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# Analysis of Inter-Relationship between Trust, Communication and Commitment and its effect on Work Relationship and Performance: With Special Reference to Indian Pump Manufacturer and Distributor

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**Abstract:** The research aims to measure and analyse the interrelationship between Trust, Communication and Commitment and its effect on Channel Work relationship and Channel Performance between manufacturer and Distributor by studying a sample of 90 Indian pump distributors. Many authors have contributed their research work by studying these three crucial variables-Trust, Communication and Commitment; however their research work has focused mainly on studying the relationship between any of the two variables, without measuring the effect of their output at Work. The current research work that has been carried out to study all the three variables in a single study and its effect on the Work relationship and Performance with respect to Indian Context. We have specifically considered Indian pump Industry's Industrial Segment as it is mainly driven by channel sales where work relationship between manufacturer and Distributor plays a critical role. Being a target oriented industry, Commitment level of both Manufacturer and distributor decides the success or failure of a firm. Our study indicate that Trust and Communication significantly influence the commitment level of both the distributor and Manufacturer and this commitment has positive effect on the work relationship between both the channel partners, ultimately resulting in better financial performance of the channel. Hence in the triadic relationship, Trust and Communication proceeds commitment. Therefore Senior Management of both the channel partners has to create an environment of trust and facilitate effective two way communication with an objective to attain higher level of Commitment so that they can have healthier work relationship and better financial performance.

*Key Words:* Channel Management, Trust, Communication, Commitment, Work Relationship, Performance. *Type:* Research Paper

#### **INTRODUCTION**

Inspite of the need to study all the three inter related variable- Trust, Commitment and Communication in research, many of the literatures discuss only any two variable. Either they study the relationship between Trust and Communication (Stevenson & Gilly, 1991; Ruppel & Harrington, 2000; Harry, 2006; De Ridder, 2006; Rosli & Hussein, 2008) or Trust and Commitment (Ha et al., 2003, p. 456; Tyler & Doerfel, 2006; Welch & Jackson, 2007) or some times between Commitment and Communication (van den Hoff and de Ridder 2004; van vuuren et al 2007; Bambacas & Patrickson, 2008). There is a lack of enough literature which analyse the interrelationship between Trust, Communication and Commitment in dyadic fashion where the views of both manufacturer and distributor is considered for analysis in distributors perspective. We have explained in detail about the definition of Trust, Communication and Commitment, how to measure the same and analysed the inter relationship between them. The effect of these three variables in improving the Channel Work relationship and Channel financial performance between the Manufacturer and Distributor has also been discussed in detail with reference to Indian Pump Industry.

## **REVIEW OF LITERATURE**

#### Trust

Most of the definitions of trust is centered around having confidence on the exchange partner's reliability and integrity (Morgan and Hunt, 1994). Kim (2000) views trust as the dyadic trust where the exchange member's promise is reliable and he/she would fulfill his/her promise at any cost. Hence the level of trust in the relationship is mutually dependent on both the exchange partners.

## **Measuring Trust**

To measure trust, In more than 500 research papers, scholars has used World Values Survey (WVS) / General Social Survey (GSS) Attitudinal survey question which was first introduced by Almond and Verba (1963). The questionnaire reads, "Generally speaking, would you say that most people can be trusted or that you can't be too careful in dealing with people?" to know the level of trust in any relationship. Inspite of the acceptance of the above question to measure the level of trust by many research scholar, Glaeser et al. (2000) has questioned the validity of WVS attitudinal question as a measure of trust. He undertook survey to measure trust and trustworthiness among Harvard students and cross verified the same by conducting an experimental trust game. The findings of the result suggest that compared to standard attitudinal questions, behavioral questions predicts the trust of the individual. Attitudinal questions are best at predicting only at revealing the overall trustworthiness in the society and not trust level of individual.

