

Organization Growth and Sustenance from Innovation Ability of Organization: a correlation Study of Leading Indian Automobile Organizations

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Abstract: Indian automobile sector has seen consolidation of market share, perseverance and growth of the business. Automotive business successfully faced fierce competition from MNC's as well as established export business opportunities. Indian Automotive industry is performing in developing economy which is having significantly lower cost base and appropriately specs products compare to developed economies products are considered high specs and having the higher cost base. The present paper is study of successful organizations in Indian automobile industry. The study of Indian automobile organization clearly reveals that there is strong correlation exist between innovation ability and organization growth and sustenance. However, it is also observed during this study that balance of number of new product launches are at the core of the strategy of successful automobile organizations in India. Organizations which are having excellent new platform launches history and if organizations are having internal issues it affects the organizational growth and sustenance from the new products. Innovation is enabler to organizations growth in terms of revenue and sales however, profitable growth is effect of complete operation performance. This study also revealed that in order to grow and sustain, Indian automotive OEMs are spending more effort on innovation initiatives for creation of new platforms and new products development / launches.

Keywords – Organizational Growth and sustenance, Automobile, Innovations, Sales Growth, Successful Indian Automobile organizations

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I. Introduction

Indian Automobile Industry has experienced the sea change since 1940 from first Indian made automotive on the roads to present day. Many new initiatives and innovations in the industry made significant contribution to Indian economy as well as development as one of world's largest automobile market space. However, despite progress, Indian automobile industry is highly influenced by western automotive organizations (Europe, USA, UK) and perceived as fast follower in terms of innovation. Perception about the innovation is largely being built because of misinterpretation of Indian automobile industries way of achieving their strategic objectives. Frugal Engineering is having more prominent place in the Indian automotive industry than disruptive technological breakthroughs. Historically, Hindustan Motors and Premier Fiat (Collaboration of Walchand Group and Fiat Italy) were the only leading automobile companies producing passenger cars in India until 1981. Hindustan Motor's "Ambassador" and Premier Fiat's "Padmini" models were almost dominating the Indian passenger car market. [1] However, around 1980's Indian government setup a company called Maruti Udyog Ltd. in collaboration with Suzuki Motors of Japan. Maruti Suzuki India launched its first compact Maruti 800 small car in 1983 and subsequently other car models which made Maruti Suzuki a hot selling car brand in India. Maruti Suzuki cars are popular in the Indian market for fuel efficient, reliable and compact cars. Over the time these cars crossed all the barriers in the market and become no 1 car maker leaving both Hindustan Motors and Premier Fiat way behind with their innovative marketing, product launches and refreshingly new models. Company also ensured best in class after sales services which were highly appreciated by Indian customers. Maruti Suzuki's products made Hindustan Motors and Premier products almost marginalized in the market within decade and half. Interestingly, both Hindustan Motors and Premier Fiat never tried anything new, innovative initiatives to counter deteriorating market share and gain the customers confidence back, they just kept unchanged and now both the companies are closed their operations. Premier gave second attempt of revamping with new compact SUV in the market unsuccessfully.

Deeper thinking on above example suggests that innovation is important ingredient for growth and sustenance of the organizations. It is imperative for organizations to respond to changing business environment to be significant and sustain.

Indian automobile industry sector has experienced consolidation of business, perseverance and growth of the business. Automotive business successfully faced fierce competition from MNC's in domestic market as well as established export business opportunities. Indian automotive market study and renown expert's opinions suggest that innovations are needed for following considerations,

- New discoveries and strategies to drive growth and survival are needed innovations. In order to adapt change, firms need to be innovative and must have ability to convert innovative ideas into business success.

- Dynamic business environment requires greater flexibility and innovation effectiveness. Quality, shorter development cycle and owned resource were considered business strength in the past. In today's business environment, all these parameters are default and customer expects not to pay extra for the same. In order to fulfill changing customer expectations, it is must to relook at business models i.e. how business makes profit. Innovation of new business model will help to build business flexibility.

- Efficiency is no longer enough. Organic growth is critical to achieve the breakthrough results. Organizations which are innovative can be able to renew the business practices to make the organic growth possible. KPMG's Global Executive Survey 2015 clearly revealed that 67% global CEO's expressed organic growth is their topmost priority. [2]

- Innovation success are now expected or demanded by the customers and business analysts.

- As mentioned in the "Future of India – the winning leap" by PWC, in order to achieve the economic growth target India needs to focus policies based on new solutions. It needs to crease business environment which will support the innovations and new ideas. [3]

- Global Automotive Industry is observing shift in center of gravity toward Asian region per Booz & Company's report. In 1980 North American market was the biggest in world and it is estimated that by 2020 Asian market will be biggest in the world. Indian automotive industry is at the advantageous position, provided industry can face the challenge of innovating technology, alignment of talent and assets. [4]

However, it is open secret that innovation is business growth fuel, however, there is no known empirical correlation available for Indian automotive industry based on literature review. This paper is attempting to revealing co-relation of business growth, sustenance and innovation for successful Indian automotive organizations.

II. Literature Review

Literature review primarily focused on the research related to understanding co-relations of innovations, importance of innovations and technology shift in the automobile industry in India and in general.

