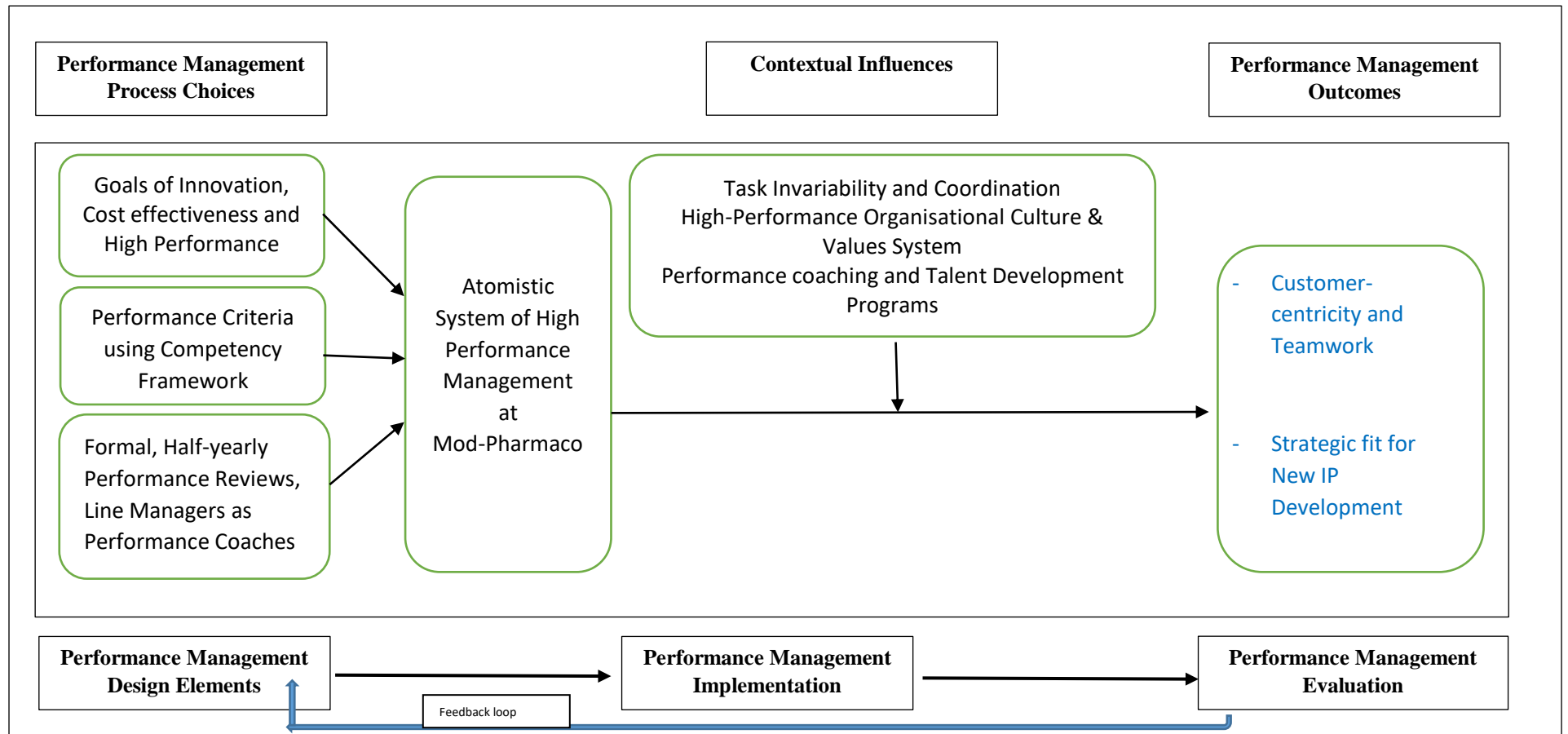


Table 5: Contrasting Aspects of Performance Management

Aspect of Performance	Indi-Pharmaco	Mod-Pharmaco
<i>Overarching Outcome</i>	Patient's holistic wellbeing	Maximising shareholder value Development of new products for enhanced market share
<i>Sub-outcomes</i>	Wellness to include: physical, mental, social, emotional, spiritual and environmental wellbeing	Increased quantity and quality in individual performance. Increase in productivity, profits, market share
<i>Dominant Logic</i>	Harmony and balancing elements	Cybernetic systems model (input-process-output)
<i>Desired state</i>	Equilibrium	Dynamic, a focus on change and growth
<i>Value systems</i>	The focus of the value system is more on the collective sustainability of the patients and the broader community ecosystem comprising staff and individual employees	The focus of the value system is achieving high performance for all through new ideas, extensive planning and execution, innovation, compliance, control and cost-effectiveness in order for economic growth and shareholder value
<i>Approach</i>	Non-linear	Linear
<i>Level of analysis</i>	Holistic, Oneness	Individual, group, organisational
<i>Review frequency</i>	Monthly	Half-yearly and annual
<i>Planning</i>	Present	Medium to longer-term
<i>Performance criteria</i>	Subjective- interpretations may vary for authentic Ayurveda guidelines The sustainable workload for holistic wellbeing and ongoing learning for personalised care	Objective measures (Economic measures of growth, sales targets, product and process innovations, patent applications) Stretch-targets for cost-effectiveness and high-performance coaching
<i>Resources</i>	Collaboration, trust and sustainable use of resources	Collaboration and competitiveness. Exploitation of resources

ⁱ As outlined in the methodology and analysis section, we began with an analysis of interview transcripts of each case organization, separately, and for an unbiased and automated extraction of concepts and themes we used Leximancer 4.5 application. Next, the concepts and themes were explored in Leximancer for validating and further theoretical coding using abductive logic (Corley & Gioia 2004; Gioia et al. 2013). At this stage, from the raw data, theoretical coding of first-order concepts led to the further abstraction of second-order themes which then were further coded into aggregate theoretical dimensions. So, for example, based on the above data analysis approaches, the development of first-order codes of 19 organizational values, sustainability, holistic wellbeing, harmony and sustainable growth, we theoretically coded these as a second-order theme that captured focused on following the overarching performance goal of sustainable and holistic wellbeing. Similarly, the second-order theme of performance criteria, frequency, evaluators and instrument was developed based on the first-order codes focusing on Ayurveda principles, reference criteria in the scriptures and informal notes and patient observations. Collectively then, the first two second-order themes were coded into the aggregate dimension of Performance Management Choices. Once the data structure (Figures 1 and 3) is developed, the next stage is to map the relationships between aggregate dimensions and second-order themes into a conceptual model for Performance Management at each case study organization (Figures 2 and 4).