On contrary Fehr et al. (2002) questions the validity of Glaeser et al. (2000) research results. He argues that we cannot generalise the research finding of Glaeser et al. (2000) that WVS attitudinal question captures only trust worthiness and not trust. This is mainly because Glaeser et al. (2000) has used homogeneous sample of Harvard students for his experiment. In homogeneous population participants create their expectation by introspecting their own behaviour whereas in heterogeneous population like the German household sample used by Fehr et al. (2002), the participants do not introspect their own behaviour and create their expectation. Hence Fehr et al. (2002) research findings proved that WVS attitudinal question can predict the trust of the Individual.

Paol et al (2007) classify trust into trust belief-based trust and a preference based trust. He explains trust as the combination of belief in the trustworthiness of another person and preference of the sender (risk aversion, reciprocity, altruism). He conducted modified trust game and undertook attitudinal measures of trust as per WVS. It was found that trust and trustworthiness is highly correlated. Moreover WVS question is the good measure of trust specifically in economic relevant situation. Basically trust is the belief and responsibility that one has upon the other person and trustworthiness is the trait that how he/she act positively towards the other person. (Ben-Ner and Halldorsson, 2010).

Vázquez et al. (2005) highlights two important type of Type of Trust-Credibility and Benevolence. Credibility means the belief that one partner has upon the other partner regarding his ability to perform the task and Benevolence means trusting the other partner's good intentions. With this understanding of trust as a dyadic trust having both credibility and benevolence, questions were framed that can capture the trust that Distributor have upon the Manufacturer and Manufacturer have upon the distributor in distributors point of view by asking question like "I fully rely on my Pump Supplier's cooperation and support to achieve the sales target" and "My Pump Supplier fully rely on my competence to achieve the sales target" respectively. Though trust and trustworthiness is different, since capturing either one variable is sufficient to predict the nature of the other variable as both are highly correlated as per Paol et al (2007).

#### Communication

In Business Scenario Communication can be defined as the formal/informal sharing of information on time between two firms (Anderson & Narus, 1984) Hence in the context of Channel sales, Communication is nothing but Information Exchange between channel partners where Information Exchange refers to a proper two way communication that exist between Manufacturer and Distributor. It includes Exchange of Information and know-how between both the channel partners like Sharing of ideas, intelligence and Joint knowledge enhancement (Fang Wu et al., 2007, p. 289). The knowledge sharing can happen via Training program, technical and managerial Information sharing by the manufacturer to distributor. Distributor shares Market intelligence to the manufacturer. This information helps the manufacturer to know the local market competence (Fang Wu et al., 2007, p. 289). Fang Wu et al., (2007, p. 289) also cautions that revealing too much information might result in opportunism as the distributor may use the gained knowledge to create alternate competitor products. There are chances that manufacturer might try to sell the product directly or chose alternate distribution channel when he come to know about the end user contact details via the existing distributor. Inspite of these risks Katsikeas et al. (2009, p. 134) highlight the benefits of Information exchange. He explains that when partners exchange high quality information, their productivity increases and they are able to solve more operational problems, thus benefiting their work relationship.

## Measurement of Communication

To measure Communication (Information exchange) between Manufacturer and Distributor, it was checked whether Manufacturer or Distributor is willing to share critical information with each other. Questions were asked to distributor like "My Pump Supplier shares sales leads, Project information that is available with him" and "I Share information related to Market like end user contact details, Project details that is available with me to my Pump Supplier".

#### Commitment

Commitment in the relationship is defined as a long lasting desire to maintain a valuable relationship (Moorman et al.1992). Many literatures on Commitment talks mainly about the organisational commitment that the Employee has with the employer or vice versa. Since the atmosphere of Organisational commitment of the employee towards the employer is almost same as the relational Commitment of the Distributor towards its manufacturer, relevant literature of the former is taken for the later. Distributor can be considered as an employee, Manufacturer can be considered as an employer.

## Measurement of Commitment

Meyer and Allen (1991) were the first to introduce the revolutionary three component model of Organizational commitment. According to them they have classified commitment into affective Commitment, Continuance Commitment and Normative Commitment based on whether the employee want to stay, need to stay, or ought to stay with the organisation respectively. Affective commitment is associated with the employee's emotional bond with the organisation and sharing the values of the same. It is measured by asking question like "I share my values of my organisation" as proposed by Sarah Brown et al. (2011). However this type of question is vague and it is too hard for the respondents to comprehend. For our research we have considered only Normative Commitment. Anderson and Weitz (1992) has identified supplier's commitment to the distributor as one of the pushing forces of Distributor's commitment to Supplier. Work relationship between the partners strengthens if both of them are committed. (Deligonul et al., 2006, p. 802). When the partners are committed they are ready to accept operational and strategic burdens, resulting in lowered risk of conflict. (Ha et al., 2003, p. 456).