In the context of developing markets and countries, customer requirements are unique and different from developed economies. Developed economies products are considered high specs and having the higher cost base compare to developing economies which are having significantly lower cost base and appropriate specs products. It is automotive companies in Indian market having core business model which is aligned to context of cost and specs is yielding profits to companies. Affordability, Accessibility, Addressing, Attraction and Actualize are the major inspirations for innovations based on research of Indian automobile industry. [5]

It seems that innovation and business growth is having strong positive correlation, however, the ways of achieving the results are peculiarly different in Indian automobile industry. more innovative firms do indeed grow faster (as measured by the percentage of sales coming from new products, a common measure of innovation success) [6] Frugal innovation is an inclusive approach to innovation that maximizes value for customers, shareholders, and society – while significantly reducing the use of financial and natural resources in countries. [7]

The research assessment suggests that there will be relatively few winners in the auto industry during the next five years and beyond. Those that do stand out will be the companies that harness their limited capital resources in creative ways, to navigate a still-unfolding and unfamiliar landscape. [8]

Innovations in developing countries like India do not tend to involve technological breakthroughs, which drive innovation in developed countries [9, 10, 11]. They rather involve novel and innovative combinations of existing knowledge and technologies in order to solve local problems. [12] Indian examples include Tata Motor's Nano, a car that comes with such convenience and safety features as power steering, air conditioning, antilock braking, air-bags, or a passenger-side mirror. With the Nano selling at around \$2,200 [13], despite cheapest car on offer, it is the not the most successful or popular car in the market.

Globally, Automotive industry is going through a major technology shift toward Electrical vehicles and innovation in the EV technology by automotive companies is the key response to this shift, this correlate the innovation is key to organizational growth and alignment for sustenance in dynamic technology environment. [14]. Indeed, what is particularly notable about the current wave of innovation in automobiles is not so much the speed with which it has emerged (though that is remarkable) as the breadth of the innovation — how much it is altering the basic contours and features of the traditional automobile and amplifying the difficulty and cost of manufacturing cars. [15]. Breakthrough and disruptive innovations are having uncertainties and unknown,

structured inclusive technology development approach helps in reducing the risk and control the impact of risks if occurs during development process. [16]

The process of innovation is consequently considered to be one of the critical issues in comprehending growth. [17] Frugal-innovations, with their genesis mainly in India, are accordingly becoming popular in emerging and developed economies due to their lower costs and no-frills structure. [18] Innovations occurring in emerging economies tend not to involve technological breakthroughs of the kind that drive innovation in developed countries. They do, however, involve novel and innovative combinations of existing knowledge and technologies to solve pressing local problems and the use of new processes and business models. [19] The study conducted in China market indicates that firm innovation capability is related to long-term corporate growth. [20] Agility is the major influencing factor which enables growing organizations to differentiate themselves from competition. Organizations innovation capability permit organization to obtain the flexibility of responding to dynamic market expectations to achieve innovation- driven growth.

Lots of literature is available on innovation and need of the same for business, however, the relationship between innovation and business growth, sustainability remains largely unexplored in the literature. There are few evidences available which attempts to co-relate innovations and business growth and sustenance, however, they are in the context of different business environment and industry sectors. This paper is attempted to finding the co-relation of innovation with organizational growth and sustainability in the context of Indian automobile industry.

III. Methodology And Theoretical Framework

Extensive studies are available on innovations and each are having its own logical explanation. In order to normalize the data and its analysis, this study is being performed based on proposed methodology explained below,

This study is based on populations of 820 automotive OEM (69) and automotive components and tier 1 companies (751). In order to get meaningful outcome and analysis, this study is restricted to Indian automobile market successful organizations which are selected based on pre-decided selection criteria.

Selection Criteria of Samples:

- Organization must be Indian origin or running operation in India for considerably longer duration having major manufacturing operation in India. No of Organization 820 (69 OEMs, 751 Auto Components)
- Organization must be in business for more than 25 years and must be listed on Bombay Stock Exchange. No of organization 93 (21 OEMs, 72 Auto Components)
- Sales turnover of organization must more than INR 500 Crs (INR 5000 Million). No of Organizations 56 (16 OEMs, 40 Auto Components)
- Data availability and information availability on Organization website. No of Organizations 31 (10 OEMs, 21 Auto Components)
- Organization significant to study. No of Organizations 11 (7 OEMs, 4 Auto Components)
- The samples representing two-wheeler, passenger car, Commercial vehicle manufacturers as well as automotive component manufacturer in the category of precision components, sub systems, general machined components are used for analysis.

Data Collection:

The data presented in this study is collected from secondary sources like Bombay Stock Exchange website, company websites and media reports mainly in the form of annual reports, business update reports and independent analysis expert's organizations website and analysis reports.

Last 10 years data collected and used for this study.

Data Analysis

Annual report is extensive information source for this study. However, the form and presentation of information of each organization is different and needed good amount of efforts to get all the data in homogeneous and common form. New products definition is largely based on innovation definition presented in this paper and compiled data accordingly.

Collected data is analyzed for co-relations analysis using software tool Minitab 18. ANOVA model is built to understand the interactions of various innovation parameters.

Hypothesis Testing

Test 1

Objective: Finding the co-relation / Influence between response variable "Revenue Growth (Organizational Growth)" and innovation drivers

Null Hypothesis: Ho: Innovation Ability (X) does not affect Organizational Growth (Y)

Alternate Hypothesis: Ha: Innovation Ability (X) does affect Organizational Growth (Y)

Response Variable : Rev Growth i.e. YoY % Rev Growth
Factors (Inputs) : No of Patents, Sales Growth, EPS, New Product Launches,
New Platform Launches

Confidence Level $\alpha = 0.05$

Test 2

Objective: Finding the co-relation / Influence between response variable "PAT Growth (Organizational Sustenance)" and innovation drivers

Null Hypothesis: Ho: Innovation Ability (X) does not affect Organizational sustenance (Y)

Alternate Hypothesis: Ha: Innovation Ability (X) does affect Organizational sustenance (Y)

Response Variable : Rev Growth i.e. YoY % Rev Growth
Factors (Inputs) : No of Patents, Sales Growth, EPS, New Product Launches,
New Platform Launches

Confidence Level $\alpha = 0.05$

Terms and meanings:

Several experts defined Innovation is several different ways, however, for this paper adopted innovation definition is "Innovation is the creation of a viable new offering". [21]

In this study, firm innovation capability definition is adopted from Chandler et al. study as "the potential ability of an organization to position itself in an arena of modernism such as new product development, technology and other advancements that result in competitive advantages over its rivals." [22]

Profit and Profit after tax (PAT) is the financial annual profit from organization's operation as declared in annual report of organization and terms are being used interchangeably.

Sales Revenue, Revenue growth of the organization is annual income in terms of local currency declared in annual report of organization from organizations operation and terms are being used interchangeably.

Sales growth, units sold are the number or unit products sold by organization from its manufacturing operation as declared in organizations annual report and terms are being used interchangeably.

New Product Launches (NPL), new products are the new offering to market on specific year by the organization including new variants, new platforms or new technologies as declared in annual report of the organization and terms are being used interchangeably. New products launches are considered as innovation initiatives for this study.

Earnings Per Share (EPS) is the financial terms which measures companies earning per equity share.

No of patent data is collected from subscription sources like PatBase.

Innovation Ability: Innovation ability of organization is a function of creation of new knowledge (no of patents), New product launches, new platform launches, earning per share increase as a result of internal initiatives and sales growth as response to new product launches in addition to other actions.

Original Equipment Manufacturer (OEM) is the company which deliver final integrated product to customer in usable form for the intended purpose. Terms Vehicle Manufacturer, OEM are used interchangeably.

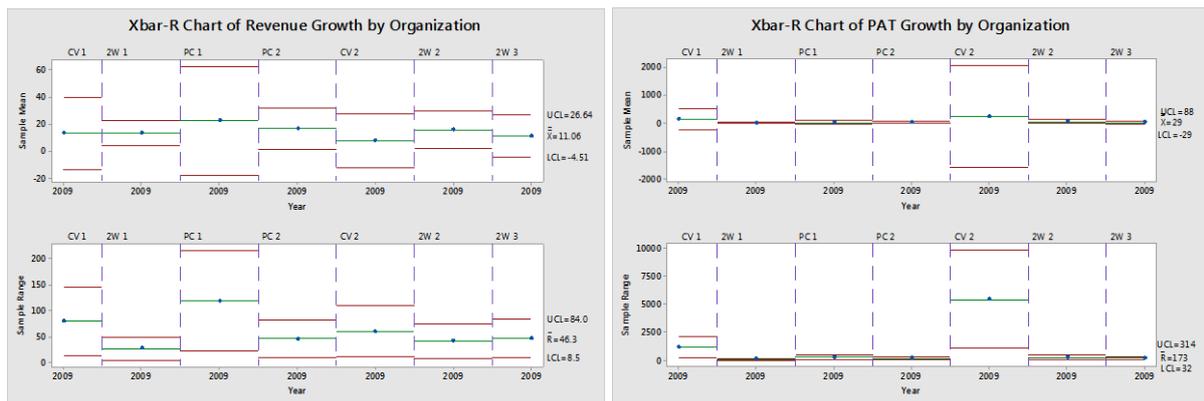
Tier 1, Auto Component Manufacturers are the organizations which are significant and important part of automobile supply chain and they supply components, systems or sub-systems predominantly to automotive OEM for vehicle manufacturing and / or to aftermarket for service of vehicle. Term Tier 1 and auto component manufacturer is used interchangeably.

In this study, organizational growth is defined as financial revenue growth from operation including sales growth over the time is considered as organization growth. Growth, revenue growth and organization growth are used interchangeably.

Organizational sustenance is defined as the ability of organization to reinvest, return to shareholders and implement resources from the margin earned from operation, products sales i.e. profit over the time. Terms Profit, Profit After Tax (PAT), Margin are used interchangeably.

IV. Analysis Results And Observations Discussion

The response variable Revenue Growth and PAT growth is individual values are plotted on Xbar R chart to understand the range and mean. Based analysis it seems that range and mean of revenue growth data is falling in +/- 3 σ (std deviation) limit.



Both the Revenue growth and PAT growth having higher range within the groups, however mean of the groups closer, which proves that the selection of samples is good.

As mentioned in selection criteria of organizations for study, available data is analyzed for different organizations from different automobile industry sections like 2-Wheeler, Passenger Cars, Commercial Vehicles and automotive component industry. Organizations names are masked for confidentiality reason.

Analysis is done for data collected over the last 10 years or more. Generally, financial data is available in the common form however, new products data is not available in the common form and not clearly standardized in information sources. In order to have normalize the data for analysis, some data is being transformed into standardized form.

Initial simple correlations study performed to understand the factors of interest and their positive or negative influence on the organizations profit and revenue growth.