Commitment has been considered as dyadic relationship and captured the commitment level of both distributor and manufacturer in distributors point of view by asking questions like "My Pump Supplier shows high level of Commitment by giving pricing support, Support for warranty, Joint Visits etc" and "I am ready to invest more money for my business if my Pump Supplier asks to do so" to Distributors.

## Interrelationship among Trust, Communication and Commitment

Robert and O'Reilly (1974) found that Employee's Trust in Superior affects their Organisational commitment. The study also concluded that there is a positive correlation between Trust that employees have on their Superior and satisfaction level in their Communication between them. Ironically in the same study, Communication and Organisational Commitment is not highly correlated, So they were not statistically Significant. Gopinath and Becker (2000) in their research said that employees under the condition of divestiture shows greater level of organisational commitment when the Management communicate properly. In contradiction to this finding they also reported that communication does not affect commitment. This makes their report inconclusive and self contradictory. Ridder (2006) studied the role of communication and found that healthy Internal communication is positively correlated with Trust with the management and Organisation commitment. Rachid et al. (2011) analysed the gap in the existing literature on the Interrelationship between Trust, communication and Commitment which give only inconclusive result. They took a sample of 244 employees from food processing organisation and after survey and analysis; It was found that there is Inter Relationship between trust and Communication, with commitment having strong relationship with Trust. Meanwhile Inter relationship between Communication and commitment is



Figure 1: Rachid et al.(2011) Model

not statistically significant. They finally concluded that Trust is the center of the triadic relationship and it Precedes Commitment but to build trust there should be proper meaningful two way communication.

## Influence of Trust, Communication and Commitment in Work relationship:

The term Work relationship is generally discussed the most in reference only to the relationship that exist between Boss and Subordinates or among Co-workers. However, It gains its equal importance in Intra Channel Management between Manufacturer and Distributor. Though there are lot of reasons for the sale of a Product/Service to go up or down, Work relationship that exist between the manufacturer and distributor plays a pivotal role in Channel driven sales environment. As per the survey done by Industrial Performance Group Inc (2002), Majority of the Manufactures (82%) and Distributors (92%) said that their sales figures and profitability were affected by issues in the work relationship.

High level of Trust, Communication and Commitment are three important Internal environment for healthier Channel Work relationship. According to Rachid et al.(2011) Commitment is the end result of Trust and Commitment and this commitment level gets reflected in the Work relationship satisfaction between Manufacturer and Distributor. Indian Pump Industry has been considered for our study to analyse the inter relationship between Trust, Communication and Commitment and its impact on Work relationship satisfaction and Channel Financial Performance.

#### **INDIAN PUMP INDUSTRY**

Indian Pump Market is fairly in its mature stage, contributing 2% (Rs 8,500 Crore) of the Global Pump Market (USD 47 billion) in 2014. According to Ken Research (2015), Indian Pump Market estimated to grow at 17.5% CAGR and can even exceed 190.2 Billion in 2019.

Centrifugal pumps continue to dominate the Market, occupying around 95% of the Market share. Positive displacement pumps like Rotary, Reciprocating and Peristaltic hose pump occupy rest of the 5%. (Atish Mukhopadhyaya and Anirudh Reddy, 2012).

There are more than 800 Pump Manufacturers who exports to near about 70 Countries pegging 1,280 Crores in 2014. At least 16% of the Pump Manufacturers is involved in exports. The remaining 84% is into Domestic Indian Supply. Whether it is Indigenous Pump or Imported Pump, Majority of the Domestic Sales happens mainly via channel network as it is one of the most fragmented Industries in India and it lacks scientific planning and controlling its distribution network.