CO-RELATIONS ANALYSIS : REVENUE GROWTH AND OTHER FACTORS

Factors		Revenue Growth
Patents	Pearson Corelation	-0.119
	P Value	0.352
Sales	Pearson Corelation	0.838
	P Value	0
EPS Rs.	Pearson Corelation	0.091
	P Value	0.48
NPrL	Pearson Corelation	-0.308
	P Value	0.014
NPLLau	Pearson Corelation	-0.151
	P Value	0.237

Co-relation study is done to understand the effect of factors on revenue growth. It is clear that sales growth is having strong positive correlation with revenue growth and new product launches and New Plat form launches are having weak negative co-relations with revenue growth. As mentioned in the earlier section, there are many factors which influence the revenue growth of the organizations than the factors considered in this

study. This study is mainly focusing on innovation ability of organization and growth or sustenance of the organization in response.

CO-RELATIONS ANALYSIS : REVENUE GROWTH AND OTHER FACTORS

Factors		PAT Growth
Patents	Pearson Correlation	0.002
	P Value	0.99
Sales	Pearson Correlation	0.33
	P Value	0.008
EPS Rs.	Pearson Correlation	-0.312
	P Value	0.013
NPrL	Pearson Correlation	-0.072
	P Value	0.577
NPLLaU	Pearson Correlation	0.024
	P Value	0.85

Correlation study of various factors reveals that sales growth, no of patents, New Platform launches are having positive influence and new product launches are seems to be having negative influence on the profit growth of the organization. Organizations profit is having multiple influencers and it is not restricted to only innovations so the it calls for further study.

After data standardization, the data is further analyzed for correlation with various parameters like NPL to PAT, Revenue and sales growth, which is presented in this study.

ANOVA Model is being built as below for Test 1 i.e. for Revenue growth

Factor	Type	Levels	Values
No Of Patents	Fixed	2	High, Low
Sales Growth	Fixed	2	High, Low
EPS	Fixed	2	High, Low
NPL	Fixed	2	High, Low
New Platforms	Fixed	2	High, Low
Organization	Fixed	7	2W 1, 2W 2, 2W 3, CV 1, CV 2, PC 1, PC 2

Data is normal, randomly distributed as well having almost equal variances based on the statistical test. Results of ANOVA Model

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
No Of Pater	1	14	13.95	0.09	0.768
Sales Growt	1	7089.4	7089.4	44.67	0
EPS	1	135.9	135.88	0.86	0.359
NPL	1	911.9	911.91	5.75	0.02
New Platfori	1	27.4	27.42	0.17	0.679
Organization	6	1033.9	172.31	1.09	0.383
Error	51	8093.5	158.7		
Lack-of-Fit	41	6778.4	165.33	1.26	0.367
Pure Error	10	1315.2	131.52		
Total	62	17072.3			

Model Summary

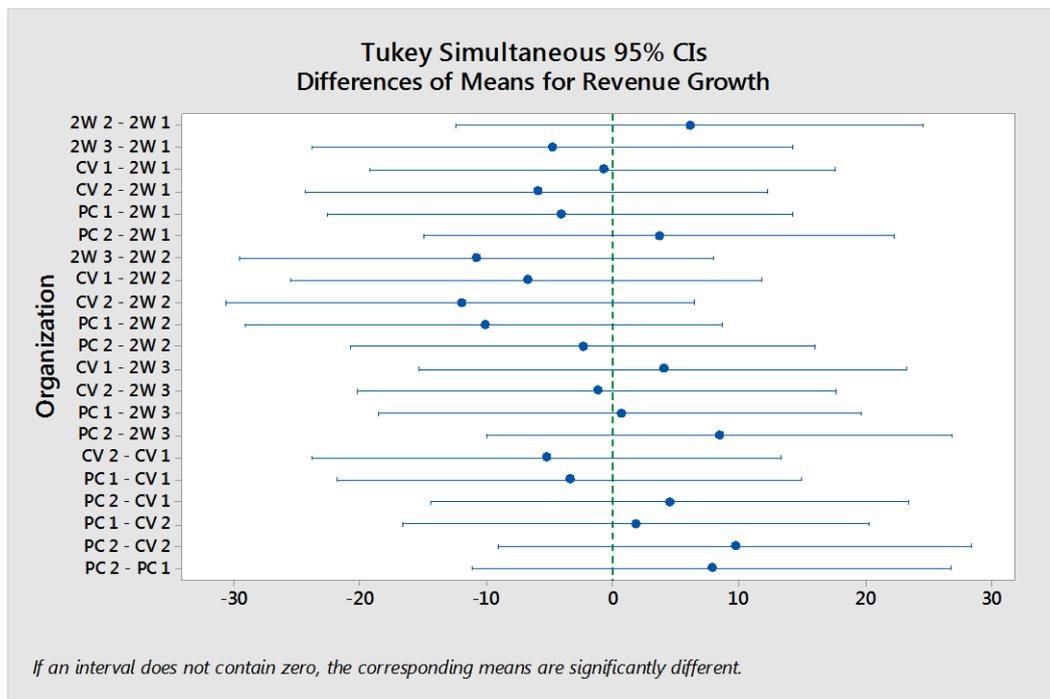
S	R-sq	R-sq(adj)	R-sq(pred)
12.5975	52.59%	42.37%	27.25%

The organizational growth is having multiple factors including external environment as well as internal factors, which effect the residual of correlations.

It is clear from the analysis that organization revenue growth is influenced mainly by Sales growth and New Product launches. P value for this factor lower than α which signifies that these factors greatly influencing the organization growth.

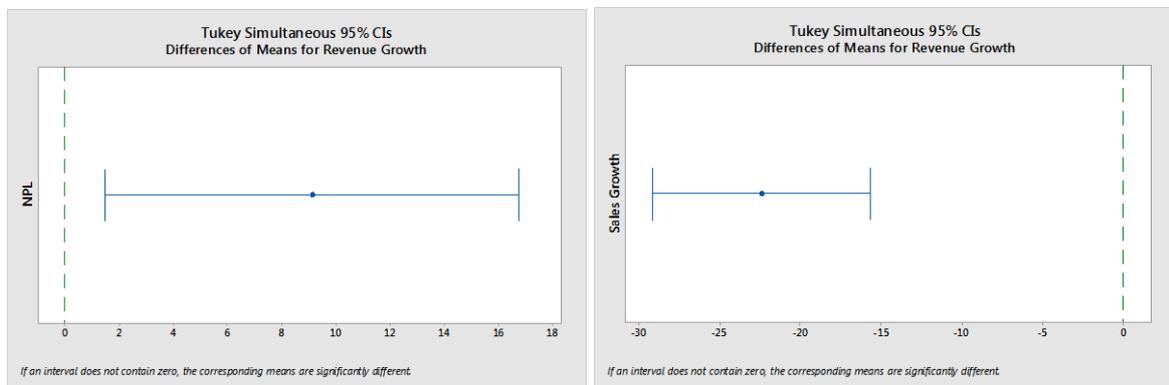
Tukey's test is also conducted to compare differences of means at 95% confidence level between the organizations. Statistically, it can be said that there is no significant difference between means of the revenue growth of organizations. However, actual revenue of each organizations can be significantly different compare to revenue growth.

This study is conducted on successful Indian automotive organizations, so the revenue growth mean is correlating very well within the organization and as expected there is no significant difference observed in the Tukey difference of mean test as well.



Graph 1: Difference of means of revenue growth of various samples organizations.

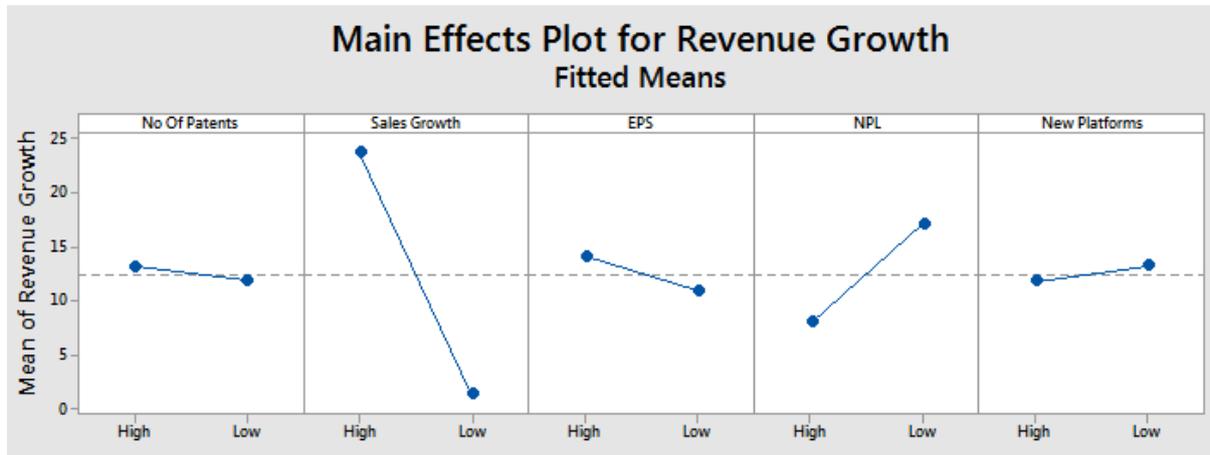
Factors comparisons test, New Product Launches and Sales growth are having significant mean difference which clearly states that these two parameters seem to be having the influence of organizational growth.



Graph 2: Difference of means of revenue growth for NPL and Sales Growth for samples organization.

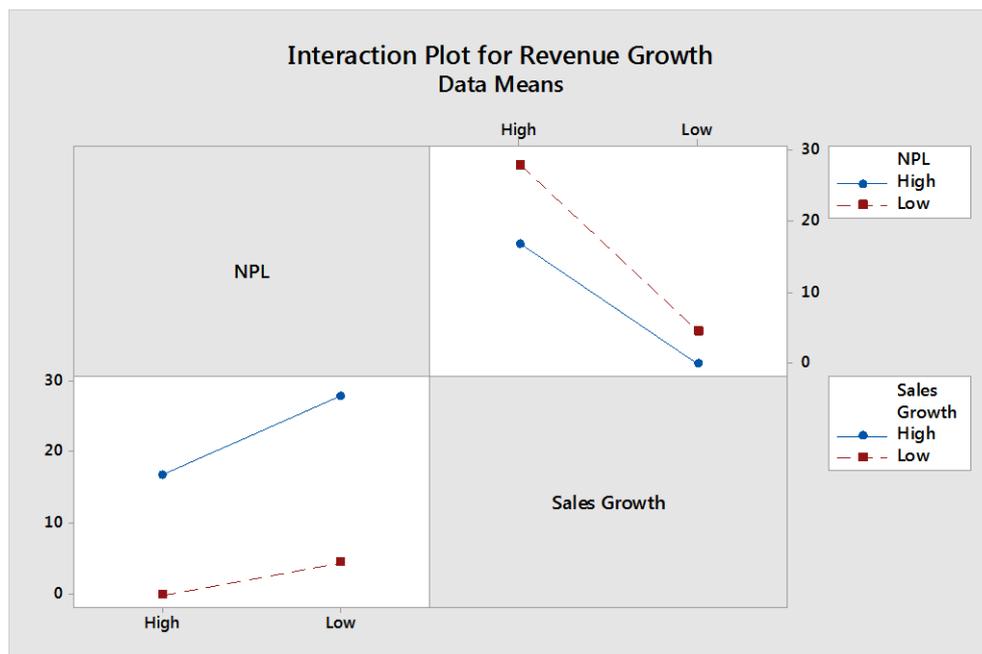
Main effect plot reveals that new product launches are having negative impact on organizational growth, however, sales growth is having positive significant impact on revenue growth. It can also be noticed that the new platform launches seems to be having positive co-relation with organizational growth. It is also been