Indian pump Industry is broadly classified into 3 Major segments:

Industrial Segment

- 2. Domestic Segment
- 3. Agricultural Segment

Domestic and Agriculture sector is highly unorganized and lacks proper guidance and support from the manufacturer. The current research is carried only to the Industrial Segment where Majority of Sales happens through distributor network.

#### MARKETING CHANNEL RELATIONSHIP DURING PUMP SALES

In Pump sales via Channel route, Marketing Channel relationship between the channel members gets affected. At times during marketing channel relationships, One of the channel partners might involve in any activity that the other channel partner perceives that it is potentially destructive for the relationship (Hibbard et al., 2001). Whereas during some other time the same channel partner consider another channel partner action as potentially constructive for the relationship. This behavior is due to the low/high level of trust, communication and Commitment that channel partners shares between themselves.

# **OBJECTIVE**

The main objectives of the present research study is

- To study and measure the level of Trust, Communication and Commitment among Indian Pump Manufacturers and distributors and Inter relationship between them.
- To find the effect of these three variables in improving the Channel Work relationship between Indian Pump Manufacturer and Distributor.
- To measure the Channel Work relationship Satisfaction among Indian Pump Manufacturers and Distributors with respect to different regions of the country.
- To analyse the impact of Healthier Channel Work relationship in improving channel financial performance.
- Based on the analysis, suggest suitable recommendation to Indian Pump Manufacturer and Distributor to improve their Channel Work relationship and Channel Productivity.

#### RESEARCH METHODOLOGY

Both Primary and Secondary research was done to find the Inter relationship between Trust, Communication and Commitment and it impacts on Work relationship. Extensive literature review was done to understand how to measure trust, Communication and Commitment via questionnaire. The target respondents were Industrial pump Distributors from all parts of the country. Initially Pilot study was done with 15 respondents to check the reliability and validity of the questionnaire. After the pilot study, questionnaires were modified so that respondents could understand easily and answer accordingly. After finalizing the questionnaire, Sample frame of 6000 Industrial Pump distributors was created by collecting the Contact details of Seniors Mangers of Industrial Pump Distributors from India Mart and Pumps India (www.pumpsindia.com). After this, the distributors were grouped into four Different strata as per their region namely East & Centre, West, North and South. Samples were taken from each and every strata proportionately by using Stratified Simple Random Sampling technique. Data was collected via sending the online survey link and telephonic

survey during April to July, 2016 from 90 respondents of Seniors Mangers of Industrial pump Distributors who interact with Pump Manufacturer regularly.

## **Demographic Analysis**

Out of the total 90 respondents of industrial pump distributors, it was found that 40% of the respondents were selling Centrifugal Pumps and 30% of the respondents were selling Non Centrifugal pump and remaining 30% of the respondents were selling both. It was noted that Industrial pump Manufactures were having single distributor and Multiple distributors in equal numbers with 50% each. Regarding the tenure of the Manufacturer and Distributors relationship, It was observed that 10% of them were in the tenure of Less than 3 Years, 23.3% of them were in the tenure of 3 to 6 Years, 10% of them were in the tenure of 6 to 9 years and 56.7% of them were in the tenure of more than 9 years. It was also found that 20% of the respondents were from East & Central, 40% were from west, 23.3% were from North and 16.7% were from South. The summary of the Demographic profile of the respondents is the given the Table 1.

Table 1
Demographic Profile of the Respondents

Demographic Characteristics		Frequency	Percentage
Pump Sold	Centrifugal Pump	36	40.0
	Non Centrifugal Pump	27	30.0
	Both	27	30.0
Multiple Distributorship	Yes	45	50.0
	No	45	50.0
Manufacturer and Distributor Relationship	Less than 3 Years 3 to 6 Years	9 21	10.0 23.3
•	6 to 9 Years	9	10.0
	More than 9 Years	51	56.7
Region	East & Central	18	20.0
	West	36	40.0
	North	21	23.3
	South	15	16.7

#### RESEARCH HYPOTHESIS

Based on the Literature review, Hypothesis has been framed to test the inter relationship between Trust, Communication and Commitment and its impact on Work relationship and Financial Performance. The following Null-H0(n) and research hypothesis (Alternate Hypothesis)-Hn has been framed and tested to achieve the objective. The same has been graphically represented in Fig. 2 and Fig 3.

Where n=1, 2,3 etc

• H0(1) Null Hypothesis: There is no significant relationship between the Trust that Manufacturer has upon the Distributor and the Trust that Distributor has upon the Manufacturer

- H1 Alternate Hypothesis: There is significant relationship between the Trust that Manufacturer has upon the Distributor and the Trust that Distributor has upon the Manufacturer
- H0(2) Null Hypothesis: There is no significant relationship between the Communication (Information Sharing) that Manufacturer has with the Distributor and the Communication (Information Sharing) that Distributor has with the Manufacturer.
  - H2 Alternate Hypothesis: There is significant relationship between the Communication (Information Sharing) that Manufacturer has with the Distributor and the Communication (Information Sharing) that Distributor has with the Manufacturer.
- H0 (3) Null Hypothesis: There is no significant relationship between the Commitment that Manufacturer shows to the Distributor and the Commitment that Distributor shows to the Manufacturer.
  - H3 Alternate Hypothesis: There is significant relationship between the Commitment that Manufacturer shows to the Distributor and the Commitment that Distributor shows to the Manufacturer.
- H0(4) Null Hypothesis: There is no significant relationship between Trust and Communication H4 Alternate Hypothesis: There is significant relationship between Trust and Communication
- H0(5) Null Hypothesis: There is no significant relationship between Communication and Commitment H5 Alternate Hypothesis: There is significant relationship between Communication and Commitment
- H0(6) Null Hypothesis: There is no significant relationship between Trust and Commitment H6 Alternate Hypothesis: There is significant relationship between Trust and Commitment
- H0(7) Null Hypothesis: There is no significant positive relationship between Trust and Channel Work relationship
  - H7 Alternate Hypothesis: There is significant positive relationship between Trust and Channel Work relationship
- H0(8) Null Hypothesis: There is no significant positive relationship between Communication and Channel Work relationship
  - H8 Alternate Hypothesis: There is significant positive relationship between Communication and Channel Work relationship
- H0(9) Null Hypothesis: There is no significant positive relationship between Commitment and Channel Work relationship
  - H9 Alternate Hypothesis: There is significant positive relationship between Commitment and Channel Work relationship.
- H0(10) Null Hypothesis: There is no significant positive relationship between Channel Work Relationship and Channel Performance
  - H10: Alternate Hypothesis: There is significant positive relationship between Channel Work Relationship and Channel Performance.

- H0(11) Null Hypothesis: There is no significant difference in Average Work Relationship satisfaction between different regions of the country.
  - H11 Alternate Hypothesis: There is significant difference in Average Work Relationship satisfaction between different regions of the country