observed from data that any new platform launch in samples companies seems to get its good results over the period with launch of new variants which we termed as new products.



Graph 3: Main Effect plot of various factors on revenue growth of sample organizations

Interaction between the New product launches and Sales growth on revenue effect explains that more number of new products launches might taking sales growth down which affect the revenue growth. Sales growth is having significant impact on revenue growth.



Graph 4: Interaction plot of various factors on revenue growth of sample organizations

It is always advisable to balance the new product launches to achieve revenue growth objectives of organization.

Similar Anova model built and solved from Profits or sustenance of organization.

ANOVA Model is being built as below for Test 2 i.e. for PAT growth

Factor Information		
Factor	Type	Levels Values
No Of Patents	Fixed	2 High, Low
Sales Growth	Fixed	2 High, Low
EPS	Fixed	2 High, Low
NPL	Fixed	2 High, Low
New Platforms	Fixed	2 High, Low
Organization	Fixed	7 2W 1, 2W 2, 2W 3, CV 1, CV 2, PC 1, PC 2

Data is normal, randomly distributed as well having almost equal variances based on the statistical test.

Analysis of Variance					
Source	DF	Adj SS	Adj MS	F-Value	P-Value
No Of Pater	1	51050	51049.6	14.55	0
Sales Growt	1	22133	22132.6	6.31	0.015
EPS	1	50191	50191.3	14.3	0
NPL	1	0	0	0	0.999
New Platfor	1	12261	12261.1	3.49	0.067
Organizatio	6	108936	18156	5.17	0
Error	51	178962	3509.1		
Lack-of-Fit	41	168878	4119	4.08	0.011
Pure Error	10	10084	1008.4		
Total	62	448973			

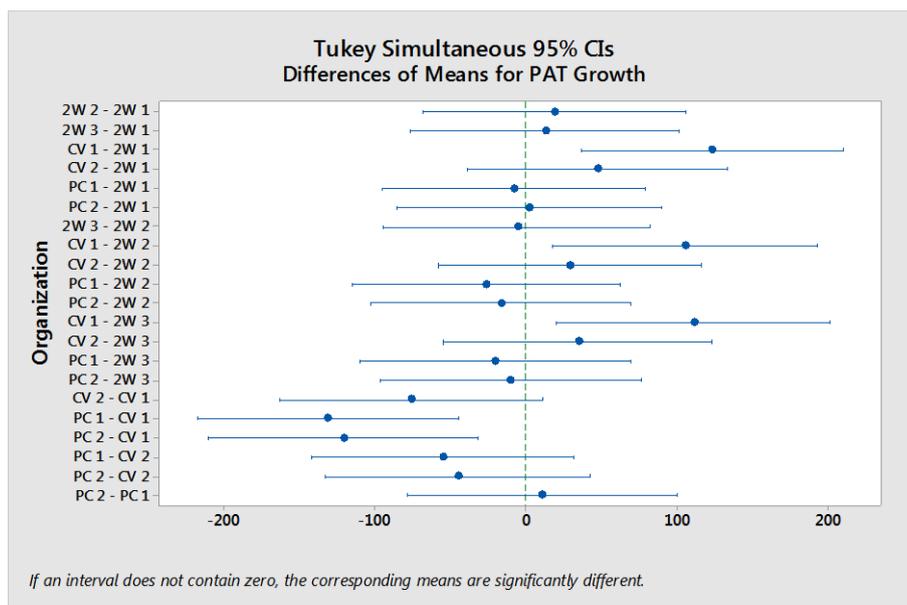
Model Summary			
S	R-sq	R-sq(adj)	R-sq(pred)
59.2373	60.14%	51.54%	39.27%

Organization’s profit is function of multiple factors like internal cost control, purchase strategy, supply chain, work methods in addition to innovation ability of organization. There are many external factors affect the organization profit so the mean residual value is acceptable for this study.

ANOVA model results indicates that organizational sustenance or profit is significantly influenced by no of patents, sales growth, EPS and New platform launches. It is important finding from this study that in order to have profits organization need to have strong innovation ability.