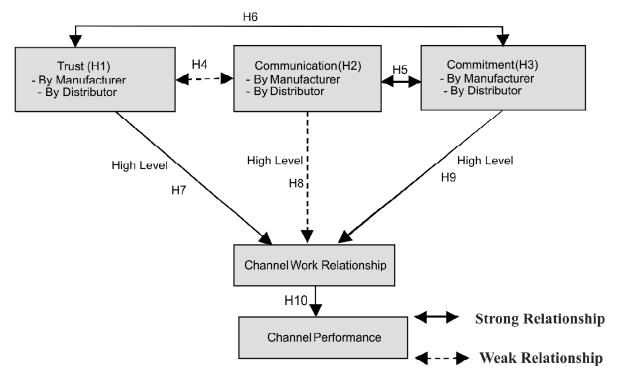


Figure 2: Initial Conceptual Frame Work

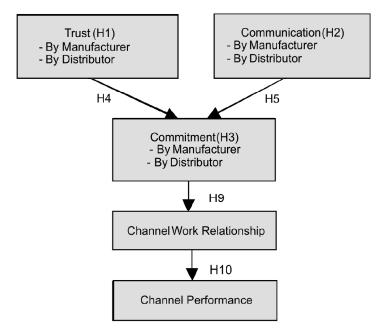


Figure 3: Revised Conceptual Frame Work

#### DATA ANALYSIS AND RESULT

## Interrelationship between Trust, Communication and Commitment by Manufacturer and Distributor

Interrelationship between Trust, Communication and Commitment by Manufacturer and Distributor is shown in Table 1: correlation matrix. All the three variables has been analysed in dyadic fashion where it is found that there is a strong relationship between the Trust that Manufacturer has upon the Distributor and the Trust that Distributor has upon the Manufacturer as the significance value is 0. (Which is <0.05 for 5%level of significance) and Pearson correlation=0.342. There is also a strong relationship between the Communication (Information Sharing) that Manufacturer has with the Distributor and the Distributor has with the Manufacturer as the significance value is 0.000 (which is <0.05 for 5% level of significance) and Pearson correlation=0.408. There is also a strong relationship between the commitment level that

Table 1 Correlations Matrix

		Manufacturer's Trust upon Distributor	Trust upon	Manufacturer's communication with Distributor	communication	Manufacturer's Commitment rer towards Distributor	Distributor's Commitment towards Manufacturer
Manufacturer's	Pearson	1	.342**	.103	.068	.225*	.005
Trust upon	Correlation						
Distributor	Sig.(2-tailed)		.001	.336	.525	.033	.964
	N	90	90	90	90	90	90
Distributor's	Pearson	.342**	1	.408**	.012	.193	.254*
Trust upon	Correlation						
Manufacturer	Sig.(2-tailed)	.001		.000	.914	.068	.016
	N	90	90	90	90	90	90
Manufacturer's	Pearson	.103	.408**	1	.480**	.319**	.165
communication	Correlation						
with Distributor	Sig.(2-tailed)	.336	.000		.000	.002	.120
	N	90	90	90	90	90	90
Distributor's	Pearson	.068	.012	.480**	1	.623**	.351**
communication	Correlation						
with	Sig.(2-tailed)	.525	.914	.000		.000	.001
Manufacturer	N	90	90	90	90	90	90
Manufacturer's	Pearson	.225*	.193	.319**	.623**	1	.578**
Commitment	Correlation						
towards	Sig.(2-tailed)	.033	.068	.002	.000		.000
Distributor	N	90	90	90	90	90	90
Distributor's	Pearson	.005	.254*	.165	.351**	.578**	1
Commitment	Correlation						
towards							
Manufacturer							
	Sig.(2-tailed)	.964	.016	.120	.001	.000	
	N	90	90	90	90	90	90

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed). Source: Based on Primary Survey 2016

Manufacturer shows to the Distributor and Distributor shows to the manufacturer as the significance value is 0.000 (which is <0.05 for 5% level of significance) and Pearson correlation=0.578.

It means that whenever Trust, Communication and Commitment is shown by one of the channel members the other channel member respond accordingly with Commitment showing the strongest response between the channel members.

## Interrelationship between Trust, Communication and Commitment and its Influence

To find the interrelationship between Trust, Communication and Commitment, Hypothesis of H7, H8 and H9 were framed and tested by analysing the responses that we have received from Industrial pump distributors. The SPSS output of Correction Matrix is given in Table 2, where we can find that (a) Trust and Communication (b) Communication and Commitment is highly correlated with Pearson correlation of 0.310 and 0.477 respectively. Compared to other two variable-Trust and Communication, Commitment is highly correlated with Work relationship satisfaction having Pearson correlation of 0.361. Hence we can logically concludes that Commitment is the result of the triadic relationship between Trust, Communication and commitment. It also supports the finding of similar study done by Rachid et al. (2011). However unlike Rachid et al. (2011) study we cannot conclude that Trust precedes Communication and it is the center of this triadic relationship as there is no significant relationship between Trust and Communication in our study. We have given the revised model to show the interrelationship between Trust, Communication and Commitment as shown in Fig 5. So we accept our research hypothesis that there is significant relationship between (a) Trust and Commitment (b) Communication and Commitment. Meanwhile we reject our research hypothesis that there is no significant relationship between Trust and Communication.

Table 2 Correlation Matrix

		Trust	Communication	Commitment	Work Relationship Satisfaction
Trust	Pearson Correlation	1	.108	.310**	.264*
	Sig. (2-tailed)		.312	.003	.012
	N	90	90	90	90
Communication	Pearson Correlation	.108	1	.477**	.139
	Sig. (2-tailed)	.312		.000	.190
	N	90	90	90	90
Commitment	Pearson Correlation	.310**	.477**	1	.361**
	Sig. (2-tailed)	.003	.000		.000
	N	90	90	90	90
Work Relationship	Pearson Correlation	.264*	.139	.361**	1
Satisfaction	Sig. (2-tailed)	.012	.190	.000	
	N	90	90	90	90

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (2-tailed).

Source: Based on Primary Survey 2016

<sup>\*.</sup> Correlation is significant at the 0.05 level (2-tailed).

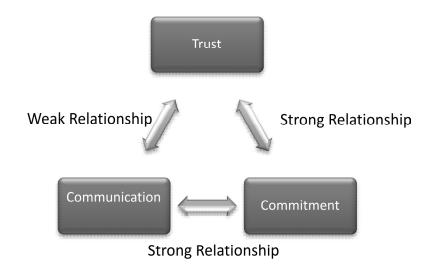


Figure 4: Inter Relationship between Trust, Communication & Commitment

Source: Based on Primary Survey 2016



Figure 5: Revised Model

Source: Based on Primary Survey 2016

To find the strength of influence of Commitment in Work relationship satisfaction, linear regression was performed and it was found that Commitment level of both manufacturer and distributor has significant positive impact on their Work relationship satisfaction. The SPSS output is given in the Table 3 where Adjusted R square is 0.121, denoting that Commitment is influencing 12.1% in Work relationship satisfaction. So we accept the research hypothesis that there is significant positive relationship between Commitment and Channel Work relationship.

Table 3
Strength of Influence of Commitment in Work Relationship

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.361ª	.131	.121	1.849

a. Predictors: (Constant), Commitment *Source*: Based on Primary Survey 2016

It was also found that Work relationship satisfaction is significantly impacting the Channel performance through Cross tabulation between the two as shown in Table 4. We can find that out of 15 respondents

who are unsatisfied with the Work relationship, 9 (60%) of them have witnessed that their company is financially is doing not well. Out of 75 respondents who are satisfied with the Work relationship, 63(84%) respondents has witnessed that they are financially doing well. Both the sample findings conclude that when distributors are satisfied with the work relationship that they share with the manufacturer, they are financially doing well and vice versa. We can generalise our sample findings to the population by performing chi square test (Ref: Table 5). Since the Person Chi square value of 0.000 is less that 0.05 (for 5% level of significance) we reject the null hypothesis and accept our research hypothesis that there is significant positive relationship between Channel Work Relationship and Channel Performance (H10).

Table 4
Work relationship Satisfaction \* Financial Performance Cross tabulation

			Financial Performance		Total
			Poor	Healthy	
Work relationship Satisfaction	Unsatisfied	Count	9	6	15
		Expected Count	3.5	11.5	15.0
	Satisfied	Count	12	63	75
		Expected Count	17.5	57.5	75.0
Total	Count	21	69	90	
	Expected Count	21.0	69.0	90.0	

Source: Based on Primary Survey 2016

Table 5 Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	13.528ª	1	.000		
Continuity Correction <sup>b</sup>	11.180	1	.001		
Likelihood Ratio	11.648	1	.001		
Fisher's Exact Test				.001	.001
Linear-by-Linear Association	13.378	1	.000		
N of Valid Cases	90				

a. 1 cells (25.0%) have expected count less than 5. The minimum expected count is 3.50.

Source: Based on Primary Survey 2016

We have also checked whether the Work relationship satisfaction level is same throughout the country or is there any difference in the Work relationship satisfaction with respect to different regions of the country. We have performed ANOVA where we have considered Different Regions of the country as independent variable and Work relationship satisfaction as dependent variable. The result is shown in Table 7, which indicates that there is significant difference in the Work relationship satisfaction level between Western part of the country and Southern of the country. This is further explained by Table 6 which shows

b. Computed only for a 2x2 table

the mean satisfaction level of all the 4 regions of the country. Hence by analysing both the tables we can conclude that, South is having the lowest Satisfaction level (62%) and West is having highest satisfaction level (81.7%). So we accept our research hypothesis that there is significant difference in Average Work Relationship satisfaction between different regions of the country (H11).