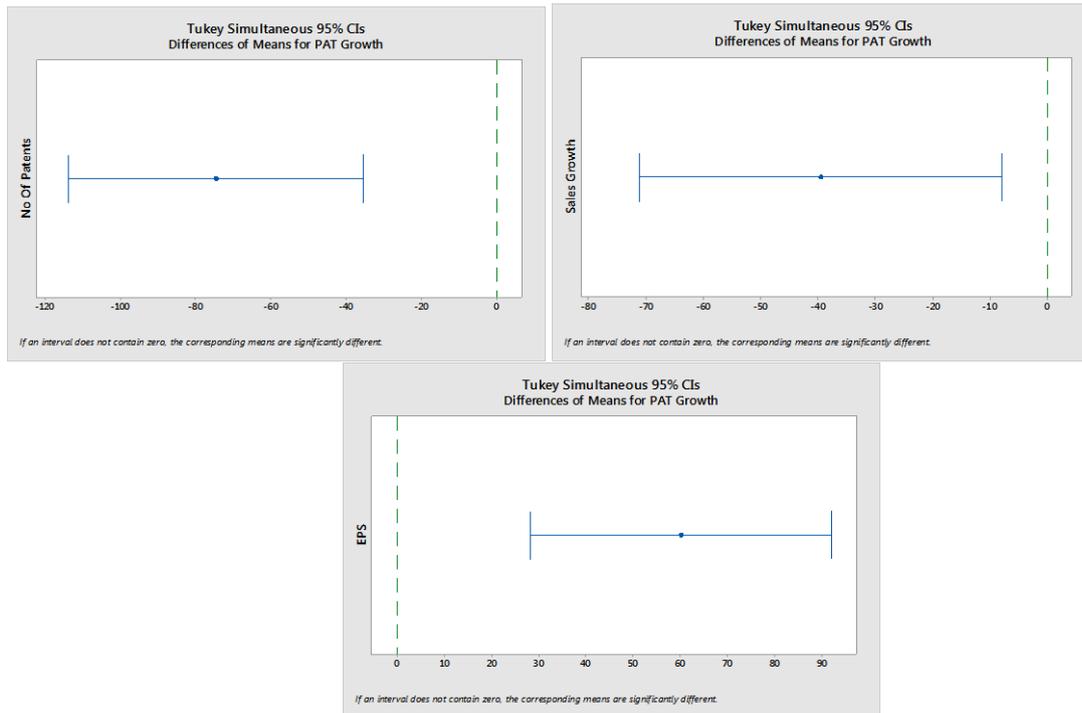
Tukey’s comparison test observed that there are significant differences in means between few organizations. This study is conducted on successful automotive organizations. It is natural to have differences in means of profits of these organizations as more matured that organization more easy or difficult for them to achieve same rate of profitability. In Indian automotive industry context 2W industry is hyper sensitive to price of the products and so it is sensitive to organizations profit. Organizations need to strike the balance between all their activities to achieve profitable growth (sustenance)

It is also observed that one of the sample company is stressed on profit during the study period, however, this organization successful over the period. However, Indian automobile industry study is incomplete with exclusion of this organization.



Graph 5: Difference of means of PAT growth of various samples organizations.

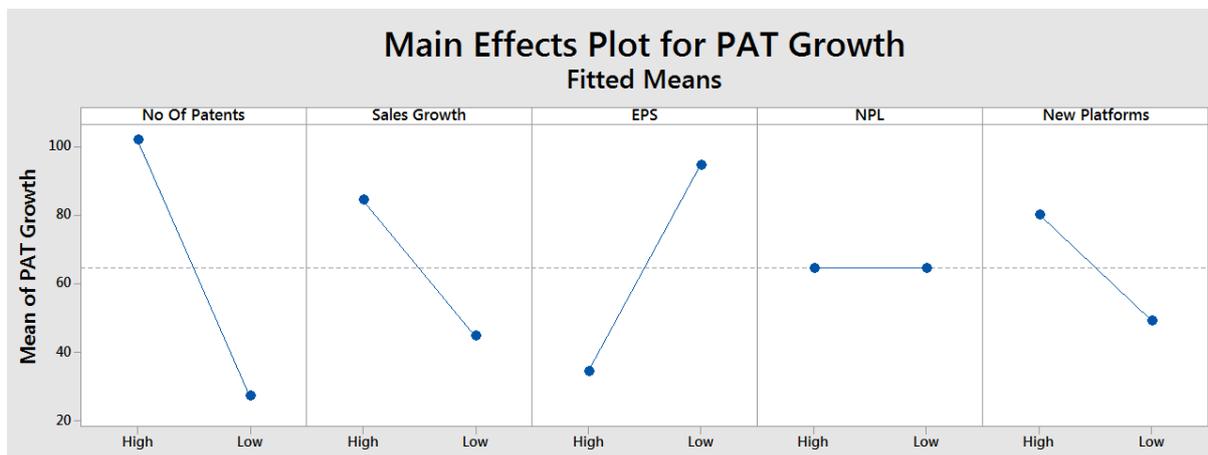
Individual factors comparison observed that No of patents, sales growth and Earning Per Share means are significantly different.



Graph 6: Difference of means of PAT growth for NPL and Sales Growth for samples organization.