Table 7
Work Relationship Satisfaction levels of Different regions

				95% Confidence Interval for Mean					
	N	Mean	I Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
East & Central	18	7.50	.985	.232	7.01	7.99	6	9	
West	36	8.17	2.145	.357	7.44	8.89	3	10	
North	21	7.57	2.181	.476	6.58	8.56	3	10	
South	15	6.20	1.521	.393	5.36	7.04	4	8	
Total	90	7.57	1.972	.208	7.15	7.98	3	10	

Source: Based on Primary Survey 2016

(I) Region	(J) Region	Mean	Std.	Sig.	95% Confid	ence Interval
., 0	<b>2</b> /	Difference (I-J)	Error		Lower Bound	Upper Bound
East & Central	West	667	.544	1.000	-2.13	.80
	North	071	.605	1.000	-1.71	1.56
	South	1.300	.658	.309	48	3.08
West	East & Central	.667	.544	1.000	80	2.13
	North	.595	.517	1.000	80	1.99
	South	$1.967^{*}$	.579	.006	.40	3.53
North	East & Central	.071	.605	1.000	-1.56	1.71
	West	595	.517	1.000	-1.99	.80
	South	1.371	.637	.204	35	3.09
South	East & Central	-1.300	.658	.309	-3.08	.48
	West	-1.967*	.579	.006	-3.53	40
	North	-1.371	.637	.204	-3.09	.35

<sup>\*.</sup> The mean difference is significant at the 0.05 level.

Source: Based on Primary Survey 2016

## MANAGERIAL IMPLICATIONS AND CONCLUSION

The findings of the study have given certain critical conclusive results which have it relevance to Managerial implications. Our findings say that the level of Trust, Communication and Commitment shown by the Manufacturer is highly correlated with the level of Trust, Communication and Commitment shown by the Distributor. Hence we can conclude that the Senior Managers of both Manufacturer and Distributor has

to initiate the triad to bring the climate of Trust, Communication and Commitment in their Work relationship as they shall get it back in return. Though in general we wait for the other person to share any critical information and then we respond accordingly, our finding suggest that there is no reason behind this approach as any how the other person will respond whenever we initiate something.

Our findings also reconfirms the previous research findings by Rachid et al.(2011) that Commitment is the final result of the relationship between Trust and Communication as the former is closely correlated with later. Trust and Communication has a significant impact on the commitment level of the Channel partner. When one channel partner lacks trust upon the other channel partner, they resist the influence of the other channel partner on them and refuses to stay committed in their relationship. Senior management fail to listen to their subordinates which demotivates the subordinates to express their genuine feedback and stop the climate of communication in the organization, resulting in reduced commitment from the workers towards their work. Hence the manufacturer has to bring the climate of trust and communication between them and the distributor so that the distributor would naturally commit themselves to the assigned task.

More over the Commitment significantly influence the Work relationship satisfaction and consequently improves the Channel financial performance. Hence we can conclude that in the triadic relationship, senior managers of both Manufacturer and distributor has to create an environment of trust and Communication with an objective to attain higher level of Commitment by both of them to have healthier work relationship and better financial performance.

#### LIMITATIONS AND SCOPE FOR FUTURE RESEARCH

Like in any research study, the present research is having few limitations. Firstly, we have measured Trust, Communication and Commitment from Manufacturer and Distributor in Distributors Perspective. Ideally, these three critical variables should have been measured from Manufacturer and Distributor separately and then compare it for analysis. Due to limited access to the manufacturers of Indian Pump Industry, we have restricted our target population only to Indian pump distributor. Secondly, we can generalise the study only to channel Work relationship and not to other form of work relationship like the one exists between boss and subordinates as the context and perceived definition of critical variables differ.

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