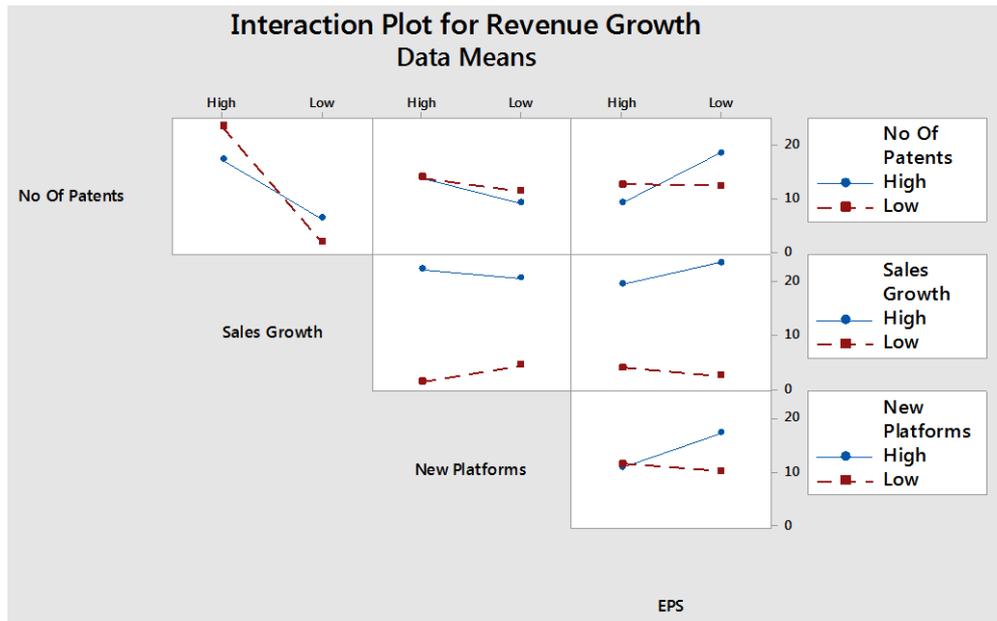
Main effect plot clearly reveals that No of patents, Sales growth and new platform launches are having positive effect of organization sustenance and new product launches are having no influence however, EPS is having negative influence on profitability or seems to is not a good indicator of profit / sustenance of organization.

It can be argued that EPS is response of internal factors and operation, and its impact on profit of the organization is not direct. EPS impact is not further analyzed considering its influenced on the organization profit, however, it is being part of study as it is one of the good indicator of organizational sustenance.



Graph 7: Main Effect plot of various factors on PAT growth of sample organizations

No of patents give competitive advantage to organizations and it reflects into profit or sustenance of organization. Similarly, new platform launches are having positive influence on profit of organization. Sales growth is having influence on both profit as well as growth of organization which is combined effect of innovation ability of organization and other initiatives by organization.



Graph 8: Interaction plot of various factors on PAT growth of sample organizations

Interaction of influencing factors observes the no patents, EPS and New platforms are having strong interaction. These factors need to be considered for profitable growth or sustenance of organization.

Indian automotive industry's key component is Auto Ancillary / component industry. Automotive OEM and automotive component manufacturers are having very close business association. Generally, automotive component manufacturing organization are development partners to OEMs and their new product development revenue data is not available separately. This study does not cover automotive component manufacturing organizations.

Profit earned by the organizations from their operation is good indicator of sustenance and ability of organization to grow. Stronger the profit and NPL co-relation more the ability of organization to sustain. Profit and New Platform Launches by the organization is having positive correlations based on analysis with exceptions. Revenue growth is having considerable variation within the companies, however, this revenue growth is highly influenced by pricing strategy, products mix in the market.

As the study is conducted for Indian market, the market forces and influencers are similar to all the operating organization. Irrespective of all the variables, it is evident from the study that there is strong correlation exists with revenue growth and new product launches of the organization.

Profit of each organization is function of internal operation management by the organization which includes complete value chain. It is difficult to directly correlate profit of organization to few factors like new product launch. However, for this study it is considered that organization doing its best and controls overall operation so that they could launch new platforms to market profitably to sales growth.

V. Other Key Findings Of Study

- Selected organizations are considered successful based on meeting selection criteria mentioned in this study. It is observed that successful organizations are having innovation as their core strategic agenda. They spent good amount of resources includes budget, human resource on R&D and their major focus is on frugal engineering.
- In case of OEM organizations 39% of total innovation effort initiatives are undertaken for building new offerings and products to market, whereas automotive component manufacturing companies undertakes only 14% of total innovation effort initiative for new product development and 32% of total innovation effort is being spent on acquiring superior work methods.
- Indian automotive end customers are responding to new products which are having value to their purpose and not only to new technology. Most of the new product launches in Indian automotive market are having good mix of affordability and new technologies.
- Successful companies are having profitable growth more than 10 % exception of some organization which are having very high growth with lower base (initial profit Vs current year).
- Successful automotive OEMs are partnering with successful automotive component manufacturing companies for innovation and development effort. This innovation synergies are helping for growth and sustenance of the organization.

- Customer value creation is collaborative function among automotive OEMs and automotive component manufacturing companies.
- It is also evident that even after strong pipeline of product launches into the market organization's revenue and profits can't grow unless it is supported by complete organization performance alignment.

VI. Conclusion

Sales growth is the key factor which is having strong positive correlation with organization growth (revenue) and sustenance (profit). However, sales growth is function of organizations many initiatives including new product launches, new platform creation as well competitive advantage because patent generation. This study reveals that to have maximum revenue growth organization must balance new product launches and sales growth influence. More number of new product launches may not yield maximum revenue growth. Profit growth (sustenance) is also highly influenced by sales growth, however, competitive advantage from patents generation of organizations are having positive correlation with profitable growth. New product launches do not affect or support organization profit growth. Additionally, new platform launches are having positive correlation to achieve optimum profit growth.

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